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March 30, 2020

Mr. Steven W. Colon Hunt Development Group, LLC 737 Bishop Street, Suite 2750 Honolulu, HI 96813

Dear Mr. Colon:

Amendment of Project District Ordinance No. 09-132 (REZ 05-000010) Applicant: Palamanui Global Holdings, LLC

Subject: Return of Application and Request for Additional Information

Tax Map Key: (3) 7-2-005:001

STATE 4

Thank you for your letter and submittal received February 7, 2020 proposing changes to conditions of Ordinance No. 09-132. After review of the submittals, maps and diagrams, as well as discussions with the Kona CDP Design Center staff and representative from the Department of Public Works, we are returning the application and requesting the following additional information be submitted as part of the resubmitted application:

1. In the application, your current proposal for Road 1 is to provide right-of-way over three parcels off-site, provide a TIAR to determine Palamanui's proportional share of Road 1 construction, and bond this amount prior to issuance of subdivision approval or building permits for the 900th residential unit. Condition 5b of the Land Use Commission's decision and order for the property (A03-744) requires that Palamanui provide, at its sole cost and expense, a mauka-makai connector road providing public access between Queen Ka'auhumanu Highway and Māmalahoa Highway.

The current amendment request does not meet the intent of Condition 5b in that Palamanui is proposing to fund a portion of the road construction rather than construct the entire roadway at its sole cost and expense at some point in the future. To comply with the requirements of Condition 5b of the LUC Docket, Palamanui will either need to assure that it will provide Road 1 in its entirety at some point in the phasing timeline or will need to receive a declaratory ruling or an amendment to Condition 5b from the LUC.

Mr. Steven W. Colon Hunt Development Group, LLC Page 2 March 30, 2020

- 2. Fix the "SD2" label on the Master Plan to "SD1".
- 3. On the Master Plan, notate the exact outline of the MCX zoning boundary to align with the approved metes and bounds for the zoning district. More clearly define proposed densities, land uses and the phasing of the SD1 area.
- 4. Clarify whether you are requesting amendments to Condition M or Ord. 09-132 related to variances from Chapters 23 and 25. If not, is the current proposed Master Plan consistent with the variances granted in Condition M or will additional variances be required to implement the Master Plan?
- 5. Please consider making the following changes to roadways in the Master Plan as these changes are supported by the Planning and Public Works Departments:
 - a. Signalize the Ane Keohokalole/Kaiminani Drive intersection as requested in amendment application, or when DPW determines it is warranted, whichever occurs first.
 - b. Complete Road 2 from Queen Kaahumanu Highway to Road 3A <u>OR</u> Road 2 and Road 2C from the highway to Road 3A during Phase 2.
 - c. Complete the extension of Road 3A (60 feet improved within 120-foot ROW) from Road 2 to Northern property boundary in Phase 3 rather than Phase 4.
 - d. If Condition 5b of LUC D&O is amended, County would be agreeable to the applicant providing archaeological survey/approved AIS and rough grading of the entire Road 1 alignment offsite, meeting DPW approval, in Phase 4.
 - e. In lieu of providing Road 1, developer shall dedicate or facilitate the dedication of Makalei Drive to the County to ensure connectivity to Mamalahoa Hwy at no cost to the County.
 - f. Road 7 (pink road in Exh. A-5, on south side of property near Makalei Estates) may be private but must be a 60-foot wide ROW and built to County standards with sidewalks, in Phase 4.
 - g. If Makalei Drive is not going to be open for public access, move the red arrow in Phase 4 Exh. A-11 to the new Road 1 alignment (north of Road 3A).

Mr. Steven W. Colon Hunt Development Group, LLC Page 3 March 30, 2020

6. Please consider submitting an amendment to Change of Zone Ordinance No. 09-131 for the MCX-20 portion of the project as the time requirement for Condition E (time to secure final subdivision approval) has lapsed as of November 4, 2019. Please keep in mind that the mixed industrial uses are limited to the metes and bounds of this ordinance unless expanded through an amendment of the ordinance. The layout of mixed industrial uses as identified in the Master Plan map, as well as the Phase, 2, 3 and 4 maps appear to go beyond the metes and bounds as described in Change of Zone Ordinance No. 09-131.

We are enclosing the receipt for the filing fee for \$500. As the amendment is only \$250, we will be sending a refund for \$250 under separate cover. We will hold the filing fee of \$250 for the resubmitted amendment application.

If you have any questions about this letter or the zoning ordinance amendment process, contact Jeff Darrow at 961-8158 or Maija Jackson at 961-8159.

Sincerely,

MICHAEL YEE Planning Director

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Enclosure: Return of Applications and Receipt for Filing Fee

ce: Claudia Lato, Accountant

Kona Planning Office

Department of Public Works

Department of Parks and Recreation

State Land Use Commission

Roger Harris via email

Sidney Fuke via email