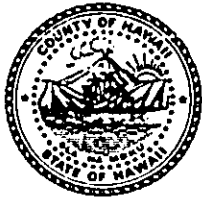


Stephen K. Yamashiro
Mayor



Kahaluu Beach Resort
Condominium

Virginia Goldstein
Director

Russell Kokubun
Deputy Director

December 3, 1997

County of Hawaii

RECEIVED

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-8742

'97 DEC 12 AM 11:34

Mr. Gary Gill, Director
Office of Environmental Quality Control
235 S. Beretania Street
State Office Tower
Suite 702
Honolulu, HI 96813

OFFICE OF ENVIRONMENTAL
QUALITY CONTROL

Dear Mr. Gill:


Final Environmental Assessment and Finding of No Significant Impact (FONSI)
for the Development of the Proposed 27-unit Kahalu'u Beach Resort Condominium
TMK: 7-8-14: 86 and 87; Kahalu'u, North Kona, Hawaii

Pursuant to Section 11-200-11.2(a) of Title 11, Chapter 200, Hawaii Administrative Rules regarding Environmental Impact Statements, please find enclosed four (4) copies of a Final Environmental Assessment, publication form and summary diskette for the above-described project for publication in the December 23, 1997, edition of The Environmental Notice.

We have carefully reviewed the comments received on the Draft EA for the subject project during the 30-day public review period which began on June 23, 1997, and have determined that this project will have no significant environmental effect. We are hereby issuing a Finding of No Significant Impact (FONSI) for the proposed condominium development for the reasons as detailed within the final environmental assessment.

Please contact Daryn Arai of this office should you have any questions regarding this submittal.

Sincerely,


for VIRGINIA GOLDSTEIN
Planning Director

DSA:cjf
f:\wp60\ezm\Ch343\LKahsl04.usa

Attachments (4 copies of FEA, publication form & diskette)

124

xc: Mr. Scott Church
Kahalu'u Beach Partnership
78-6980 Kaluna Street #13 @ Villas
Kailua-Kona, HI 96740

Mr. Robert Nesor, AIA
P.O. Box 9003
Kailua-Kona, HI 96745

West Hawaii Office w/1 copy of FEA

1998-01-08-HI-FEA-Kahaluu **FILE COPY** JAN - 8 1998
Beach Resort Condominium

F I N A L
ENVIRONMENTAL ASSESSMENT

**KAHALU'U BEACH RESORT
CONDOMINIUM PROJECT**

T.M.K. : 7-8-14:86 & 87

Prepared for
KAHALU'U BEACH PARTNERSHIP
78-6980 Kaluna St. #113 @ Villas
Kailua-Kona, HI. 96740

By
ROBERT G. NESPOR, AIA
P.O. Box 9003
Kailua-Kona, HI. 96745-9003

December 1, 1997

FINAL ENVIRONMENTAL ASSESSMENT

GENERAL INFORMATION

NAME OF PROJECT: KAHALU'U BEACH RESORT
27 Unit Resort Condominium

APPLICANT: KAHALU'U BEACH PARTNERSHIP
78-6980 Kaluna St. #113 @ Villas
Kailua-Kona, HI. 96740
Telephone (808) 322-4132

APPROVING AGENCY: VIRGINIA K. GOLDSTEIN, Planning Director
County of Hawaii
25 Aupuni St.
Hilo, HI. 96720

ENVIRONMENTAL ASSESSMENT PREPARED BY:

ROBERT G. NESPOR, AIA
P.O. Box 9003
Kailua-Kona, HI. 96745-9003
Telephone (808) 322-0000

AGENCIES CONSULTED:

COUNTY: PLANNING DEPARTMENT
DEPARTMENT OF PUBLIC WORKS
DEPARTMENT OF WATER SUPPLY

STATE: DEPARTMENT OF LAND & NATURAL RESOURCES
OFFICE OF HAWAIIAN AFFAIRS

GENERAL: SEE EXHIBIT A

Kahalu'u Beach Partnership, a Hawaii General Partnership, is seeking to develop a Multi-Family Resort Condominium Project on land in Kailua-Kona, Makole'a Subdivision, Lots 1 and 2 (consolidation tentatively approved - see EXHIBIT B, letter attached), at Kahalu'u, North Kona, Hawaii, as presently identified by TMK 7-8-14:86 and 87.

The Project Site is a 33,966 square foot Fee Simple Property owned by Kahalu'u Beach Partnership.

Kahalu'u Beach Partnership proposes to construct a 3 story building, approximately 37 feet high, consisting of approximately 27 one bedroom dwelling units, and a one story accessory building for uses associated with the operation of a Resort Property. Equipment and utility facilities are proposed.

A swimming pool, sun deck, BBQ's and other outdoor activities are within the Resort. The grounds will be landscaped with lawn areas and indigenous plants while major trees will integrate the Project to the neighborhood by using coconut trees, similar to those across Ali'i Drive at Kahalu'u Beach Park, and spreading canopy trees, similar to the grove of trees at Kona Botanical Gardens and Cultural Park located adjacent to the south. The Hawaiiana style building with historic colors, plantation roofs, along with lava rock walls will compliment the neighborhood. Approximately 33% of the Site is landscaped, exceeding the 25% minimum requirement.

The Plan proposes approximately 36 parking stalls and complies with the County of Hawaii parking requirements. The paved parking area is shaded by large canopy type trees.

The Applicant will construct off-site improvements, such as County standard curbs, gutters and sidewalks, as well as placing existing overhead electrical lines underground along Makole'a Street fronting the Property.

LOCATION: SEE EXHIBIT C

The Project Site is located at the southeast corner of Ali'i Drive and Makole'a Street intersection, across the street (mauka) from Kahalu'u Beach Park (Open Zone Designation-O), The Keauhou Beach Hotel and the Kona Lagoon Hotel are located across Ali'i Drive and to the South of Subject Property, along with numerous Condominium and the Kona Coast timeshare condominium further south.

Residential and residential bed and breakfast properties are located to the north of Subject Property on Ali'i Drive.

There is a 5ft. road widening Setback along Alii Drive. All Setback Requirements of the County will be complied with.

Keauhou Shopping Center is located approximately 3/4 of a mile to the south at the intersection of Ali'i Drive and Kamehameha III Road.

Two golf courses are in the area to the south of Subject Site.

On Makole'a Street, to the east of Subject Property, are several existing multi-family condominium developments, and several vacant properties zoned Resort, Designation-V including a state housing project. Further east and adjacent to the proposed Ali'i Highway are properties zoned multi-family residential designation RM-3, and single-family residential, designation RS 7.5.

LAND USE DESIGNATIONS:

The Project Site is located in an area designated "Urban" for uses such as resort developments, residential and commercial activities.

Previous Owners of the Site had proposed a zoning change to the Subject Property to allow a Circle K convenience store and a gas station. However, the change of zone was denied.

The County General Plan designates the area for Medium Density Urban Development. In addition, the General Plan document describes the general area to be part of the Keauhou-Kahalu'u Major Resort Destination Area.

HAWAII COUNTY ZONING

The Project Site is located within the designated area zoned V1.25 Resort Hotel, allowing One Unit per 1,250 square feet of land area. The Project Site has 33,966 square feet of land area, allowing 27.17 Units. The Development proposes 27 Units.

Resort Hotel zoning allows Hotels, Resorts, Resort Motels, Single Family Residential, Multi-Family Residential Dwellings, Time Share Units, Accessory Commercial Uses when subordinate to and located in a Hotel or Main Resort, Parking Lots, Offices, Information Centers, and other uses the Director determines to be necessary to the proper functioning of a Resort Area.

The Applicant's proposed uses are allowed under the existing Resort zoning.

SPECIAL MANAGEMENT AREA (SMA)

The property is situated within the Special Management Area (SMA), established pursuant to Chapter 205A, Hawaii Revised Statutes. This area SMA currently extends from the shoreline to Kuakini Highway. However, on March 20, 1997, the Hawaii County Planning Commission voted to amend the SMA boundary to follow along the makai (western) edge of Alii Drive. This amended boundary will become effective ten (10) days after filing of the revised SMA Boundary Maps with the Office of the County Clerk.

KAHALU'U HISTORIC DISTRICT

The Project Site is located within the designated Kahalu'u Historic District, Site No. 50-10-37-4150, which is on the National Register of Historic Places. Numerous Archaeological findings have been identified within the District.

The Makole'a Trail is located on the adjacent property to the south of the Project Site. It's distance from Subject Site varies approximately 30 to 60 feet from its' south property line. During construction, the Applicant will erect a brightly colored physical barrier that would prevent inadvertent construction activities from damaging the Trail or any portion of the adjacent property on which it is located. The Project proposes a 6 foot high rock wall that would permanently prevent Resort activities from encroaching onto the Trail.

The Great Wall of Kuakini is located approximately 150 feet to the east of the Project Site, and east of the adjacent 32 unit condominium development existing between the Great Wall and the Applicants' Site.

On September 23, 1986, an Archaeological Reconnaissance Survey of the Subject Site was performed by consulting Archaeologist, Paul Rosendahl, Ph. D. as part of an SMA application by Circle K, a previous Owner of Subject Property. His report, published in October of 1986 indicated that the Archaeological remains identified within the Project Site are of minimal significance in terms of potential scientific research, interpretive, and/or cultural value. Data recovered from the Site, at the time, constituted a sufficient recovery of Archaeological data present. No additional Archaeological field work or research was believed to be necessary by Paul Rosendahl. SEE EXHIBIT D.

On January 20, 1995 a Site inspection of the Subject Parcel was made by the State of Hawaii Department of Land and Natural Resources Historic Preservation Division Staff Archaeologist, Marc Smith at the request of the prior owner of the Property, William Wilton. See attached EXHIBIT E (DOC No: 9504 ms 08). The Inspection Report identifies the collapsed remains of a historic house and what appears to be a community rubbish dump on Parcel #6. No other structures or features were noted in the Subject Parcels.

In his Report, Archaeologist, Marc Smith noted that, across Makole'a Street, on TMK 7-8-14:47, a lava tube containing stacked stone features and human remains has been recorded. Although the lava tube was never mapped, there is a possibility that the tube may run under Makole'a Street toward the two Subject Parcels. The Applicant agrees to Marc Smith's request to immediately contact the Historic Preservation Division Office if a lava tube is encountered during grubbing or grading work on the Subject Parcels.

The above mentioned Archeological Reconnaissance Surveys, of 1986 and 1995, have not revealed any significant archaeological finding within the Project boundaries. Both surveys have noted evidence of the Property being previously bulldozed.

Subsequent to Marc Smith's inspection of January 20, 1995, the prior Owner of the Subject Property has placed additional dirt and rock material on the Parcels. The incidental material placed on the Site was not compacted for the purpose of construction. Rather, it was incidental to the Public Works Project along Ali'i Drive in support of its parking needs. Additional grubbing and grading operations on the Site will not commence without the necessary approvals and conditions of the State and County Agencies having jurisdiction in the matter.

Although no impacts to archaeological resources are anticipated, in the event grubbing or grading operations encounter archaeological remains, including relics, cultural sites, petroglyphs, or human remains, the work shall immediately stop and the Historic Preservation Division Office will be notified.

PROPOSED LAND USE AND SURROUNDING LAND USE SEE EXHIBIT F

The Applicant proposes to develop a condominium Resort on Property presently zoned for Resort use, V-1.25 Resort-Hotel. The Applicant proposes only uses allowed by V-1.25 zoning. Therefore, a change of zoning is not a part of this Application.

The area in the vicinity of the proposed Project consists of several zoning designations, including Resort-Hotel (V), Residential-Multiple Family (RM), Residential-Single Family (RS), Commercial (CN), Open (O), and Undeveloped.

The adjacent properties and properties in the immediate area surrounding the Subject Property are zoned Resort-Hotel (V).

East of the Project, and within the (V) zoning, on Makole'a Street, exists several condominiums and a State Housing Project. Further east on Makole'a Street are properties zoned RM and RS. The area east of the proposed Ali'i Highway is Unplanned.

Immediately adjacent and south of the Project, and within the (V) zoning, exists the Kona Botanical Gardens and Cultural Park. Across Ali'i Drive to the immediate south exists the Keauhou Beach Hotel and the Kona Lagoon Hotel. Further south are numerous condominium properties (RM), Keauhou Shopping Center (CN) and two golf courses (O).

To the west, across Ali'i Drive, exists Kahalu'u Beach Park (O).

North of the Project Site, across Makole'a Street, exists a small cemetery owned by Heilani Church. Further north, and within the Resort-Hotel (V) zoning, are numerous residential and bed and breakfast properties.

ENVIRONMENTAL:

THE SITE has a gradual slope up from Ali'i Drive, elevation 16 feet Mean Sea Level (MSL), to an elevation of 44 feet MSL, on Makole'a Street. The average slope is approximately 10% West to East, and an average slope of 6% from the northwest corner to the southeast corner.

THE FLOOD INSURANCE RATE MAP (FIRM) designates the subject property to be within the X zone designation, ie: The Project Site is out of the 500 Year Flood Zone.

The Subject Property is not located within a designated Coastal Hazard Zone. The lowest habitable floor level proposed for the Project is approximately 25 ft. above MSL.

Surface drainage generated from the Projects pavement and roofs will be directed into dry wells on the site that are designed to accommodate a 10 year storm design flow.

Makole'a Street has existing surface drainage systems incorporated into its original construction. Additional drainage measures are anticipated by the applicant to be incorporated into off site improvements along Ali'i Drive and Makole'a Street.

SOILS found in the area are classified by the U.S. Department of Agriculture, Soils Conservation Service as Punalu'u Series. This classification is typified by well drained, thin organic soils over pahoehoe bedrock. The peat layer is rapidly permeable. The pahoehoe is very slowly permeable, although water moves rapidly through the cracks.

FLORA presently existing on the subject property is sparse, consisting of one Monkey Pod tree, (Samanea Saman), Koa-Haole (Leucaena Leucocephala), Castor Bean (Ricinus Communis) and various weeds. There are no known endangered plant species on the subject property. The Applicant intends to install indigenous landscape material visually compatible with the coconut grove at Kahalu'u Beach Park and the adjacent Monkey Pod grove to the south of Subject Property. The proposed Landscaping may increase the amount of bird habitat opportunities for the resident and migratory birds.

FAUNA species known in the area are not of the endangered classification. Construction of the proposed Project will not displace any species from the area.

OPEN SPACE impacted by the proposed Project is mitigated to the extent that portions of the building structure are set back from Ali'i Drive and Makole'a Street by the required 20 foot minimum front yard setback, and as a result of the askew juxtaposition of the structure, much of the front and side yards exceed the minimum requirements. A distance of 164 feet to the nearest residential condominium structure, to the East of the subject structure, is proposed. In addition, the proposed 3 story height of the structure is approximately 37 feet high. A 45 foot height limit is imposed by County zoning within V, Resort Hotel.

The ground footprint ratio of Building to land area is approximately 23%. Therefore; 77% of the Site remains open, consisting of 32% Landscape area, 33% parking, and 12% pool, sidewalks and miscellaneous.

The visual/aesthetic impact, mauka of the coastal roadway of Ali'i Drive and within the Kahalu'u Historic District is addressed by the Projects Hawaiiana Architectural Theme, consisting of rock walls, small scale proportioned roof lines and Historic Colors similar to Hulihe'e Palace, ie: green roof, tan exterior / white trim and windows.

NOISE LEVELS in the area of the Project Site are considered to be minimal, an average day/night level of 55 Ldn or less. During construction, the average noise level will increase due to construction activities including the presence of heavy equipment and trucks.

INFRASTRUCTURE:

WATER is presently available to the Project via an 8 inch water line along Makole'a Street. The line originates from Keauhou, mauka of the Project Site. A new 12 inch waterline replacing a 4 inch line is presently being planned for Ali'i Drive. Construction of the waterline is expected to be completed in 1997.

The Applicant is expected to pay the County of Hawaii Water Department a Capitol Assessment Fee of \$500 per unit and a Facilities Charge of \$2700 per unit.

FIRE PROTECTION is provide by an existing fire hydrant located 60 feet east of the Project Site, on the same side of Makole'a Street.

The area is presently being served by the County of Hawaii Fire Department at Palani Road and Queen Kaahumanu Highway, approximately 7 miles north of the Project Site. A new Fire Station approximately 4.3 miles south of the Project Site is currently under construction on Kuakini Highway and scheduled to be completed in 1997.

ELECTRICAL and TELEPHONE service exist on Ali'i Drive and Makole'a Street in front of the Project Site. The applicant intends to relocate the existing overhead electrical / telephone lines along Makole'a Street to underground.

SEWER facilities fronting the Project Site consist of a 10 inch sewer main along Ali'i Drive which feeds into the sewage treatment plant at Keauhou. The Project will contribute monthly sewer fees for each of the 27 units connected.

ROADS: Ali'i Drive is the primary two lane road (50 ft. right of way) providing north/south bound traffic along the coastline between Kailua-Kona and the Keauhou Resort Area and fronts the Project Site at the intersection of Makole'a Street (60 ft. right of way). Kuakini Highway provides north/south bound traffic between Kailua-Kona and to points south of the Keauhou Resort Area. Kamehameha III Road connects east/west bound traffic between Ali'i Drive and Kuakini Highway.

The proposed Ali'i Highway Project, when completed, will provide an efficient north/south traffic corridor parallel with Kuakini Highway and Ali'i Drive and generally relieve traffic on each of the roadways. Numerous east/west connector roads will link Ali'i Drive with the Ali'i Highway providing improved access to Ali'i Drive properties as well as providing safer emergency exiting from coastal hazards such as tsunamis.

Makole'a Street (60 ft. right of way) has been considered for an east/west connector road between Ali'i Drive and the Ali'i Highway, however, Historic Sites within the area may preclude that link. If Makole'a Street does not link with the Ali'i Highway, its sole purpose would be to access the properties now fronting it, including the Project Site. If Makole'a Street becomes a connector road, a significant increase in traffic would occur at the present intersection of Ali'i Drive. In either case, the proposed Project would have a minimal impact to the intersection.

The Project Site will access from Makole'a Street approximately 200 feet east of the Ali'i Drive intersection. The driveway will have a cross slope of approximately 10%.

The Applicant anticipates making off site improvements to the Ali'i Drive and Makole'a Street right of ways fronting the Site as a condition of County Plan approval, including County Standard curbs, gutters, sidewalks, planter medians, roadway pavement widening, painted crosswalks, handicapped accessible curb ramps, street lighting, and drainage components. Roadway improvements will be coordinated with underground electrical/telephone services revisions desired by the applicant.

The roadway improvements will consider the bicycle safety lane designated along the mauka side of Ali'i Drive.

The bus stop for elementary school children residing in the area is located at the northeast corner of the Ali'i Drive/ Makole'a Street intersection. The bus stop for Konawaena High School students is located on the west side of Ali'i Drive.

ECONOMIC:

The economic development of West Hawaii and the State economy will be supported by the Project. The major long-term benefit will occur from the increased tourism generated by the Project by creating new employment and business opportunities. Short term benefits will be derived from increased construction employment. Secondary economic benefits will increase the non-tourism related business and employment sectors. The Keauhou Resort Area has demonstrated the viability of Time Share Condominium development.

In 1996, the number of tourists visiting the Kona area totaled 769,710 west bound visitors and 261,840 east bound visitors.

The total construction cost of the Project is estimated to be \$4,000,000, including land cost, off site improvements to the Hawaii County infrastructure, structures, landscape, furnishings, fixtures and equipment.

The Project is expected to employ approximately 5 to 7 people.

SOCIAL:

According to the 1990 Census, the population of North Kona was 22,284. The current estimate for 1995 is 25,491. The largest population growth in the past decades is a result of Visitor Industry Development along the Urban Coastal Areas, while the rural agricultural population has remained on the sloping terrain of Hualalai mountain.

The Keauhou Resort Area is expected to grow in population due to it's proximity to existing commercial and public services.

SUMMARY OF THE AFFECTED ENVIRONMENT:

The project area is currently being developed for Visitor Industry purposes and urban development. The proposed Project is consistent with the planned use of the area and would not change the impact to the environment already anticipated. There are no endangered fauna or critical habitats associated with the Project area.

The Project Site has been surveyed by the State of Hawaii Department of Land and Natural Resources Historical Preservation Division twice in recent years. Both reconnaissance surveys have noted that some grading and placing of fill has occurred on the subject site.

Further reconnaissance is not expected to discover Archaeological findings although attention during the grubbing and grading operations of construction should be given to the possibility of lava tubes containing burial sites or cultural relics that may exist below the surface. The discovery of any possible Archaeological items requires that the grading operations immediately cease and the State Of Hawaii Department of Historic Preservation Division be notified.

REQUIRED PERMITS AND APPROVALS:

The following is a list of the required permits and approvals that would be required to implement this project:

1. Final Plan Approval
2. Building Electrical and Plumbing Permits
3. Special Management Area Use Permit (this permit will not be required upon adoption of the revised SMA Boundary Maps for this area.)
4. Grading Permit
5. Permit to Construction in County Right-of-Way

CO-ORDINATION:

Copies of Public comments on the Draft Environmental Assessment, dated May 14, 1997, and responses thereto are included in Exhibit G.

SUMMARY OF MAJOR IMPACTS:

SHORT TERM impacts will be limited to impacts related to the construction of the proposed Project and the areas infrastructure.

LONG TERM impacts include:

Air Quality: No significant impact to air quality is expected.

Water Quality: No significant impact to water quality is expected.

Noise Quality: No significant noise impact is expected.

Traffic: There may be a slight increase in the traffic resulting from the proposed Project.

Archaeology: No Archeological sites remain on the Site, however, the possibility of lava tubes existing below the surface conditions can not be ruled out at this time. In order to address potential impacts of lava tubes that may be discovered during construction, Kahalu'u Beach Partnership is committed to comply with the following:

1. Should a lava tube be encountered during construction activity, work shall immediately cease and the lava tube shall be protected from further damage. The SHPD and the County Planning Dept shall be contacted immediately to conduct a field investigation to determine if historic sites are present and if so, the significance of those sites. Subsequent work shall proceed upon an archaeological clearance from SHPD when SHPD finds that sufficient mitigative measures have been taken.
2. That a construction barrier shall be placed along the property boundary adjacent to historic Makole'a trail to ensure there is no inadvertent damage to the trail during construction activity.

Agricultural Resources: The Project Site is not of sufficient size for viable agricultural purposes nor does the present County zoning allow such activity.

Flora: No significant impact on the flora quality is expected.

Fauna: No significant impact on the fauna is expected.

Open Space: No significant impact on the open space is expected.

Drainage and Flooding: The Project Site is not within the 500 year flood plain boundary. Any increase in run off resulting the Project will be contained on site; therefore, no adverse impacts are anticipated.

ALTERNATIVES CONSIDERED:

There are no reasonable alternates to the proposed Project as the present zoning is consistent with the zoning and land use in the area.

DETERMINATION:

The proposed Project is not expected to cause significant impacts to the environment. Therefore a finding of NO SIGNIFICANT IMPACT has been made.

FINDINGS AND REASONS FOR SUPPORTING DETERMINATION:

1. *The proposed Project will not involve an irrevocable commitment to loss or destruction to any natural or cultural resource. The areas to be affected by the proposed project has been extensively disturbed by past construction activity. Furthermore, an archaeological survey of the subject area have not revealed any significant sites or features.*
2. *The proposed Project will not curtail the range of beneficial uses of the environment. The subject area is designated for resort uses by the Hawaii County Zoning Code. The proposed multifamily condominium project is consistent with these planned uses and therefore will not curtail the range of beneficial uses of this or surrounding areas.*
3. *The proposed Project will not conflict with the State or County's long term policies. The State's long term environmental policies are set forth in Chapter 344, HRS. The broad goals of this policy are to conserve natural resources and enhance the quality of life. A number of specific guidelines support these goals. No aspect of the project conflicts with these guidelines.*
4. *The proposed Project will not substantially affect the economic or social welfare of the community or State. The proposed project is within an area designated for resort uses by the County and State. The project will create residential opportunities for residents and visitors as well as increased job opportunities through both the construction and operation of the project. This will result in increased tax revenues to both the County and State of Hawaii.*
5. *The proposed project does not substantially affect health in any detrimental way. The proposed project will not have any substantial impact on public health.*

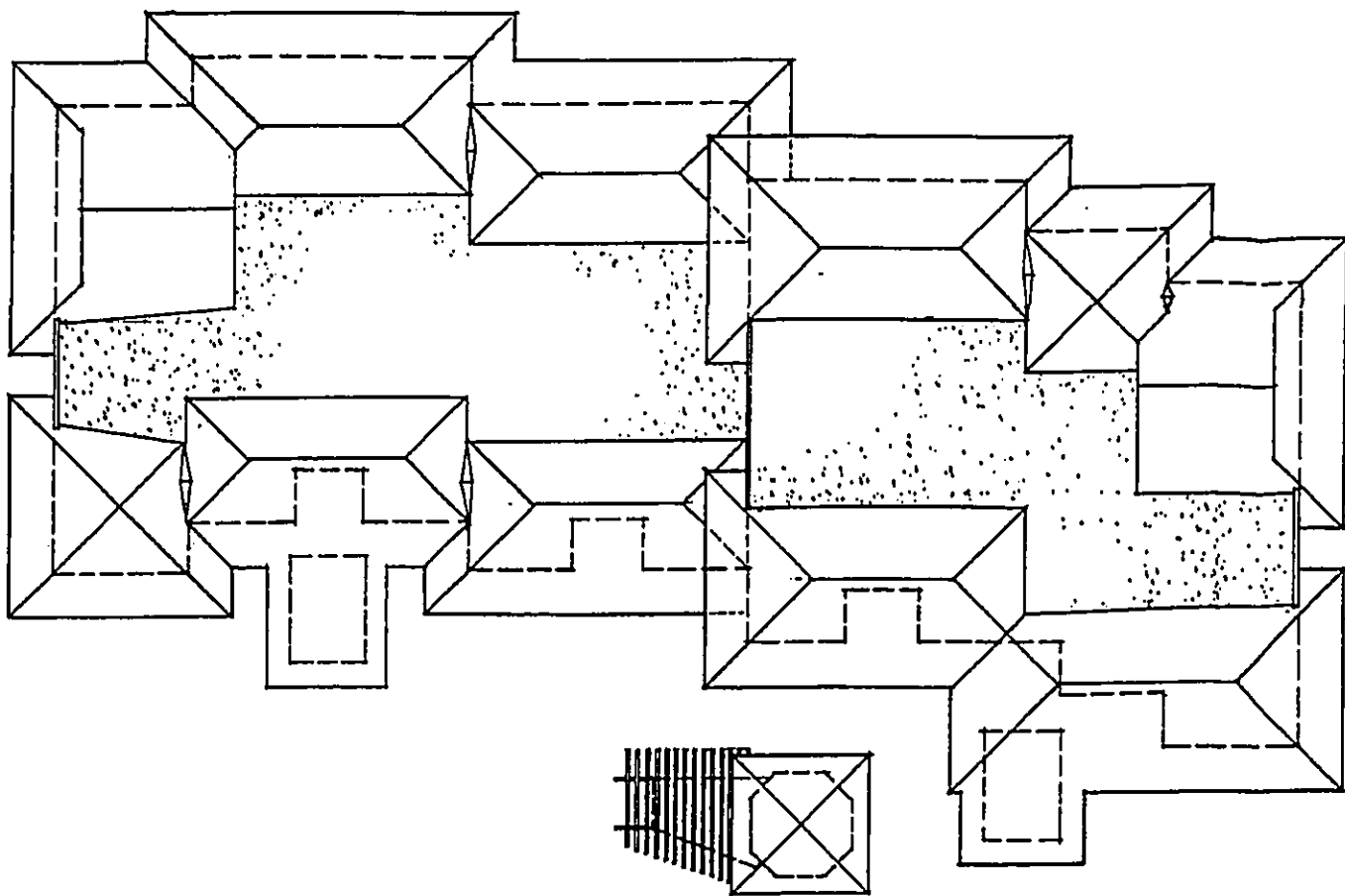
7. *The proposed project will not involve a substantial degradation of environmental quality.* The project would not contribute to environmental degradation.
8. *The proposed Project will not adversely affect any rare, threatened or endangered species of flora or fauna or habitat.* No rare, threatened or endangered species of flora or fauna are known to exist in the Project Site.
9. *The proposed project is not one which is individually limited but cumulatively may have considerable effect upon the environment or involves a commitment for larger actions.* The proposed multifamily condominium project will not result in a commitment for further action.
10. *The proposed Project will not detrimentally affect air or water quality or ambient noise levels.* The proposed project will result in only minor and temporary impacts to noise and air quality during construction. No impacts to water quality are expected.
11. *The proposed Project does not affect an environmental sensitive area such as a flood plain, tsunami zone, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal area.* The project site is located on the mauka side of Alii Drive, approximately 400 feet from the shoreline. The site is not located in a flood plain or coastal hazard zone. There are no environmentally sensitive areas associated with the project site.

For the reasons above, the proposed Project will not have any significant effect in the context of Chapter 343, Hawaii Revised Statutes, and Section 11-200-12 of the State Administrative Rules.

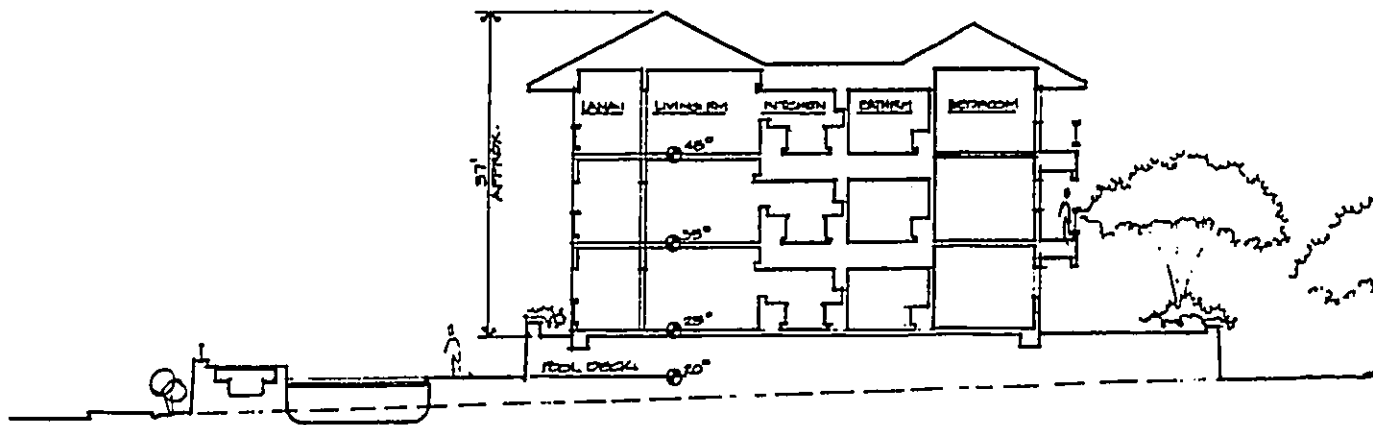
EXHIBIT 'A'

KAHALU'U BEACH PARTNERSHIP
FINAL
ENVIRONMENTAL
ASSESSMENT

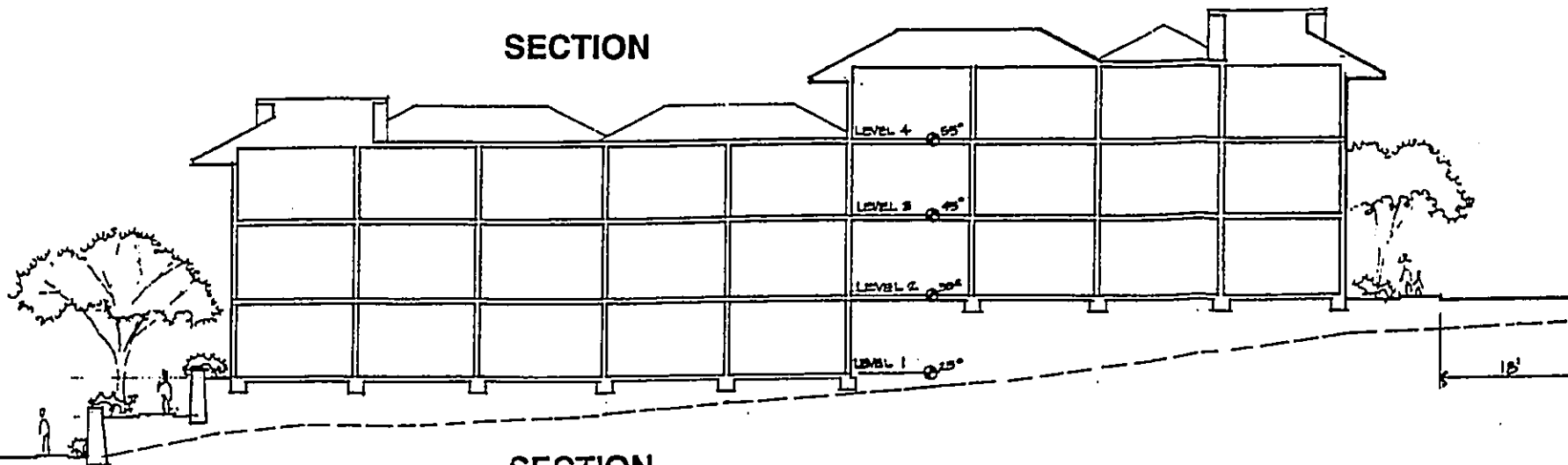
CONCEPTUAL PLANS



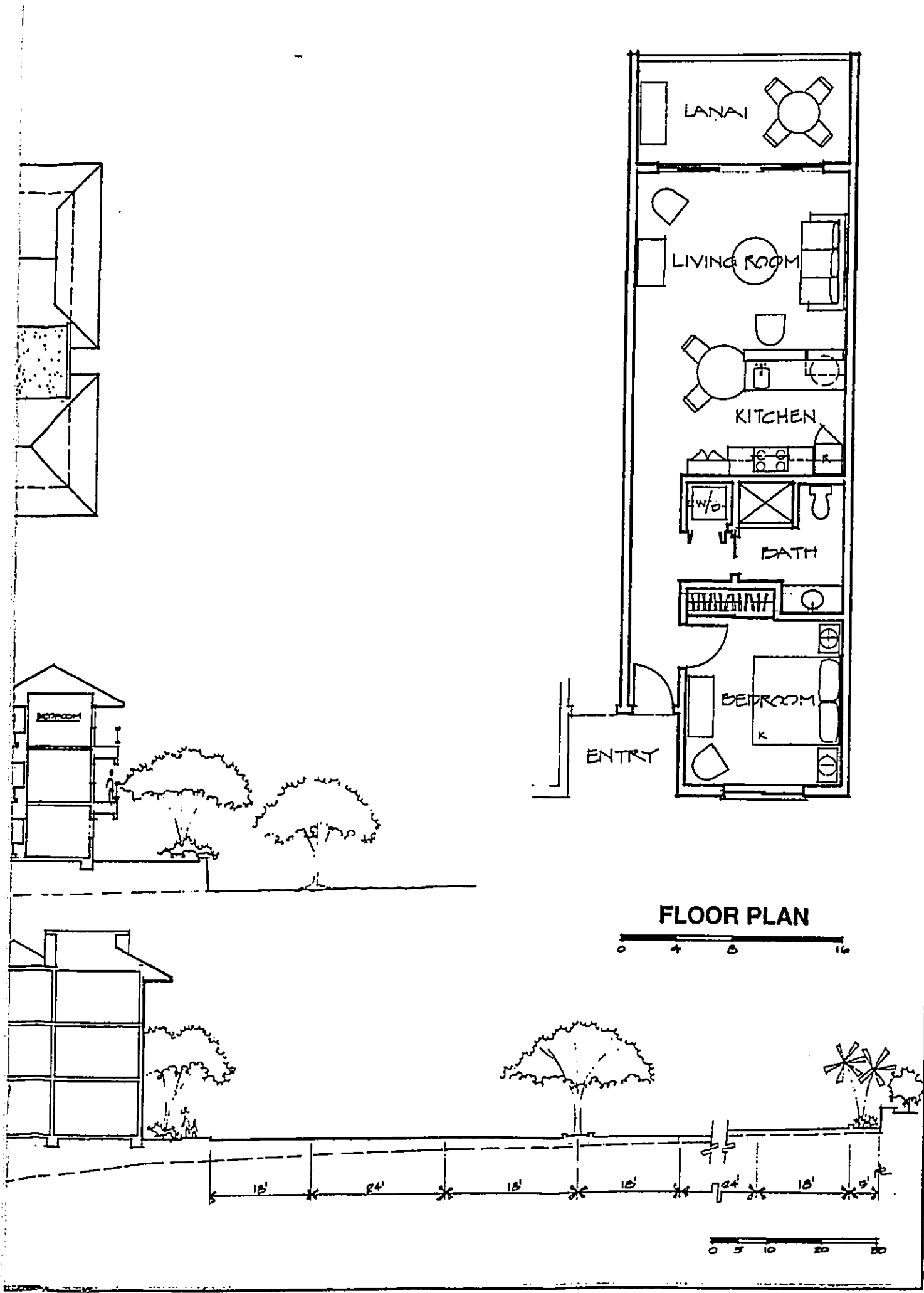
ROOF PLAN



SECTION

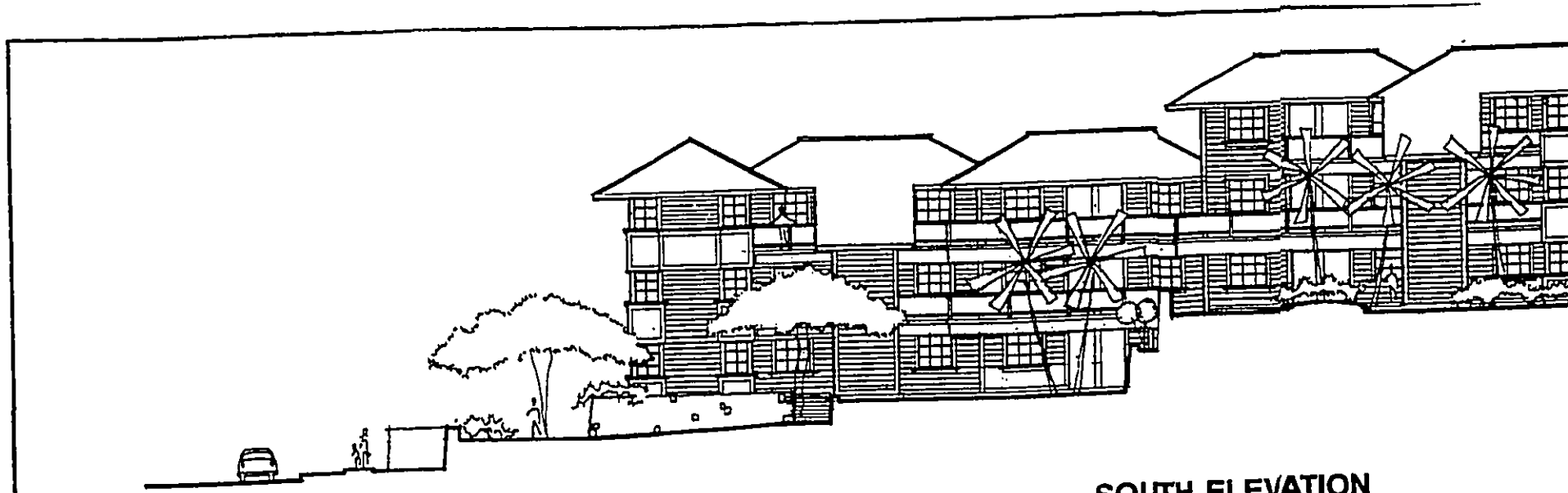


SECTION



FLOOR PLAN

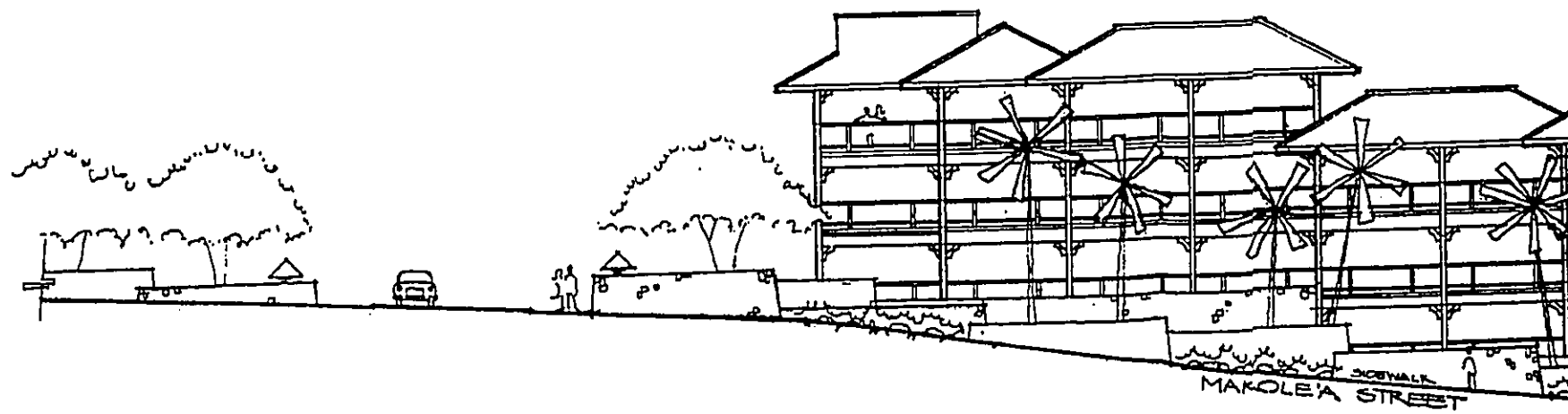
<p>DATE: 5-5-97 DRAWN: [Signature] CHECKED: [Signature] NO: 103 SHEET: 3</p>	<p>ROBERT NESPOR, ARCHITECT AIA POST OFFICE BOX D, KAHALUUA-HONA, HAWAII (808) 322-0000 FAX 322-FA00</p>	<p>PROPOSED PROJECT: MULTI FAMILY RESORT CONDOMINIUM KAHALUUA BEACH PARTNERSHIP MAKOLEA SUBDIVISION, LOTS 1 & 2 AT KAHALUUA, NORTH KONA ISLAND AND COUNTY OF HAWAII T.M.K.: 7-8-14-88 & 87</p>	<p>EXHIBIT 'A' ENVIRONMENTAL ASSESSMENT</p>
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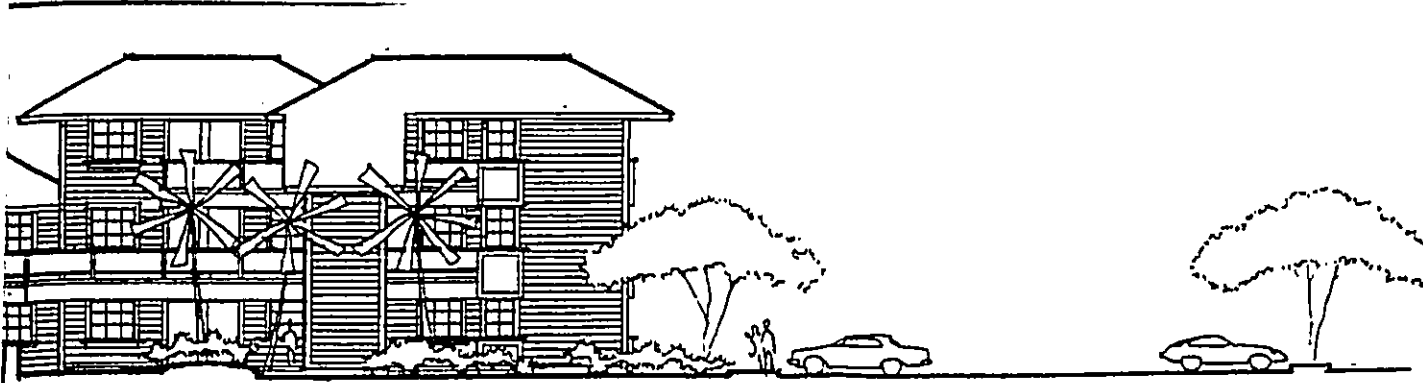
SOUTH ELEVATION



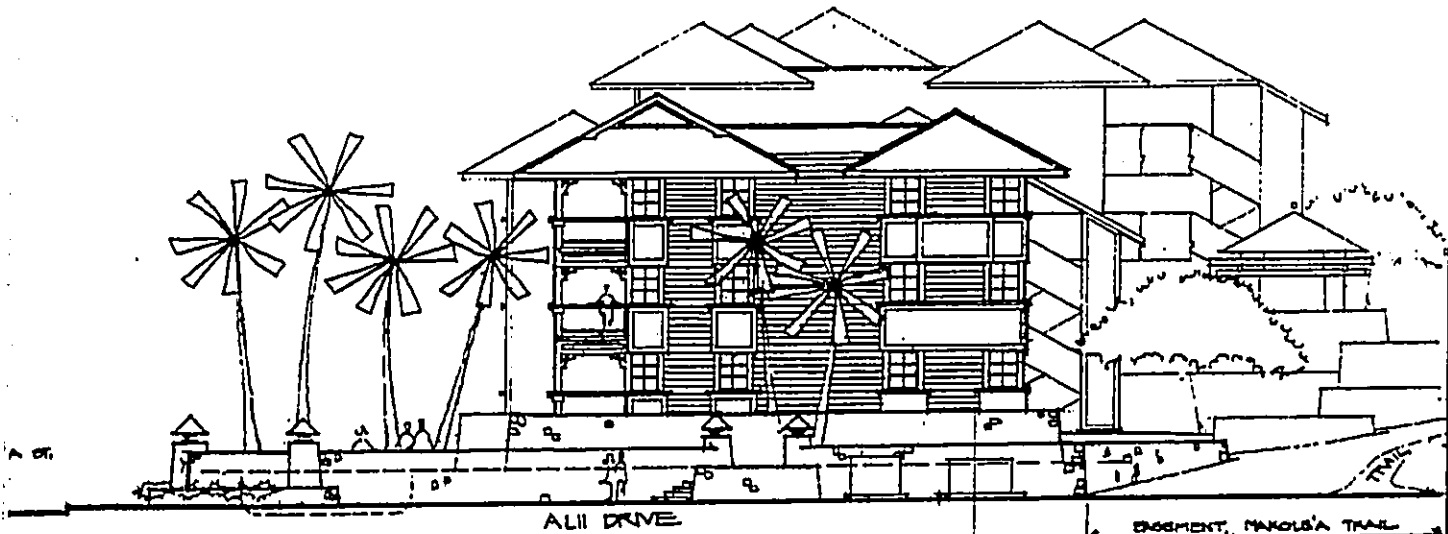
EAST ELEVATION



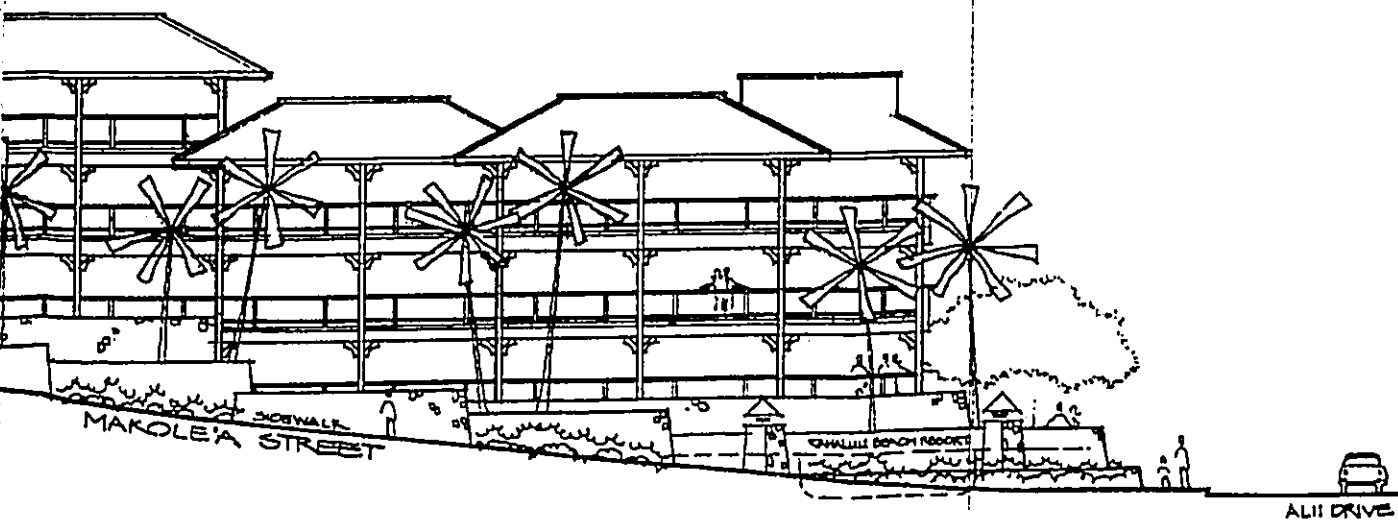
NORTH ELEVATION



EAST ELEVATION



WEST ELEVATION



SOUTH ELEVATION

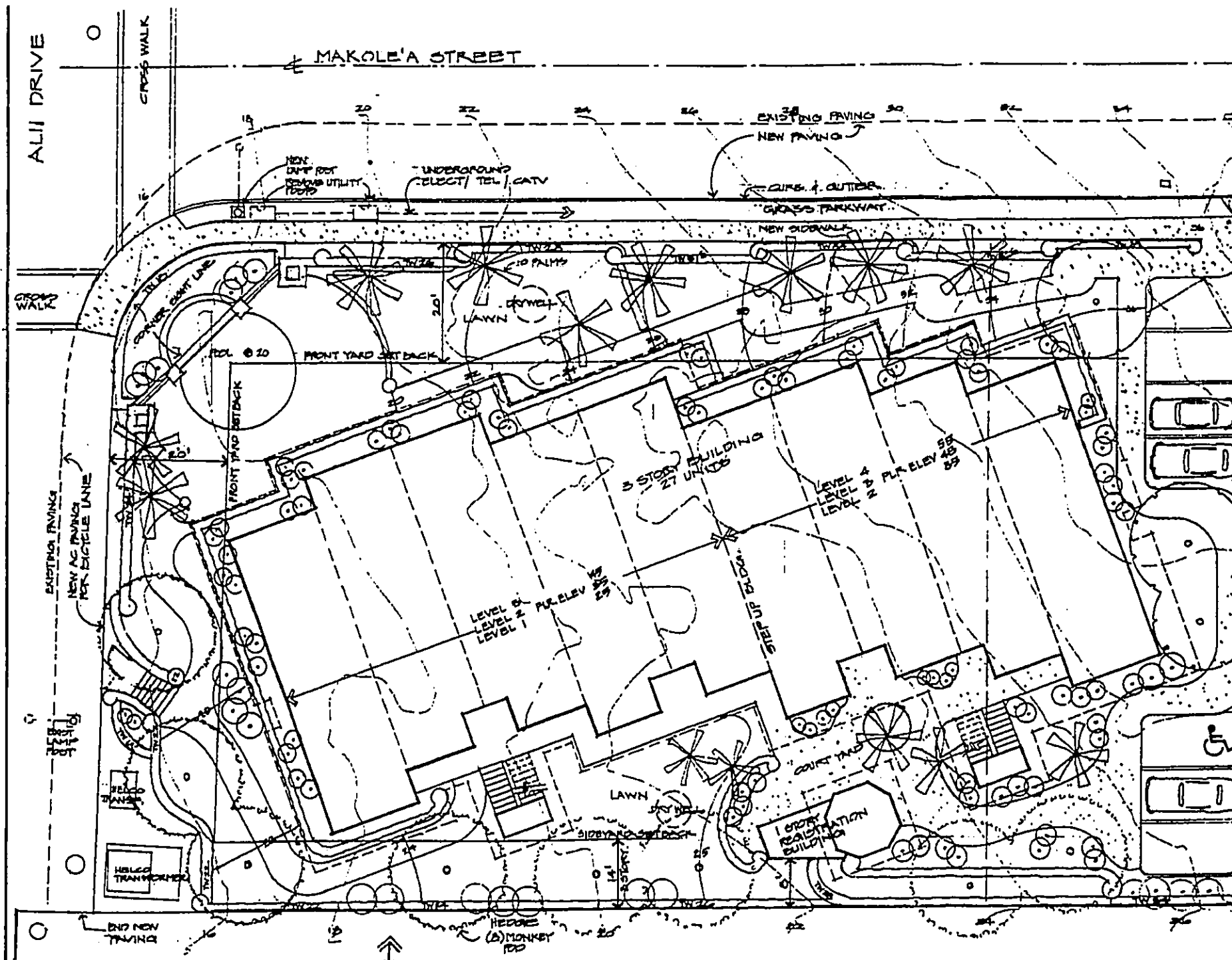
EXHIBIT 'A'
ENVIRONMENTAL
ASSESSMENT

PROPOSED PROJECT: MULTI FAMILY RESORT CONDOMINIUM
KAHALU'U BEACH PARTNERSHIP
MAKOLE'A SUBDIVISION LOTS 1 & 2 AT KAHALU'U, NORTH KOHA
ISLAND AND COUNTY OF HAWAII
T.M.K.: 7-8-14-98 & 87

ROBERT NESPOR, ARCHITECT AIA
POST OFFICE BOX D, KAILUA-KONA, HAWAII
(808) 322-0000
FAX 322-FA0X

DATE: 05-05-97
SCALE: 1" = 10'
SHEET: 2
OF: 2





SITE PLAN



PROJECT DATA

LAND AREA 33,866 SQ. FT.

ZONING DATA

ZONING V 1.25 RESORT HOTEL (1,250 SQ. FT. OF LAND PER UNIT)
27.17 UNITS ALLOWED

27 UNITS PROPOSED

BUILDING HEIGHT ALLOWED - 45', 3 STORY

BUILDING HEIGHT PROPOSED - 36' (APPROX.), 3 STORY

PARKING REQUIRED

27 U x 1.25 STALLS = 33.75 REQUIRED

36 STALLS PROPOSED

GROUND COVER RATIO

BUILDING 7,868 SQ. FT. 23%

PARKING 11,194 SQ. FT. 33%

LANDSCAPE 10,662 SQ. FT. 32%

POOL, SIDEWALKS, MISC. 4,242 SQ. FT. 12%

BUILDING DATA

CODE: UBC 1991

FIRE ZONE 3

OCCUPANCY R-1

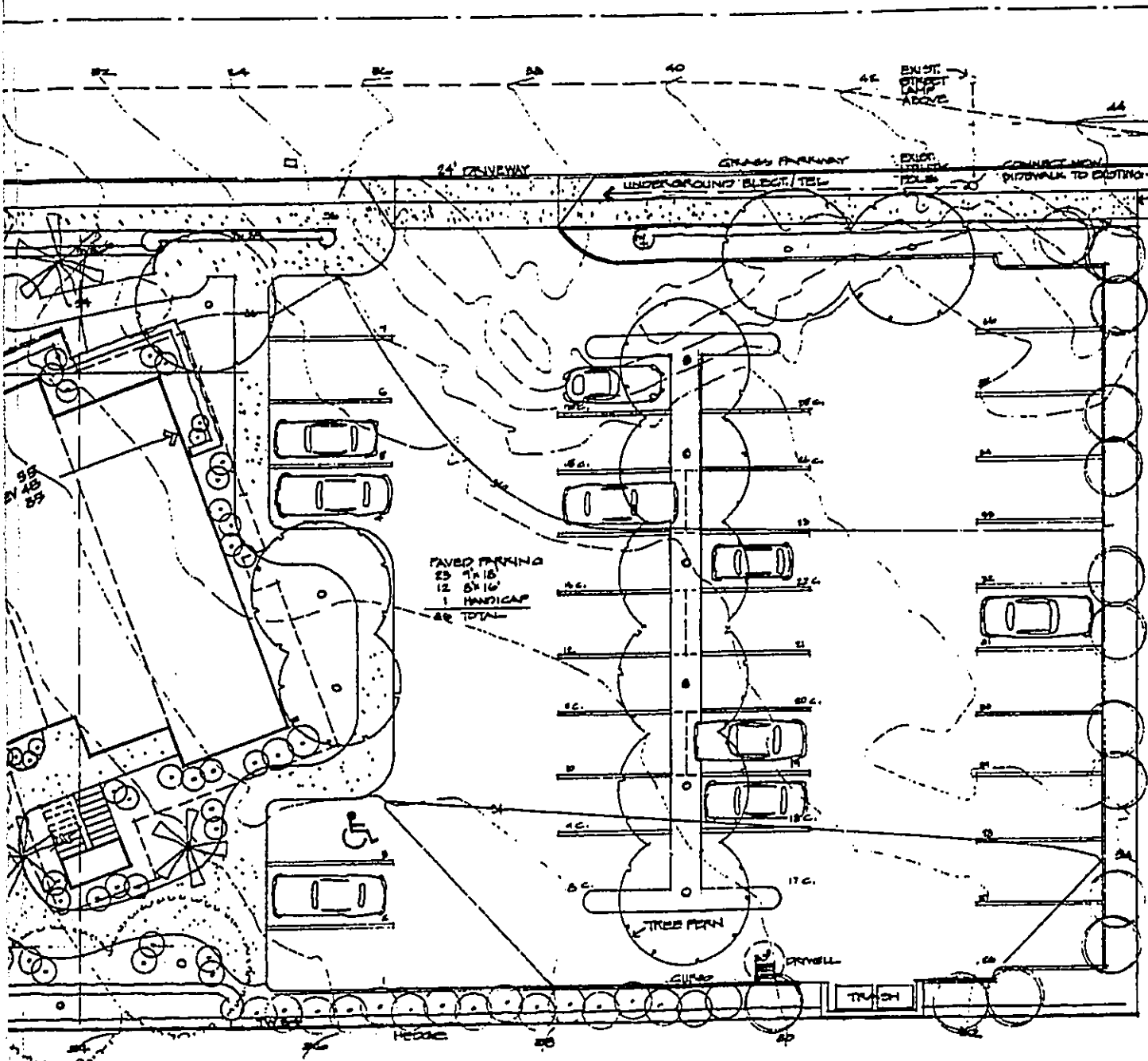


EXHIBIT 'A'
ENVIRONMENTAL ASSESSMENT

PROPOSED PROJECT: MULTI-FAMILY RESORT CONDOMINIUM
KAHALU'U BEACH PARTNERSHIP
 MAKOLE'A SUBDIVISION, LOTS 1 & 2 AT KAHALU'U, NORTH KONA
 ISLAND AND COUNTY OF HAWAII
 T.M.K.: 7-B-14-88 & B7

ROBERT NESPOR, ARCHITECT AIA
 POST OFFICE BOX D, KAILUA-KONA, HAWAII
 (808) 324-0000
 FAX: 322-1444

DATE: 3-5-97
 SCALE: 1" = 10'
 DRAWN: RZ
 JOB: K6
 SHEET: 1
 OF: 1 SHEETS

PROJECT DATA

LAND AREA 33,868 SQ. FT.
ZONING DATA
 ZONING V 1.25 RESORT HOTEL (1,250 SQ. FT. OF LAND PER UNIT)
 27.17 UNITS ALLOWED
 27 UNITS PROPOSED
 BUILDING HEIGHT ALLOWED - 45', 3 STORY
 BUILDING HEIGHT PROPOSED - 36' (APPROX.), 3 STORY
PARKING REQUIRED
 27 U x 1.25 STALLS = 33.75 REQUIRED
 36 STALLS PROPOSED

GROUND COVER RATIO

BUILDING	7,868 SQ. FT.	23%
PARKING	11,194 SQ. FT.	33%
LANDSCAPE	10,662 SQ. FT.	32%
POOL, SIDEWALKS, MISC.	4,242 SQ. FT.	12%

BUILDING DATA

CODE: UBC 1991
 FIRE ZONE 3
 OCCUPANCY R-1

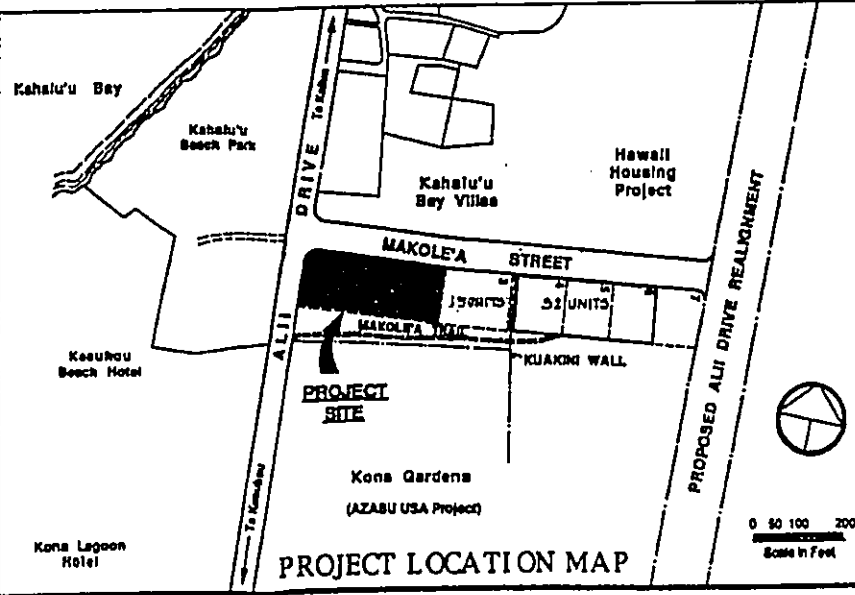
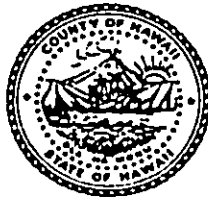


EXHIBIT 'B'

KAHALU'U BEACH PARTNERSHIP FINAL ENVIRONMENTAL ASSESSMENT

CONSOLIDATION OF PROPERTY

Stephen K. Yamashiro
Mayor



Virginia Goldstein
Director

Norman Olesen
Deputy Director

County of Hawaii
PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-9615

January 31, 1997

Crystal Thomas Yamasaki, LPLS
Wes Thomas Associates
75-5749 Kalawa Street
Kailua-Kona, HI 96740-1818

Dear Ms. Yamasaki:

TENTATIVE CONSOLIDATION APPROVAL
APPLICANT: KAHALUU BEACH PARTNERSHIP
Proposed Consolidation of Lots 1 and 2
of Makolea Subdivision
Being Portions of R.P. 6856,
L.C. Aw. 7713, Ap. 6
Into Lot 1-A
at Kahaluu, North Kona, Hawaii
TMK: 7-8-014:086 & 087 (CON 9701)

Please be informed that tentative approval of the preliminary plat map dated January 6, 1997, is hereby granted with modifications and conditions.

The applicant is now authorized to prepare detailed drawings of the plan in accordance with Chapter 23, Subdivision Control Code; County of Hawaii, as modified. Before final approval can be granted, the following conditions must be met:

1. Provide future road widening setback fronting Alii Drive equal to at least one-half the difference between the existing right-of-way and 60 feet.
2. Provide a minimum 20-foot curve radius at intersection.
3. Submit nine (9) copies of the final plat map prepared in conformity with Chapter 23, Subdivisions, within one year from the date of tentative approval, on or before January 31, 1998. If not, tentative approval to the preliminary plat map shall be deemed null and void. Only upon written request from the applicant and for a good cause can a time extension be granted, provided it is submitted forty-five (45) days before the expiration of said period of one year.

Chrystal Thomas Yamasaki, LPLS
Page 2
January 31, 1997

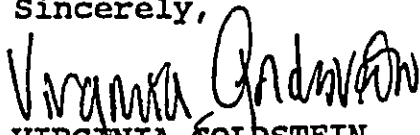
You should be aware that if at any time during the fulfillment of the foregoing conditions, that environmental and/or problems emerge; problems which were earlier overlooked or not anticipated/accounted for in data/reports available to date, this should be sufficient cause to immediately cease and desist from further activities on the proposed consolidation, pending resolution of the problems. The Planning Director shall confer with the listed officers to resolve the problems and notify you accordingly.

No final approval for recordation shall be granted until all the above conditions have been met.

Land shall not be offered for sale, lease or rent until final approval for recordation of the consolidation.

Should you have any questions, please feel free to contact Ed Cheplic of this department.

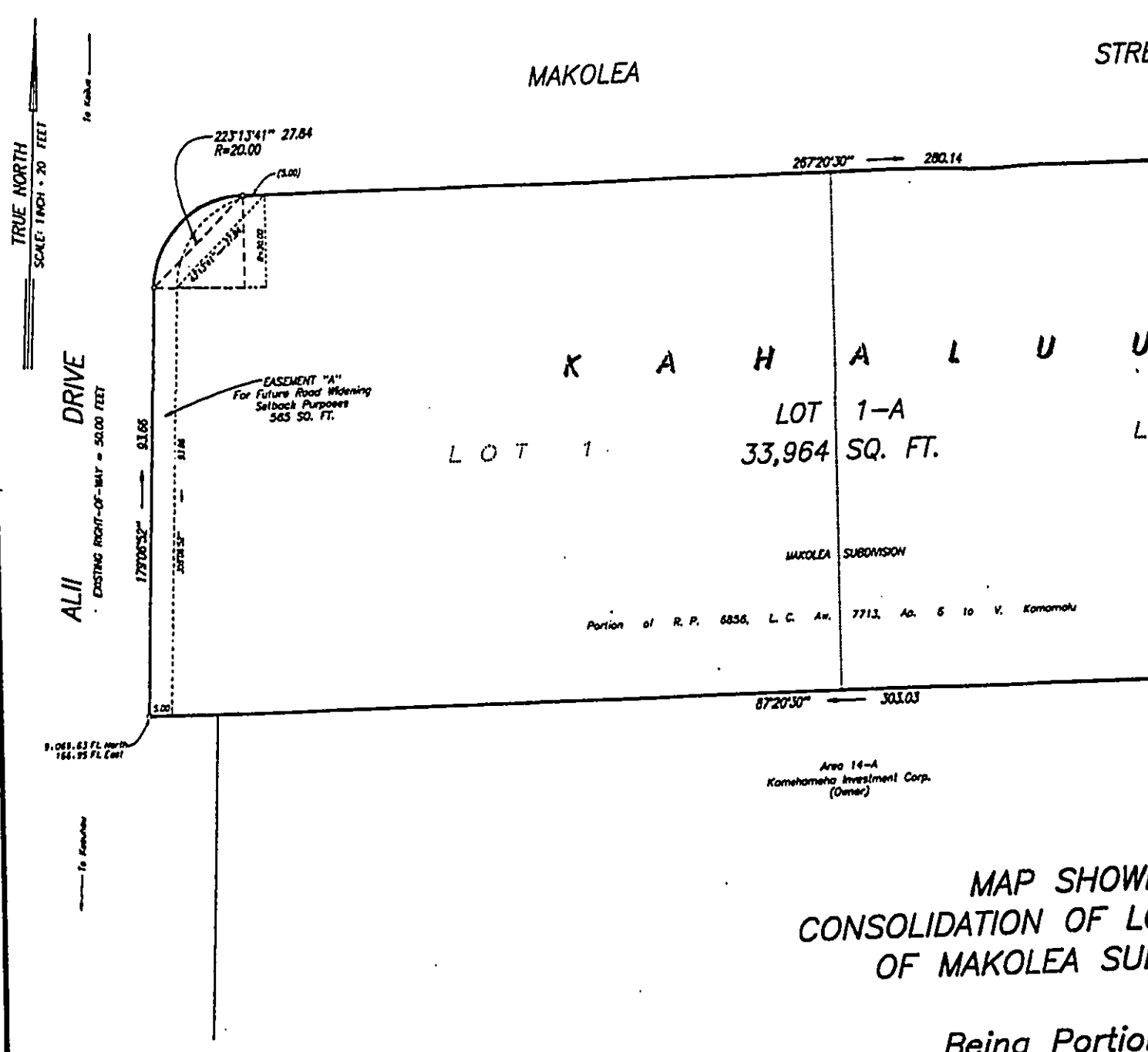
Sincerely,


VIRGINIA GOLDSTEIN
Planning Director

ETC:lnm
9701kaha.ten

Enc.- PPM (1-6-97)

xc: Manager, DWS
Chief Engineer, DPW
Dist. Env. Health Prog. Chief, DOH
District Engineer, DOT
PLNG-KONA
DPW-ENG-KONA
Kahaluu Beach Partnership



MAP SHOWING
 CONSOLIDATION OF LOTS
 OF MAKOLEA SUBDIVISION

Being Portion of
 R.P. 6856, L.C. Aw. 7713, A.P.

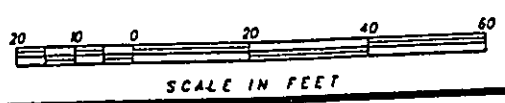
INTO LOT 1-A

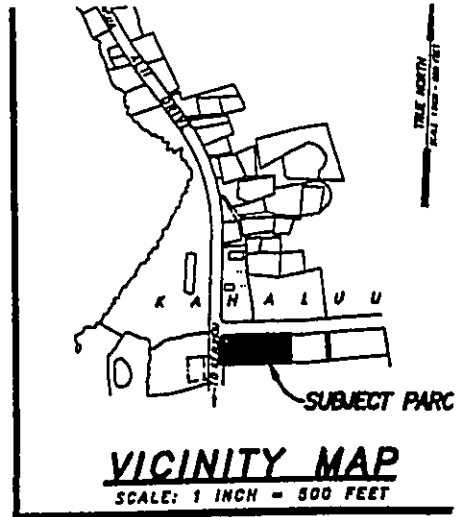
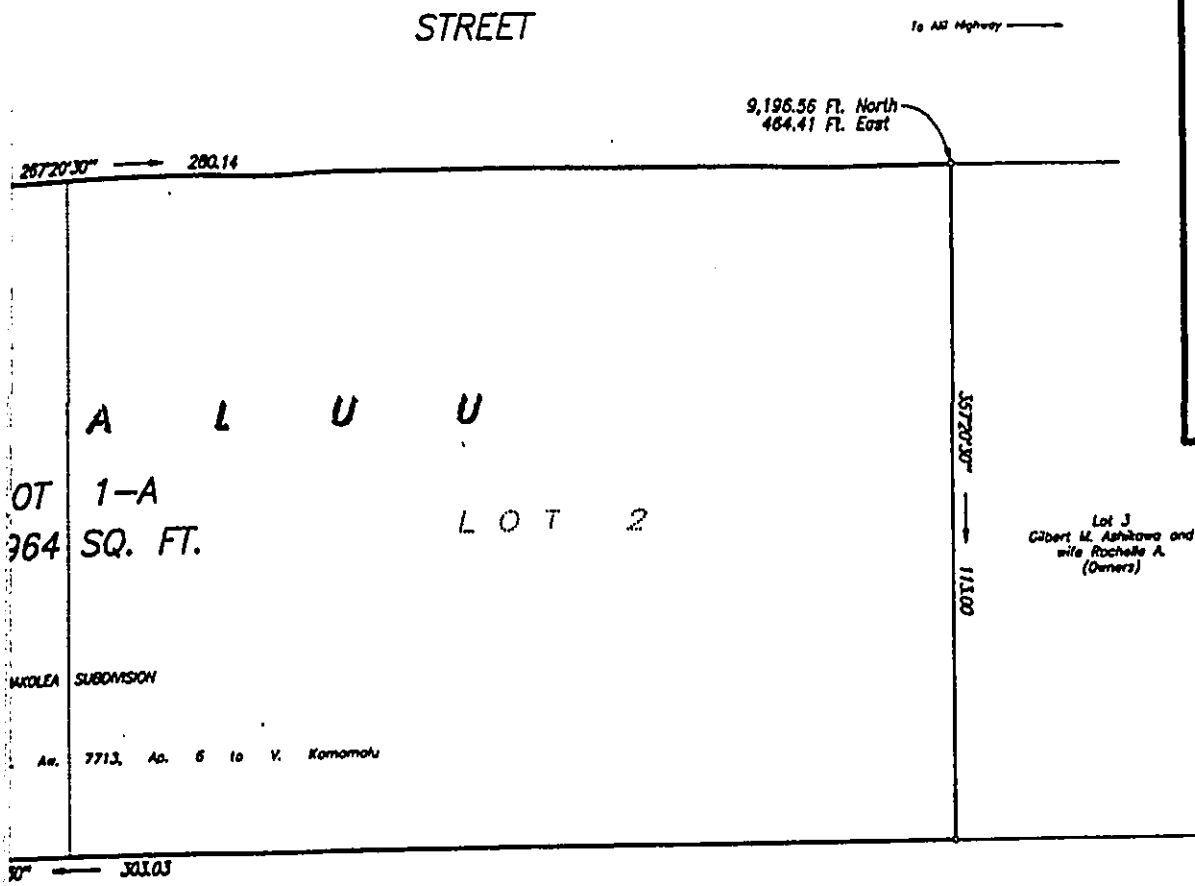
At Kahaluu, North Kona, Island of Hawaii,
 State of Hawaii

NOTES:

1. Azimuths and coordinates are referred to Government Survey Triangulation Station "KEAUHOU COAST".
2. Names of owners of adjoining parcels are from available Tax Map records.
3. Subject Parcel is located in Zone X (areas determined to be outside the 500-year flood plain) as per Flood Insurance Rate Maps (F.I.R.M.) Community-Panel Numbers 155166 0928 C, revised September 16, 1988 and 155166 0929 C, revised September 16, 1988.

Prepared For:
 KAHALUU BEACH PARTNERSHIP (OWNER)
 c/o John Tolah
 75-6799 Waiua Road
 Kailua-Kona, Hawaii 96740





Area 14-A
 Kahala Investment Corp.
 (Owner)

**MAP SHOWING
 CONSOLIDATION OF LOTS 1 AND 2
 OF MAKOLEA SUBDIVISION**

Being Portions of
 56, L.C. Aw. 7713, Ap. 6 to V. Kamamalu

INTO LOT 1-A

**u, North Kona, Island and County of Hawaii
 State of Hawaii**

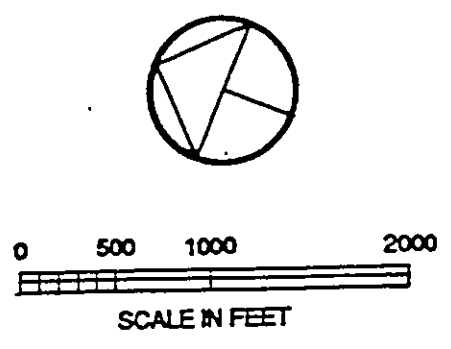
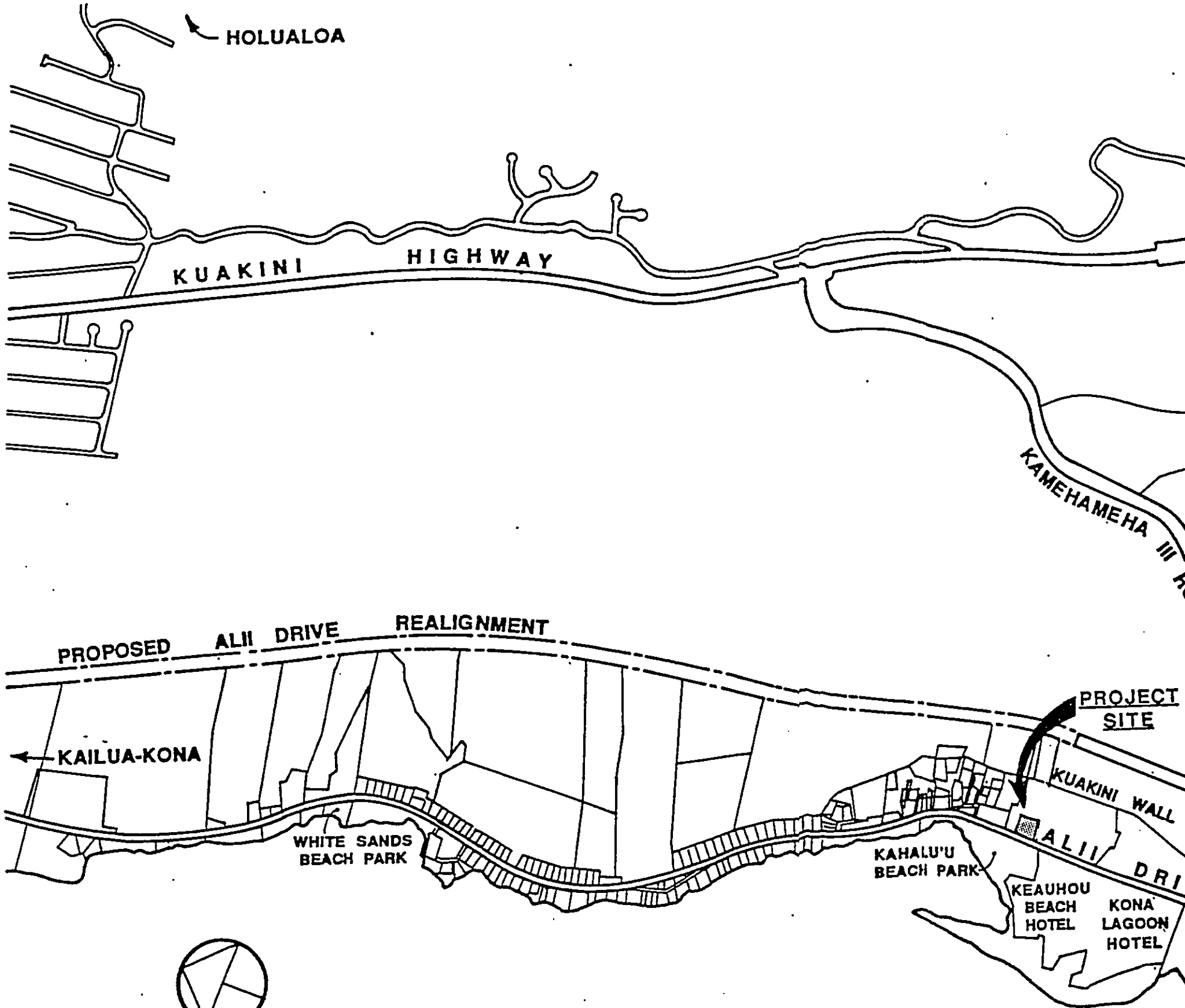
This map was prepared by me or
 under my direct supervision.
Crystal Thomas Yamasaki
 LICENSED PROFESSIONAL LAND SURVEYOR
 No. 4331
 State of Hawaii Certificate Number LS-4331

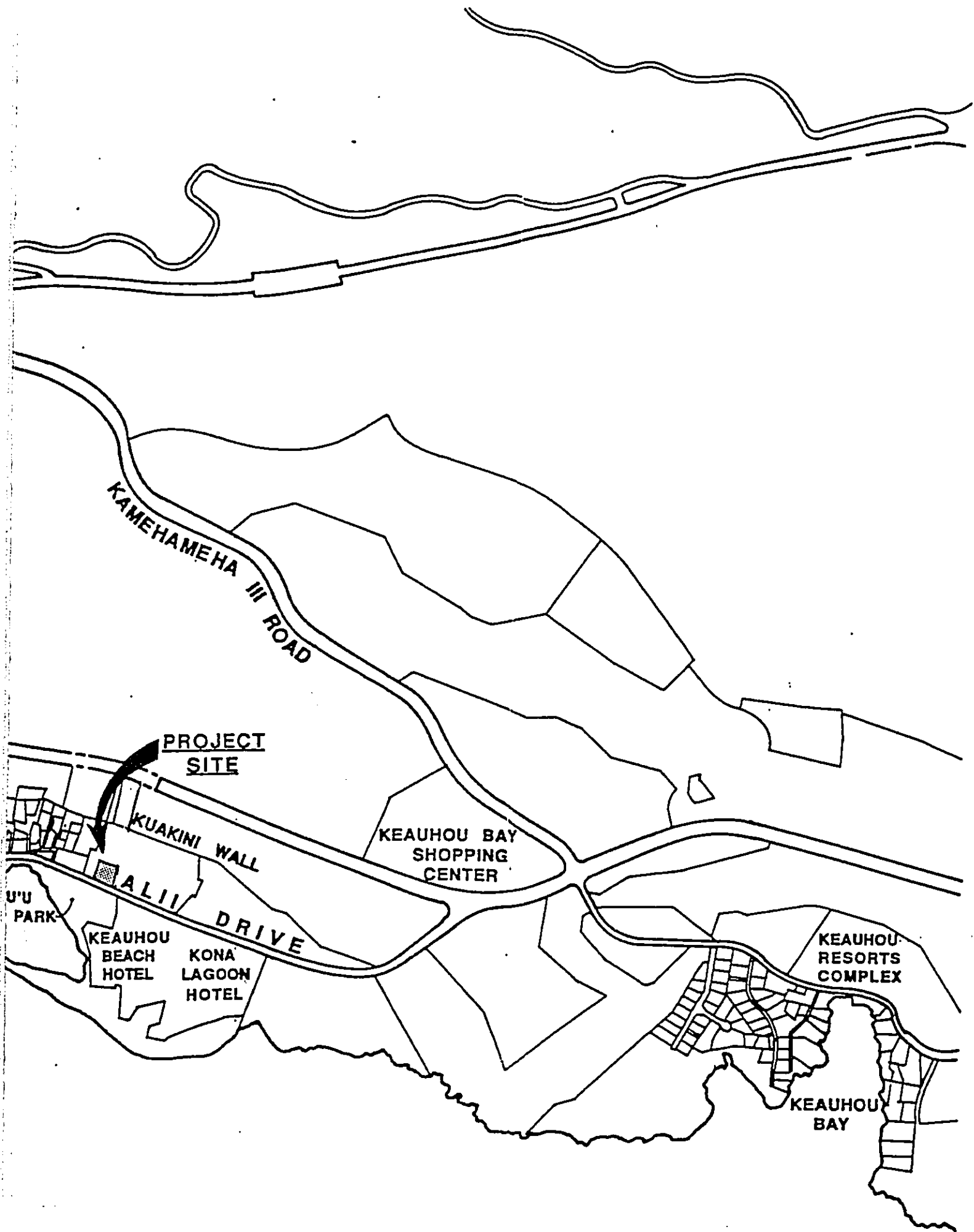
SHIP (OWNER)
 ad
 96740



Prepared By:
WES THOMAS ASSOCIATES
 -- Land Surveyors --
 75-5749 Kalawa Street
 Kailua-Kona, Hawaii 96740-1817
 TEL. (808) 329-2353
 FAX (808) 329-3334 EMAIL wta@bigisland.com

PROJECT NO.: 15330
 DATE: JANUARY 6, 1997
 FIELD BOOK NO.: NONE
 DISK NO.: 669
 TAX MAP KEY: 7-8-04:86 & 87 (3RD DIV.)
 Revised: February 10, 1997 Final plat map





KAHAIONE/KEAUHOU AREA

EXHIBIT 'D'

KAHALU'U BEACH PARTNERSHIP FINAL ENVIRONMENTAL ASSESSMENT

PREVIOUS
ARCHAEOLOGICAL
REPORTS

PAUL H. ROSENDAHL, Ph.D., Inc.
Consulting Archaeologist

Letter Report 272-100386

October 6, 1986

Circle K
c/o Mr. Sidney Fuke, Planning Consultant
100 Pauahi Street, Suite 212
Hilo, Hawaii 96720

Subject: Archaeological Reconnaissance Survey
Keauhou Circle K Project Site
Land of Kahaluu, North Kona District
Island of Hawaii (TMK:3-7-8-14:86)

Dear Mr. Fuke:

On Tuesday, September 23, 1986, an archaeological reconnaissance survey of the above subject parcel was conducted at your request. The basic purpose of a reconnaissance survey is to identify—to discover and locate on available maps—sites or features of possible archaeological significance. A reconnaissance survey is simply a pedestrian, or walk-through, survey—extensive rather than intensive in scope—conducted to determine the presence or absence of archaeological resources within a specified project area. Reconnaissance survey indicates both the general nature and variety of archaeological remains present, and the general distribution and density of such remains. A reconnaissance survey permits a preliminary evaluation of the archaeological resources, and facilitates formulation of realistic recommendations and estimates for such further archaeological work as might be necessary or appropriate. Such further work could include intensive survey—detailed recording of sites and features, and selected test excavations; and possibly subsequent mitigation—research excavations, interpretive planning and development, and/or preservation of sites and features with significant scientific research, interpretive, and/or cultural values.

The specific objectives of the Keauhou Circle K Project Site reconnaissance survey were three-fold: (a) to determine the presence or absence of any previously unidentified sites; (b) to assess the potential significance of all identified sites; and (c) to recommend any further archaeological work that might be necessary or appropriate. The archaeological reconnaissance survey was carried out in anticipation of a Special Management Area (SMA) Use Permit application to be made to the Hawaii County Planning Department. Reconnaissance field work was conducted on September 23, 1986 by PHRI Archaeologists Alan T. Walker and Victoria K. Kai. Approximately one man-hour of labor was expended in carrying out the field work. Subsequent to the field work, an oral preliminary report on findings and tentative recommendations was made to you on September 29, 1986. The present letter report constitutes the final report on the archaeological reconnaissance field work.

The project area consists of approximately 16,983 square feet in the Land of Kahaluu, North Kona District, Island of Hawaii (TMK:3-7-8-14:86) (Figure 1, at end). The Land of Kahaluu was claimed and awarded (LCA

7713:6, Royal Patent 6856) in the mid-1800s to Victoria Kamamalu, sister of Kamehameha IV and Kamehameha V. The project site parcel is situated within the Kahaluu Historic District (Hawaii Register of Historic Places Site 50-10-37-4150), which is an extremely important historical district that was placed on the National Register of Historic Places in 1974. In addition, the project area is situated within the four-corner locational boundaries of the larger Kona Field System (HRHP Site 50-10-37-6601), a very large complex (c. 3 by 18 miles in extent) of aboriginal Hawaiian dryland cultivation and habitation features previously declared eligible for inclusion in the National Register of Historic Places (January 1977). A second National Register eligible site, Kuakini Wall (two HRHP site designations, HRHP Site 50-10-37-6302 or -7276), is situated approximately 90.0 m (300 ft) east of the project area.

The project area is bounded by Makolea Street on the north, an adjacent private parcel (TMK:3-7-8-14:87) to the east, Kamehameha Investment Corporation land to the south, and Alii Drive to the west. The project area ranges in elevation from approximately 16 to 30 ft above sea level. The terrain is an undulating surface, with pahoehoe bedrock exposures and a soil mantle of Punalu'u Series extremely rocky peat (Sato et al. 1973). Average annual rainfall is c. 30-40 inches (Armstrong 1982). Present vegetation cover varies from moderate to heavy, and consists primarily of the introduced exotics koa-haole (Leucaena leucocephala [Lam.] de Wit), scattered kiawe (Prosopis pallida [Humb. and Bonpl. ex Willd.] HBK), monkey pod (Samanea saman [Jacq.] Merr.), and various grasses and weeds.

Based on a review of previous archaeological work within the general Kahaluu area, it is believed the present reconnaissance project comprised the first on-site archaeological inspection of the specific project area. Archaeological work conducted previously within the immediate general vicinity of the present project area includes Allen (1984), Ching et al. (1973), Hammatt and Folk (1980), Hammatt, Folk, and Ida (1981), Kaschko (1985), Rosendahl (1981a,b; 1986a,b), Hommon and Rosendahl (1983), Landrum and Rosendahl (1985), and Walker and Rosendahl (1985), in addition to preliminary historical documentary research done by Carol L. Silva (1985) in connection with Kaschko (1985).

The present PHRI reconnaissance survey consisted of 100% coverage ground reconnaissance of the entire project area. The project area was covered by a series of north-south pedestrian sweeps with distances between crew members varying from 5.0-10.0 meters, depending upon density of vegetation cover and local terrain.

The archaeological reconnaissance survey revealed the project area had previously been entirely bulldozed, as evidenced by large uprooted tree trunks and scraped and scarred basalt boulders mounded together. A sparse surface scatter of weathered marine shell midden was present, but this material was in a disturbed, or secondary, context as a result of the bulldozing activity.

Letter Report 272-100386

3

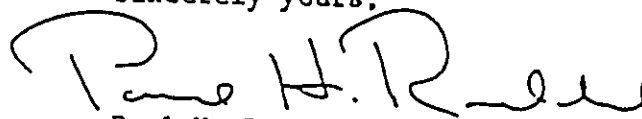
The significance of archaeological remains can be defined in terms of potential scientific research, interpretive, and/or cultural values. Research value refers to the potential of archaeological resources for producing information useful in the understanding of culture history, past lifeways, and cultural processes at the local, regional, and interregional levels of organization. Interpretive value refers to the potential of archaeological resources for public education and recreation. Cultural value, within the framework for significance evaluation used here, refers to the potential of archaeological resources for the preservation and promotion of cultural identity and values. To attempt definitive evaluation of the significance of archaeological resources on the basis of a preliminary assessment such as a reconnaissance survey is generally premature. Occasionally it is possible at even a preliminary level of study, such as that of a reconnaissance survey, to evaluate the significance of specific sites or features when their scientific research, interpretive, and/or cultural values are obvious.

Based on the findings of the reconnaissance survey, it is our opinion that the limited archaeological remains identified within the Keauhou Circle K Project Site are of minimal significance in terms of potential scientific research, interpretive, and/or cultural values. We believe that the data recovered constitutes adequate and sufficient recovery of archaeological data present, and that no additional archaeological field work is necessary or justified.

It should be noted that the evaluations and recommendations given here have been made on the basis of the surface reconnaissance survey. There is always the possibility, however remote, that previously unidentified surface structural remains or subsurface cultural features or deposits of potential significance might be encountered in the course of subsequent development activities involving the modification of the ground surface. In such a situation, archaeological consultation should be sought immediately.

If you have any questions concerning our reconnaissance survey, or if we can be of any further service, please contact me at our Hilo office (808)969-1763.

Sincerely yours,



Paul H. Rosendahl, Ph.D.
President and Principal
Archaeologist

ATW/PHR:yks

DOCUMENT CAPTURED AS RECEIVED

Letter Report 272-100386

References Cited

Allen, Melinda S.

1984 Limited Archaeological Reconnaissance and Evaluation of Previously Identified Sites, Development Parcels 14B and 14C, Keauhou-Kona Resort, Kahaluu, North Kona, Island of Hawaii. PHRI Report Ms. 111-032784. Prepared for A.J. McDanold.

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Letter Report 272-100386

5

Rosendahl, Paul H.

- 1981a Archaeological Test Excavations at Site 50-10-37-7702, Kahaluu, North Kona, Island of Hawaii: Summary Final Report. PHRI Report Ms. 17-090881. Prepared for West Hawaii Housing Foundation.
- 1981b Archaeological Salvage Research Excavations at Site 50-10-37-7702, Kahaluu, North Kona, Island of Hawaii--Phase I-Data Retrieval: Preliminary Report Upon Completion of Field Work. PHRI Report Ms. ARA-24-033181. Prepared for West Hawaii Housing Foundation.
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- 1986b Archaeological Reconnaissance Survey, Kahaluu Development Site, Land of Kahaluu, North Kona District, Island of Hawaii (TMK:3-7-8-14:90,91). PHRI Letter Report 263-080886. Prepared for Joseph Marcelin.

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- 1985 Preliminary Report Upon Completion of Field Work: Intensive Archaeological Survey and Test Excavations, Helani Church Lot Project Area, Kahaluu, North Kona, Island of Hawaii. PHRI Report 192-081785. Prepared for Richard W. Clark.

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Letter Report 272-100386

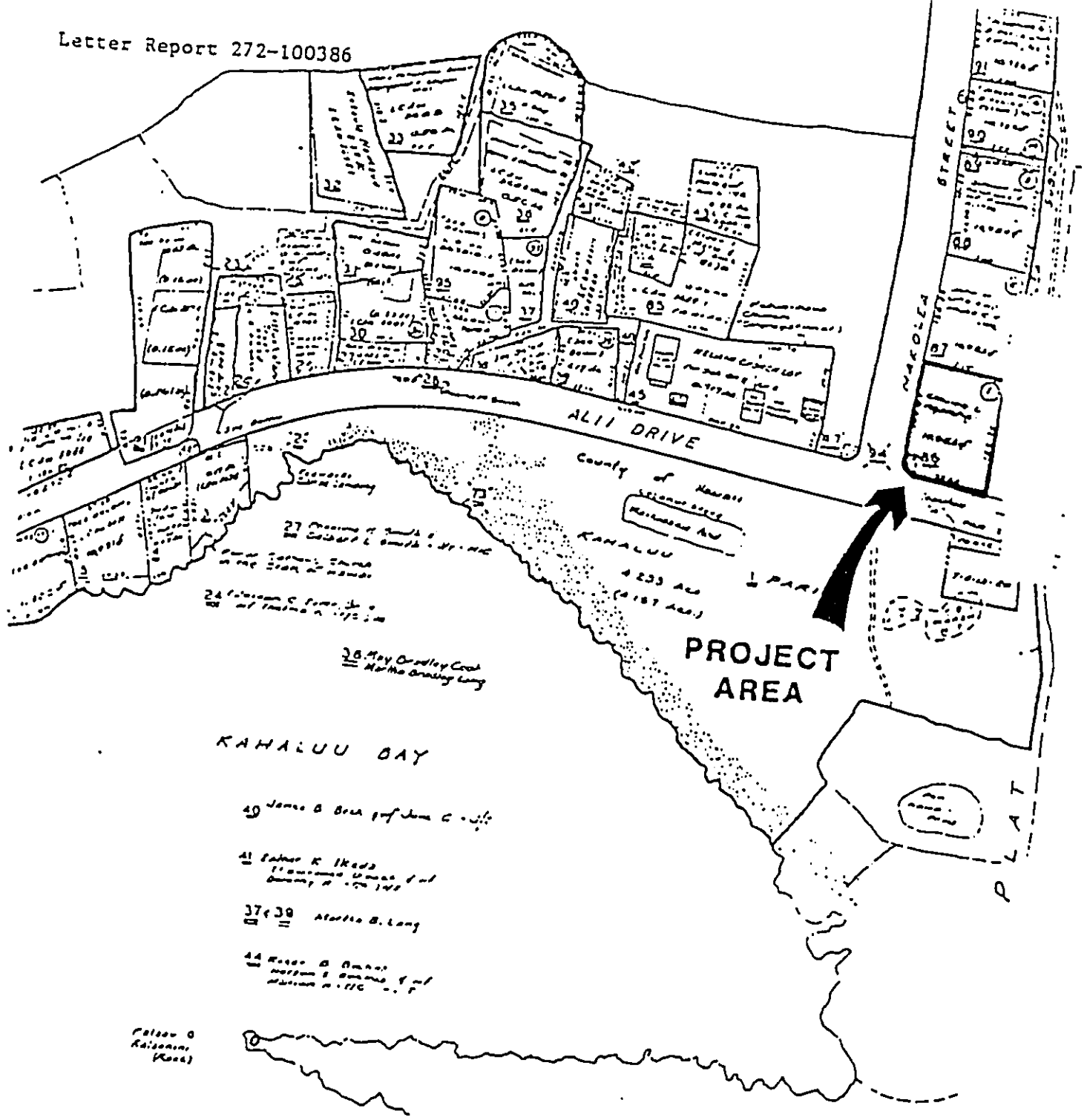


Figure 1. PROJECT AREA LOCATION MAP

Keauhou Circle K Project Site
Land of Kahaluu, North Kona
Island of Hawaii (TMK:3-7-8-14:86)

PHRI Project 86-272 October 1986

Drafted 3/16/86 by PHRI
 ALL RIGHTS RESERVED
 SUBJECT TO CHANGE.

THIRD	DIVISION	
ZONE	SEC	PLAT
7	8	14
CONTAINING PARCELS		
SCALE 1" = 100 FT		

PRINTED

EXHIBIT 'E'

KAHALU'U BEACH PARTNERSHIP FINAL ENVIRONMENTAL ASSESSMENT

JANUARY 20, 1995
SITE INSPECTION REPORT
DEPT OF LAND AND NATURAL RESOURCES
HISTORIC PRESERVATION DIVISION

DOCUMENT CAPTURED AS RECEIVED

U-HI 110910.FPE3

ID: 933-933-4346

OFF 04'95

11:00 No.001 F.01

FAXSIMILIE COVER SHEET

Marc Smith, Archaeologist
Department of Land and Natural Resources
Historic Preservation Division, Hilo Office
P O Box 936
Hilo, HI 96720

FAX No. 933-4346

TO: WILTON CONSTRUCTION

COMPANY: _____

FAX NO: (____) ~~808~~ 322-3978

TELEPHONE: (____) _____

DATE: 4 APRIL HAWAII TIME: 2:30 pm

A total number of 2 pages in this transmittal, including cover letter

If all pages are not received, please call the sender as soon as possible, telephone number is (808) 933-4346.

DOCUMENT CAPTURED AS RECEIVED

HISTORIC PAPER

ID: 000-933-4346

HFF 04'95

14:09 No.001 P.02

Wilton Construction
P.O. Box 415
Kailua-Kona, Hawaii 96745

LOG NO:
DOC NO: 9504ms08

Dear Mr. Wilton:

**SUBJECT: Site inspection for parcel in Kahaluu
Kahaluu, North Kona, Hawaii Island
TMK: 7-8-14: 86 and 87**

At the request of Mr. Wilton, a site visit was made to these two parcels on January 20, 1995, by the Historic Preservation Division staff archaeologist Marc Smith.

Vegetation in the parcels consists of *hiawe* trees with an understory of vines and grasses. The substrate is pahoehoe lava, which outcrops throughout much of the parcels.

Past developments along Alii Drive (*makaai*) and Makolea Road (north), and a condominium *mauka* of the parcels have encroached on the parcels. In the past some grading and placing of fill in the parcels has occurred. In Parcel 86 there is the collapsed remains of a historic house and what appears to be a community rubbish dump. No other structures or features were noted in the subject parcels.

However, across Makolea Road, in parcel TMK. 7-8-14:47, a lava tube containing stacked stone features and human remains, has been recorded. The lava tube had been sealed by ceiling fall in Parcel 47, so the run of the lava tube could not be mapped. It appeared however, that the tube may run under Makolea Road towards the two subject parcels. We request that if a lava tube is encountered during any grubbing or grading work on the subject parcels, that work in the area of the exposed tube be halted and the Historic Preservation Division office be contacted immediately.

If you should have any further questions, please contact Patrick McCoy at 587-0006 (Honolulu), or Marc Smith at 933-4346 (Hilo).

Sincerely,

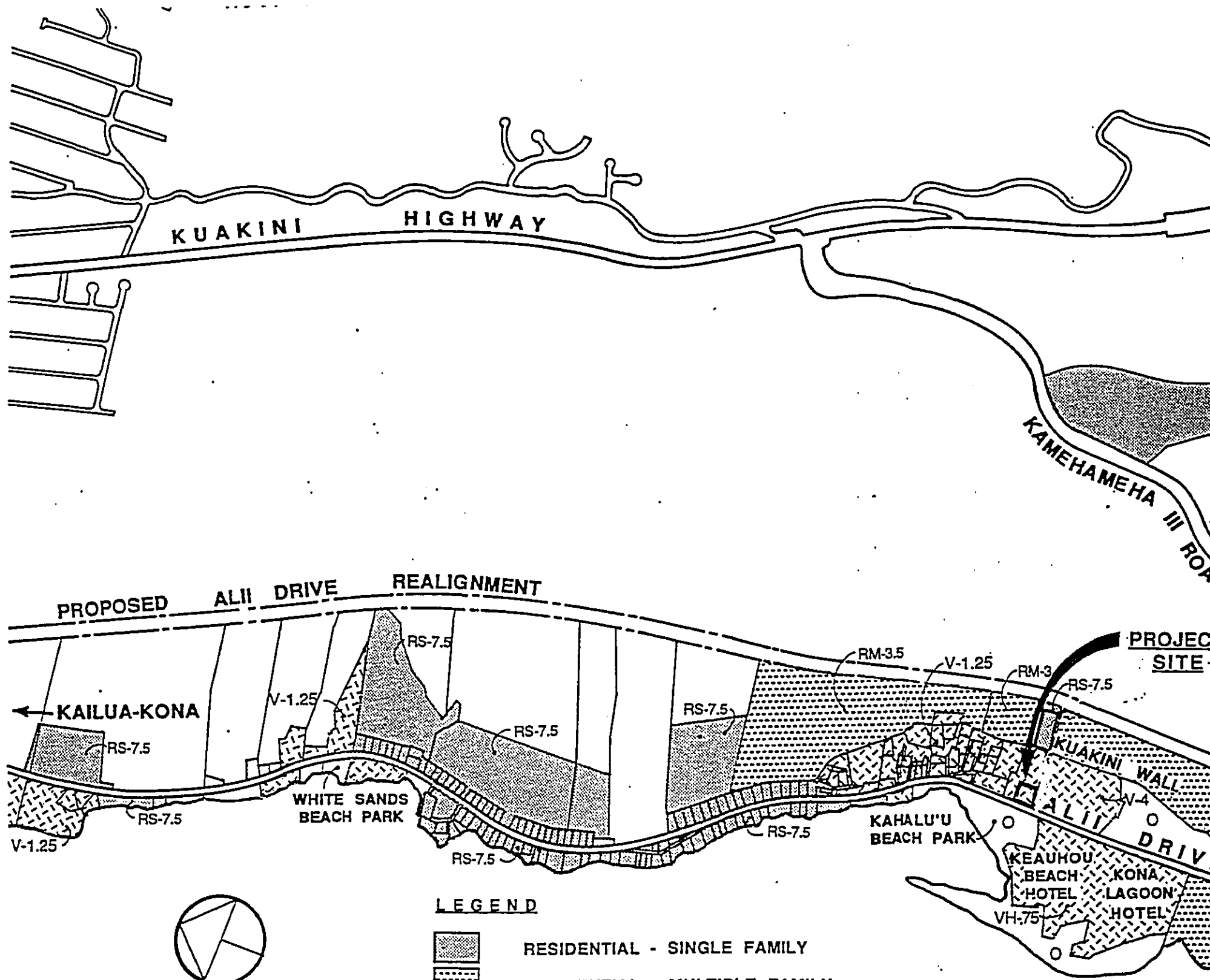
DON HIBBARD, Administrator
State Historic Preservation Division

MS:

EXHIBIT 'F'

KAHALU'U BEACH PARTNERSHIP FINAL ENVIRONMENTAL ASSESSMENT

ZONING MAP



PROPOSED ALII DRIVE REALIGNMENT

KAILUA-KONA

RS-7.5

V-1.25

RS-7.5

RS-7.5

RS-7.5

RM-3.5

V-1.25

RM-3

RS-7.5

PROJECT SITE

WHITE SANDS BEACH PARK

RS-7.5

KAHALU'U BEACH PARK

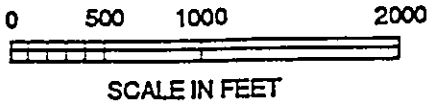
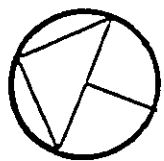
RS-7.5

KUAKINI WALL







KEAUHOU BEACH HOTEL LAGOON

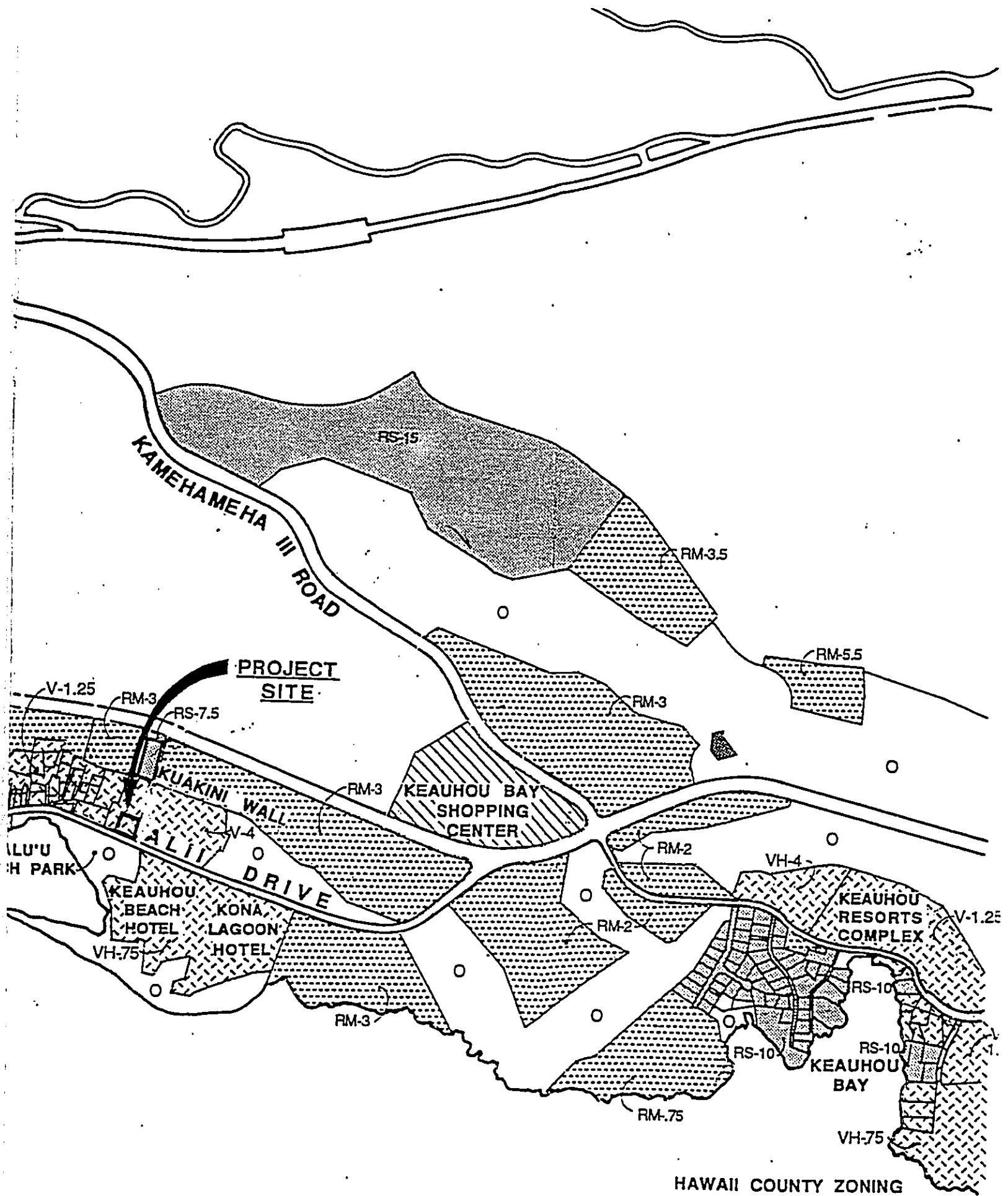
VH-75

ALII DRIVE



LEGEND

-  RESIDENTIAL - SINGLE FAMILY
-  RESIDENTIAL - MULTIPLE FAMILY
-  COMMERCIAL
-  RESORT-HOTEL
-  OPEN
-  UNDEVELOPED



HAWAII COUNTY ZONING
IN THE VICINITY
OF THE PROJECT SITE

EXHIBIT 'G'

KAHALU'U BEACH PARTNERSHIP FINAL ENVIRONMENTAL ASSESSMENT

AGENCY/PUBLIC COMMENTS
APPLICANT RESPONSE



STATE OF HAWAII

OFFICE OF HAWAIIAN AFFAIRS

711 KAPI'OLANI BOULEVARD, SUITE 500

HONOLULU, HAWAII 96813-5240

PHONE (808) 594-1997

FAX (808) 594-1865

Mr. Robert Nespor
P.O. Box 9003
Kailua-Kona, HI 96745-9003

Subject: Draft Environmental Assessment (DEA) for Kahaluu
Beach Resort Condominium Project, Kailua-Kona,
Island of Hawaii.

Dear Mr. Nespor:

Thank you for the opportunity to review the Draft Environmental Assessment (DEA) for Kahaluu Beach Resort Condominium Project, Kailua-Kona, Island of Hawaii. The applicant proposes to construct a three storied condominium building and accessory support facilities on a privately owned coastal land.

The Office of Hawaiian Affairs (OHA) has no objections at this time to the proposed beach resort development. Based on information contained in the DEA, the project apparently bears no major long-term adverse impacts on adjacent urban areas nor upon existing flora and fauna resources. Furthermore, the project will neither significantly alter scenic resources nor air quality or noise level.

Although the DEA concludes that there are no known archaeological resources in the area, OHA is concerned that the existence of lava tubes below the surface may contain features of potential significance. OHA urges the preparers to include specific language in the DEA to state that if cultural remains are found, developers should cease work and seek immediate consultation with the Kona Burial Council. OHA also urges the preparers to set specific steps to protect nearby Makole'a Trail during construction.

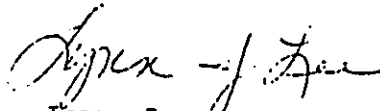
Letter to Mr. Nespor
Page two

The Office of Hawaiian Affairs would like to request your cooperation by providing us with a written response to our concerns. Please contact Lynn Lee, Acting Officer of the Land and Natural Resources Division, or Luis A. Manrique, should you have any questions on this matter.

Sincerely yours,



Randall Ogata
Administrator



Lynn Lee,
Acting Officer,
Land and Natural
Resources Division

LM:lm

cc Trustee Clayton Hee, Board Chair
Trustee Abraham Aiona, Board Vice-Chair
Trustee Rowena Akana, Land & Sovereignty Chair
Trustee Haunani Apoliona
Trustee Billie Beamer
Trustee Frenchy DeSoto
Trustee Moses Keale
Trustee Colette Machado
Trustee Hannah Springer
CAC, Island of Hawaii

9/1/7

K.B.P.

Kahalu'u Beach Partnership

c/o Kona Coast Resort

Attn: Scott F. Church

P.O. Box 390429

Kailua-Kona, Hawaii 96739

ph 808 322 8281 / fx 808 322 3478

Lynn Lee, Acting Officer
Land and Natural Resources Division
Office of Hawaii Affairs
711 Kapiolani Boulevard, Suite 500
Honolulu, Hawaii 96813-5249

Dear Ms Lee:

Subject: Proposed Kahalu'u Beach Resort Condominium Project
Environmental Assessment
TMK: 7-8-14: 86 and 87

This is in response to your letter of July 15, 1997 providing comments to the Draft Environmental Assessment of the "Kahalu'u Beach Resort Condominium Project" which was published in the June 12, 1997 edition of the Environmental Notice.

More specifically, you raise a concern about the possible existence of lava tubes in the area as well as the proximity of an adjacent historic trail to the project area.

With respect to the potential for lava tubes, Kahalu'u Beach Partnership is committed to complying with the following mitigative measures to address cultural, archaeological and historic sites which may be present or are adjacent to the subject property:

1. Should a lava tube be encountered during construction activity, work shall immediately cease and the lava tube shall be protected from further damage. The SHPD and the County Planning Department shall be contacted immediately to conduct a field investigation to determine if historic sites are present and if so, the significance of those sites. Subsequent work shall proceed upon an archaeological clearance from SHPD when SHPD finds that sufficient mitigative measures have been taken.
2. That a construction barrier shall be placed along the property boundary adjacent to the historic Makole'a trail to ensure there is no inadvertent damage to the trail during construction activity.

Again thank you for your comments on the Draft Environmental Assessment. Your comments and this response will be included in the Final Environmental Assessment for this project. In the meantime, please call me if you have any questions or require any additional information.

Scott Church

cc: Office of Environmental Quality Control
Hawaii County Planning Department

Mark Van Pernis
David E. Smith
Gary W. Vancil
William I. Zimmerman

Van PERNIS, SMITH & VANCIL
ATTORNEYS AT LAW, A LAW CORPORATION
75-167F HUALALAI ROAD, SUITE B
P. O. BOX 1837
KAILUA-KONA, HAWAII 96740

Phone (808)
329-3551
Fax (808) 329-6185

July 21, 1997

Hawaii County Planning Department
25 Aupuni St.
Hilo, Hawaii 96720
Attention: Daryn Arai

197 JUL 23 PM 3 03
COUNTY OF HAWAII

Re: Proposed Kahalu'u Beach
Resort Condominium Project

Dear Mr. Arai:

The following facts were established at a trial in the case of Gregory v. McDaniel, et al., Civil No. 92-075K, where the County of Hawaii was the principal defendant because of its alleged negligence in design, construction, and maintenance of Alii Drive at Kahalu'u Beach Park, and enforcement of parking regulations there. The case involved an accident resulting in serious permanent injuries to a child resulting from that negligence, and it is still pending before Hawaii's Appellate Courts.

In that case it was shown, and the County's engineer and police records and Park and Recreation Department records confirmed, that

1. Alii Drive at Kahalu'u is substandard in width, shoulders, and parking;
2. There are no sidewalks and parking on the shoulders forces pedestrians to walk in the street;
3. The Alii Drive bike path is non-existent at Kahalu'u, forcing bicyclists into the street;
4. Kahalu'u Beach Park is the most heavily used County park in the County;
5. The off street parking for that park is grossly inadequate;
6. Parking on the street where parking is prohibited often takes place;
7. The area near and in front of Kahalu'u Beach Park and south past the Makolea Street intersection has a history of a very high number of accidents.

07213

July 21, 1997
Hawaii County Planning Department
Attention: Daryn Arai

8. The Makolea Street/Alii Drive intersection is dangerously substandard as to pedestrian safety.

The County is on notice as to the exceedingly dangerous situation at Kahalu'u from this lawsuit as well as its own records. And anyone looking at the area on a busy weekend can see the exceedingly dangerous situation pedestrians, bicyclists and beachgoers are in due to this negligence by the County. Because if this notice, and the lack of adequate improvements, the County may be liable for every accident that occurs in that area.

If the County increases both vehicular and pedestrian traffic in this area by allowing additional dense development, without addressing the negligent and substandard Alii Drive and the signage and lack of adequate pedestrian facilities in the area, its liability for the accidents there is sure to grow, perhaps to punitive levels. At a minimum, sidewalks on both sides of Alii Drive for the park frontage and south of Makolea Street, a bike path bridging the gap in the bike path north of the park and south of the park, additional off site parking for the park, and a better pedestrian crosswalk with flashing light signage is needed.

If this project is approved without adequately addressing these problems, the County should start increasing its insurance coverage now for the death and damage sure to occur as the accidents in the area continue and increase.

Very truly yours,

VAN PERNIS, SMITH & VANCIL

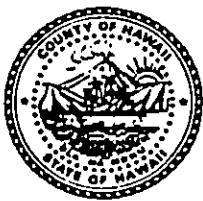
BY 

MARK VAN PERNIS

MVP/br

cc: Elroy Osorio
John Ray
Takashi Domingo
Lloyd VanDeCar
Wayne Easley
James V. Arakaki
Brian J. DeLima
Al Smith
Keola Childs

Stephen K. Yamashiro
Mayor



Virginia Goldstein
Director
Russell Kokubu
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-9615

August 4, 1997

Mr. Mark Van Pernis
Van Pernis, Smith & Vancil
P.O. Box 1837
Kailua-Kona, HI 96740

Dear Mr. Van Pernis:

Draft Environmental Assessment for the Proposed Kahalu'u Beach Resort
Condominium Project
TMK: 7-8-14: 86 and 87; Kahalu'u, North Kona, Hawaii

Thank you for your letter dated July 21, 1997, expressing your concerns regarding the proposed Kahalu'u Beach Resort Condominium project. We have asked the project consultant to assist us in the preparation of a detailed response to your letter which will be sent to you under separate cover.

Your concerns about the ability of Alii Drive to accommodate existing and future vehicular and pedestrian demands and your recommendation of various improvements to Alii Drive to address these concerns will be forwarded to the Department of Public Works for their consideration and appropriate response. Your comments and our responses will be made a part of the final environmental assessment which will be filed with the Office of Environmental Quality Control in the near future.

Thank you for taking the time to express your concerns in writing. In the meantime, please don't hesitate to contact Daryn Arai of this office should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Virginia Goldstein".

VIRGINIA GOLDSTEIN
Planning Director

DSA:pak
f:\wp60\czm\Ch343\LKahal03.dsa

xc w/ltr:

Office of Environmental Quality Control
Corporation Counsel
Department of Public Works
West Hawaii Office
Legislative Auditor-Attention: Ms. Cheryl Sumida
Mr. Robert Nespor P.O. Box 9003, Kailua-Kona 96745-9003
Planning Section

K.B.P.

Kahalu'u Beach Partnership

c/o Kona Coast Resort

Attn: Scott F. Church

P.O. Box 390429

Kailua-Kona, Hawaii 96739

ph 808 322 8281 / fx 808 322 3478

Mark Van Pernis
Van Pernis, Smith & Vancil
75-167F Hualalai Road, Suite B
P.O. Box 1937
Kailua-Kona, Hawaii 96740

Dear Mr. Van Pernis:

Subject: Proposed Kahalu'u Beach Resort Condominium Project
Environmental Assessment
TMK: 7-8-14: 86 and 87

This is in response to your letter to the Hawaii County Planning Department of July 21, 1997 regarding alleged negligence in design of Alii Drive at Kahalu'u Beach Park.

Please be informed that we can only address your concerns with respect to the portion of Alii Drive immediately adjacent to the subject property. As your letter indicates, Alii Drive is a County owned and maintained roadway, over which Kahalu'u Beach Partnership has not control.

The Kahalu'u Beach Partnership will provide improvements to Alii Drive and Makolea Street fronting the project area in accordance with the requirements of the Department of Public Works (DPW). More specifically, based on discussions with DPW, Kahalu'u Beach Partnership has agreed to construct shoulder improvements, including a bike lane along the mauka (east) side of Alii Drive. In addition, curbs, gutters and sidewalks will be constructed on the portions of Makolea Street fronting the project area. With respect to the Makolea Street-Alii Drive intersection, Kahalu'u Beach Partnership will restripe the crosswalks and provide other safety improvements, including signage.

We understand the issues related to parking at Kahalu'u Beach Park. The proximity of the project to the park (immediately across from Alii Drive) will ensure that the residents of the project do not add to the parking congestion in this area. On-site parking will be provided for residents and their guests.

Again, thank you for your comments on the Draft Environmental Assessment. Your comments and this response will be included in the Final Environmental Assessment for this project. Should you have any questions in the meantime, please feel free to call me.


Scott Church

cc: Gary Gill, OEQC
Virginia Goldstein, Planning Director
Donna Kiyosaki, Chief Engineer, DPW

BENJAMIN J. CAYETANO
GOVERNOR



GARY GILL
DIRECTOR

STATE OF HAWAII
OFFICE OF ENVIRONMENTAL QUALITY CONTROL

235 SOUTH BERETANIA STREET
SUITE 702
HONOLULU, HAWAII 96813
TELEPHONE (808) 586-4186
FACSIMILE (808) 586-4186

July 23, 1997

Mr. Scott Church
Kahalu'u Beach Partnership
78-6980 Kaluna Street, #13 @ Villas
Kailua-Kona, Hawai'i 96740

Dear Mr. Church:

We submit for your response the following comments on a draft environmental assessment ("DEA") for the "Kahalu'u Beach Resort Condominium Project, TMK 7-8-14:86 and 87." The DEA was submitted to our office by way of a May 29, 1997, letter from Ms. Virginia Goldstein of the County of Hawai'i Planning Department. Initial notice of availability of this DEA was published in the June 23, 1997, edition of the *Environmental Notice*.

1. CULTURAL, ARCHAEOLOGICAL OR HISTORIC SITES

The DEA discusses the possibility of a sealed lava tube containing human remains in parcel 47 being contiguous with parcel 86. In the 1989 final environmental impact statement for the Circle K Convenience Store proposed for parcel 86, Dr. Paul Rosendahl opined, based on an archaeological reconnaissance survey, that the limited archaeological remains identified within the site are of minimal significance.¹ At the request of Wilton Construction, the State archaeologist conducted a site visit on January 20, 1995 and that the State Historic Preservation Division requested that it be contacted if a lava tube is encountered during any grading and grubbing. We request that you consult with the Hawai'i Island Burial Council and the Office of Hawaiian Affairs on this matter.

¹ Appendix B, Circle K Convenience Store Project, Final Environmental Impact Statement, prepared for Circle K Hawaii, Inc. by James H. Pedersen, Planning Consultant. May 1989.

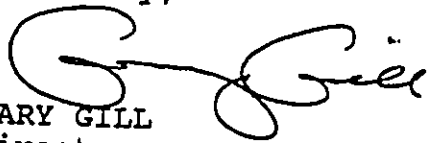
Mr. Scott Church
Kahalu'u Beach Partnership
July 23, 1997
Page 2 of 2

2. WASTEWATER

Please discuss the direct, indirect and cumulative impacts of wastewater generated by the project. Also, please indicate whether the Keauhou sewage treatment plant has sufficient capacity to accommodate flows generated by this project.

Please submit a copy of this letter and your response (along with copies of all timely-received comment letters and your responses) to the County of Hawai'i Planning Department for their inclusion in the final environmental assessment for this project. If there are any questions, please call Mr. Leslie Segundo, Environmental Health Specialist, at 586-4185. Thank you.

Sincerely,



GARY GILL
Director

c: Honorable Virginia Goldstein, County of Hawai'i Planning Dept.
Mr. Robert G. Nespor, A.I.A.

K.B.P.

Kahalu'u Beach Partnership

c/o Kona Coast Resort

Attn: Scott F. Church

P.O. Box 390429

Kailua-Kona, Hawaii 96739

ph 808 322 8281 / fx 808 322 3478

9/1/7

Date

Gary Gill, Director
Office of Environmental Quality Control
235 South Boretania Street, Suite 702
Honolulu, Hawaii 96813

Dear Mr. Gill:

Subject: Proposed Kahalu'u Beach Resort Condominium Project
Environmental Assessment
TMK: 7-8-14: 86 and 87

This is in response to your letter of July 23, 1997 providing comments to the Draft Environmental Assessment of the "Kahalu'u Beach Resort Condominium Project" which was published in the June 12, 1997 edition of the Environmental Notice.

With respect to the first comment regarding Cultural, Archaeological and Historic Sites, we have attached letters from Don Hibbard, Administrator, DLNR State Historic Preservation Office and from Lynn Lee, Acting Officer, Land and Natural Resources Division, Office of Hawaii Affairs.

The letters confirm that there are not surface archaeological sites present on the subject property. However, both letters agree with the concern of the possibility of lava tubes in the area. In addition, the SHPD raised a concern about the proximity of an adjacent historic trail to the project area.

With respect to the potential for lava tubes, Kahalu'u Beach Partnership is committed to complying with the following mitigative measures to address cultural, archaeological and historic sites which may be present or are adjacent to the subject property:


1. Should a lava tube be encountered during construction activity, work shall immediate cease and the lava tube shall be protected from further damage. The SHPD and the County Planning Department shall be contacted immediately to conduct a field investigation to determine if historic sites are present and if so, the significance of those sites. Subsequent work shall proceed upon an archaeological clearance from SHPD when SHPD finds that sufficient mitigative measures have been taken.
2. That a construction barrier shall be placed along the property boundary adjacent to the historic Makole'a trail to ensure there is no inadvertent damage to the trail during construction activity.

A second concern was raised in your letter regarding the disposal of wastewater generated from the subject property. Please find attached a letter from the Keauhou Service Company

DOCUMENT CAPTURED AS RECEIVED

indicating that the proposed developed is within the Keauhou Sewage Treatment Plant's service area. This plant was designed to accommodate wastewater disposal from the overall Keauhou Resort Area, including along Makole'a Street. Accordingly, all sewage disposal will be done in accordance with all State and Federal requirements.

Again thank you for you comments on the Draft Environmental Assessment. Your comments and this response will be included in the Final Environmental Assessment for this project.


Scott Church

attachments

cc: Hawaii County Planning Department

K.B.P.

Kahalu'u Beach Partnership

c/o Kona Coast Resort

Attn: Scott P. Church

P.O. Box 390429

Kailua-Kona, Hawaii 96739

ph 808 322 8281 / fx 808 322 3478

9/5/97

KEAUHOU COMMUNITY SERVICES, INC.
78-6740 Makole'a St.
Kailua-Kona, HI. 96740

ATT: Joe Spencer

RE: Request for Sewage Hook-Up and Service
Kahalu'u Beach Resort, 27 Unit Condominium
TMK 7-8-14: 86 & 87 (consolidated)

Dear Mr. Spencer,

Kahalu'u Beach Partnership is moving forward to develop a 27 Unit Condominium Project (see attached "Draft Environmental Assessment Plans, 3 sheets") consisting of 27 One Bedroom, One Bathroom Living Units, and a Registration Building with a Bathroom and Janitorial Sinks and related Appliance Equipment. At this time, we would like to (1) confirm that the capacity of the present Sewage Treatment Plant is sufficient to accommodate our Project, and (2) to determine and negotiate costs, fees and service charges attributed to the Project.

Thank you for your attention to this matter.

Sincerely,



SCOTT CHURCH
For Kahalu'u Beach Partners



KEAUHOU COMMUNITY SERVICES, INC.

October 2, 1997

Mr. Scott Church
Kahalu'u Beach Partners
c/o Kona Coast Resort
78-6842 Alii Drive
Kailua-Kona, Hi. 96740

Dear Scott:

Re: Request for Sewage Hook-up and Service
Kahalu'u Beach Resort, 27 Unit Condominium
TMK: 7-8-14:86 & 87 (consolidated)

Keauhou Community Service, Inc. (KCSI) is in receipt of your request dated 9/25/97 for sewage hook-up and service for the Kahalu'u Beach Resort development, a 27-unit condominium project within the Keauhou Resort Sewage district.

The Heeia Wastewater Treatment Plant which serves the Keauhou Resort Sewage district currently has uncommitted capacity to serve the above planned project.

Enclosed please find a copy of Section 13 of the Keauhou Community Services, Inc. General Wastewater Rules and Regulations covering the Provision of Wastewater Service to Consumers and Schedule of Tariff Rates relating to the Contribution In Aid Of Construction (CIAC).

Also enclosed please find a residential development sewer connection application and will serve agreement. Please complete the application and agreement, signing on the line for the developer and return to our office for execution.

Since the base residential CIAC of \$2,805 per unit increases with the Consumer Price Index, the amount of CIAC for your project is dependent upon the date service is to start.

Please contact us if you have any questions.

Sincerely,


Joseph K. Spencer III
Vice President

cc: Louis Kau
John Rocha

78-6740 Makolea Street, Kailua-Kona, HI 96740-2472
ADMINISTRATION: 567 South King Street, Suite 120 Honolulu, Hawaii 96813 Telephone 808 521-1408 Facsimile 808 599-3952
KONA OFFICE: 78-6811 Alii Drive, Suite 274 Kailua-Kona, Hawaii 96740-2440 Telephone 808 322-0088 Facsimile 808 322-2076
PLANT OPERATIONS: Post Office Box 390178 Kailua-Kona, Hawaii 96739 Telephone 808 322-3047 Facsimile 808 322-3140

BENJAMIN I. CAYITANO
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

STATE HISTORIC PRESERVATION DIVISION
33 SOUTH KING STREET, 6TH FLOOR
HONOLULU, HAWAII 96813

MICHAEL D. WILSON, CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES

DEPUTY
Gilbert Coloma-Agaran

AQUACULTURE DEVELOPMENT
PROGRAM
AQUATIC RESOURCES
CONSERVATION AND
ENVIRONMENTAL AFFAIRS
CONSERVATION AND
RESOURCES ENFORCEMENT
CONVEYANCE
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
DIVISION
LAND MANAGEMENT
STATE PARKS
WATER AND LAND DEVELOPMENT

August 4, 1997

Robert G. Nesor, AIA
P.O. Box 9003
Kailua-Kona, Hawaii 96745

LOG NO: 19908 ✓
DOC NO: 9707ms11

Dear Mr. Nesor:

SUBJECT: Historic Preservation Concerns for Kahalu'u Beach Resort Condominium Project
Kahalu'u, North Kona, Hawaii Island
TMK:7-8-14: 86 and 87

After reviewing the draft environmental assessment for the Kahalu'u Beach Resort Condominium Project (dated March 5, 1997), we have a couple of historic preservation concerns that were not addressed in the draft report.

On page 10 of the draft report it states: "No archeological sites remain on the Site, however, the possibility of lava tubes existing below the surface conditions can not be ruled out at this time." We agree that there are no archaeological sites on the surface in the project area, as confirmed by a past site inspection by the Historic Preservation Division staff archaeologist. However, we are very concerned about the possibility of lava tubes present in the project area and the presence of an adjacent historic trail.

Lava tubes have been recorded in nearby and adjacent parcels. In many of these tubes significant historic sites have been recorded, including Hawaiian burials. Because we feel there is a high probability that additional site grading may open a lava tube, we recommend that language be added to detail a mitigation plan if a tube is encountered. We suggest that if a lava tube is encountered, all work must cease in the immediate area and the lava tube be protected from further damage. The Historic Preservation Division office should then be contacted immediately and allowed to conduct a field investigation of the tube to determine if it had been used as a historic site and, if so, if the site is significant. If the lava tube is determined to be a significant historic site, then a mitigation plan which may include in-place preservation with appropriate buffer zones and/or archaeological data recovery must be agreed upon before further work can proceed in the area.

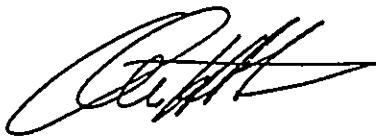
Mr. Nespor
Page 2

A second concern we have is protecting the historic Makole'a trail which lies immediately to the south of the project area. The trail is marked by parallel stone walls. This trail is not in the project area, but lies close enough to the boundary that it may be inadvertently damaged during grading activity. We would recommend that prior to any land altering activity, a construction buffer marked by a visible barrier be in place.

We believe that with these precautions, any adverse effects to historic sites can be properly mitigated.

Thank you for the opportunity to review the draft environmental assessment. Should you have any questions concerning our comments please contact Patrick McCoy or Marc Smith at 587-0006 (Honolulu).

Sincerely,



DON HIBBARD, Administrator
State Historic Preservation Division

MS:jk

c: Virginia Goldstein, Planning Director

9/17/7

K.B.P.

Kahalu'u Beach Partnership

c/o Kona Coast Resort

Attn: Scott F. Church

P.O. Box 390429

Kailua-Kona, Hawaii 96739

ph 808 322 8281 / fx 808 322 3478

Don Hibbard, Administrator

State of Hawaii

Department of Land and Natural Resources

State Historic Preservation Division

33 South King Street, 6th Floor

Honolulu, Hawaii 96813

Dear Mr. Hibbard:

**Subject: Proposed Kahalu'u Beach Resort Condominium Project
Environmental Assessment
TMK: 7-8-14: 86 and 87**

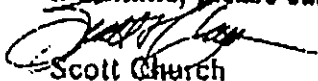
This is in response to your letter of August 4, 1997 providing comments to the Draft Environmental Assessment of the "Kahalu'u Beach Resort Condominium Project" which was published in the June 12, 1997 edition of the Environmental Notice.

More specifically, you raise a concern about the possible existence of lava tubes in the area as well as the proximity of an adjacent historic trail to the project area.

With respect to the potential for lava tubes, Kahalu'u Beach Partnership is committed to complying with the following mitigative measures to address cultural, archaeological and historic sites which may be present or are adjacent to the subject property:

1. Should a lava tube be encountered during construction activity, work shall immediately cease and the lava tube shall be protected from further damage. The SHPD and the County Planning Department shall be contacted immediately to conduct a field investigation to determine if historic sites are present and if so, the significance of those sites. Subsequent work shall proceed upon an archaeological clearance from SHPD when SHPD finds that sufficient mitigative measures have been taken.
2. That a construction barrier shall be placed along the property boundary adjacent to the historic Makole'a trail to ensure there is no inadvertent damage to the trail during construction activity.

Again thank you for your comments on the Draft Environmental Assessment. Your comments and this response will be included in the Final Environmental Assessment for this project. In the meantime, please call me if you have any questions or require any additional information.


Scott Church

cc: Office of Environmental Quality Control