



BOUNDARY CHANGE	
Petition Received	FEB 24 1986
Hearing Span	4-25-86 to 8-23-86
Maps	
Pre-hearing Conf.	10/10/86
Hearing Date	
Legal Ad	6/06/86
Action Span	1/10/86 - 2/10/87
Decision & Order	1-30-87
Recordation	2/10/87



A86-599 - KONA BEACH DEVELOPMENT VENTURE (KONA)

(SEE FOLDER 2 of 2)

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

SUYEKI OKUMURA	SHUICHI MIYASAKI	JAMES N. H. YEE
ROY E. TAKUSHI	ALFRED M. K. WONG	GARY Y. OKUDA
JAMES T. FUNAKI	ROBERT M. EHRHORN, JR.	LAURIE J. YOON
JOSEPH K. WEE	DICKSON C. H. LEE	ALLAN F. SUEMATSU
TON SEEK PAI	PETER T. STONE	

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

February 18, 1987

HAND DELIVERY

Land Use Commission
State of Hawaii
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 96813

Attention: Esther Ueda
Executive Officer

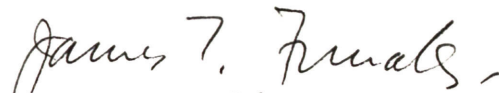
Subject: Docket No. A86-599
Kona Beach Development Venture, L.P.

Honorable Chairman and Commissioners:

Enclosed please find proposed Certificate and Authorization listing the conditions imposed on the granting of the above boundary amendment petition for the Commission's review and approval prior to signature by the parties and recording with the Bureau of Conveyances.

Yours very truly,

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION


James T. Funaki
Attorney for Kona Beach
Development Venture, L.P.

JTF/nmn
Enclosure

LAND USE COMMISSION
STATE OF HAWAII
FEB 18 10 57 AM '87

RECORDATION REQUESTED BY:

AFTER RECORDATION, RETURN TO:

RETURN BY: MAIL () PICKUP ()

LAND USE COMMISSION
STATE OF HAWAII
FEB 18 10 57 AM '87

CERTIFICATE AND AUTHORIZATION

WALTER F. WELDON, JR., NORMAN L. KASPARSON, E. J.
CALDECOTT and JAMES G. DEGNAN, as Trustees under Declaration of
Trust dated April 2, 1968, recorded in the Bureau of
Conveyances of the State of Hawaii in Liber 6036 at Page 346,
as amended by instruments recorded in said Bureau of
Conveyances in Liber 12219 at Page 588 and Liber 13616 at Page
207, whose business and post office address is c/o E. J.
Caldecott, Carter Hawley Hale Stores, 550 South Flower Street,
Los Angeles, California 90071, (hereinafter called "Trustees")
are the fee simple owners of the land described in Exhibit "1",
attached hereto and incorporated herein by reference; and

STATE MUTUAL LIFE ASSURANCE COMPANY OF AMERICA, a
Massachusetts corporation, the business and post office address
of which is 440 Lincoln Street, Worcester, Massachusetts 01605,
(hereinafter called "Company") is the fee simple owner of the
land described in Exhibit "2", attached hereto and incorporated
herein by reference; and

CHRISTIAN WOLFFER, husband of Naomi Wolffer, whose business and post office address is 1414 Avenue of the Americas, New York, New York 10019, (hereinafter called "Tenant") is the tenant under the ground leases covering the lands described in Exhibit "1" and Exhibit "2", issued by the Trustees and Company, respectively, and is also the holder of option agreements to purchase said lands from the Trustees and Company, the memoranda of said ground leases and option agreements being recorded in said Bureau of Conveyances in Liber 19196 at Pages 113, 119, 123 and 129; and

KONA BEACH DEVELOPMENT VENTURE, L.P., a Delaware limited partnership, the business and post office address of which is Davies Pacific Center, Suite 1050, 841 Bishop Street, Honolulu, Hawaii 96813, (hereinafter called "Petitioner") having been authorized by the Trustees, Company and Tenant, as hereinbelow set forth, to submit, as Petitioner, the aforesaid lands as the subject of a petition in Docket No. A86-599 of the Land Use Commission, State of Hawaii, does hereby certify pursuant to the Land Use Commission Rules, Section 15-15-92, as follows:

THAT by Decision and Order dated and entered on January 30, 1987, in said Docket No. A86-599, said Commission reclassified from the Conservation District to the Urban District, and accordingly amended the land use district boundaries of, the lands described in Docket No. A86-599, being the lands described in said Exhibit "1" and Exhibit "2" and being the same lands identified by Hawaii Tax Map Key 7-3-09:

Parcel 3 (approximately 462.38 acres) and Parcel 16 (approximately 7.75 acres) and situated at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii; and

THAT said reclassification from the Conservation District to the Urban District of the lands as described in said Decision and Order shall be subject to the following conditions of said Commission as set forth at pages 34, 35 and 36 of said Decision and Order to which reference is hereby made:

"1. Petitioner shall provide housing opportunities for low and moderate income Hawaii residents and for employees employed on the Property by constructing and offering for sale or rent, on a preferential basis on its own or in cooperation with either or both the Hawaii Housing Authority and the County of Hawaii, within or without the Property, a number of residential units not less than ten percent (10%) of the residential units to be developed on the Property to residents of Hawaii and/or employees employed on the Property of low or moderate income as determined by the Hawaii Housing Authority or County of Hawaii from time to time, or by contributing to the development of such housing without the Property. The preferential residential units shall be offered for sale at prices that would enable such purchasers to qualify for and obtain State-assisted financing (e.g. Act 105 or Hula Mae) or Federally-insured or assisted financing (e.g. FHA Section 245 Program) intended to

encourage home ownership by low and moderate income families or employees.

"2. Petitioner shall provide public access from Queen Kaahumanu Highway to the shoreline. Petitioner shall provide space for parking stalls at the access(es). Petitioner shall maintain a continuous trail along the seaward boundary of the Property and such access shall be integrated with the shoreline trails on adjacent lands. The accesses shall be available to the public for recreational use. Petitioner shall coordinate plans for public access with the Department of Land and Natural Resources and the County of Hawaii.

"3. Petitioner shall establish a pond management plan for the anchialine pond complex in coordination with the Department of Land and Natural Resources, the County of Hawaii, and other appropriate agencies. The anchialine pond management plan shall include provisions for a buffer zone of no less than forty feet in width measured from the edge of the anchialine pond basin area to the outer edge of the buffer zone.

"4. Petitioner shall prepare preservation and data recovery plans for all significant historic sites which plans shall be submitted to the Department of Land and Natural Resources and the County of Hawaii Planning Department for their review and comment.

"5. Petitioner shall develop and maintain on-site facilities such as sewage treatment plants, dry wells and ponding areas to insure that the nearshore, offshore and deep ocean waters remain in pristine condition. Petitioner shall also develop and coordinate a monitoring system with the Natural Energy Laboratory of Hawaii and the Hawaii Ocean Science and Technology Park.

"6. Petitioner shall provide a buffer area and develop and maintain a storm drainage system that does not adversely affect the existing wildlife habitat at Kaloko Fishpond in coordination with the Department of Land and Natural Resources, the U.S. Fish and Wildlife Service, the U.S. Park Service, and other appropriate agencies.

"7. Petitioner shall grant to the State of Hawaii a noise easement in a form prescribed by the State Department of Transportation on any portion of the Property subject to noise levels exceeding 55 LDN as determined by the Department of Transportation noise contour map provided by the Department of Transportation for the year 1990. (See Exhibit "A" attached to this Decision and Order.)

"8. Petitioner shall apply sound attenuation measures on all residential units on the Property that are subject to noise levels greater than 60 LDN. Petitioner shall not construct residential or resort

condominium development on any portion of the Property subject to noise levels greater than 65 LDN.

"9. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provisions of adequate assurance of satisfaction of these conditions by the Petitioner."

AND the Trustees, Company and Tenant having duly authorized the Petitioner to submit the aforesaid lands described in said Exhibit "1" and Exhibit "2" as the subject of the petition in said Docket No. A86-599 insofar as their interests in the lands are concerned, hereby authorize the foregoing Certificate and to the recordation thereof in the Bureau of Conveyances of the State of Hawaii.

IN WITNESS WHEREOF, the undersigned have hereto caused this instrument to be duly executed as of _____, 1987.

Walter F. Weldon, Jr.

Norman L. Kasparson

E. J. Caldecott

James G. Degnan

Trustees

STATE MUTUAL LIFE ASSURANCE
COMPANY OF AMERICA

By _____
Its

By _____
Its

Company

Christian Wolffer

Tenant

KONA BEACH DEVELOPMENT
VENTURE, L.P.

Kona Beach Development
Corporation, General Partner

By _____
Its

Petitioner

)
) ss.
)

On this _____ day of _____, 19____, before me personally appeared WALTER F. WELDON, JR., as Trustee, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

Notary Public

My commission expires _____

)
) ss.
)

On this _____ day of _____, 19____, before me personally appeared NORMAN L. KASPARSON, as Trustee, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

Notary Public

My commission expires _____

)
) ss.
)

On this _____ day of _____, 19____, before me personally appeared E. J. CALDECOTT, as Trustee, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

Notary Public

My commission expires _____

)
) ss.
)

On this _____ day of _____, 19____, before me personally appeared JAMES G. DEGNAN, as Trustee, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed as such Trustee.

Notary Public

My commission expires _____

)
) ss.
)

On this _____ day of _____, 19____, before me appeared _____ and _____, to me personally known, who, being by me duly sworn, did say that they are the _____ and _____, respectively, of STATE MUTUAL LIFE ASSURANCE COMPANY OF AMERICA, a Massachusetts corporation; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said _____ and _____ acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

My commission expires _____

)
) ss.
)

On this _____ day of _____, 19____, before me personally appeared CHRISTIAN WOLFFER to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

Notary Public

My commission expires _____

STATE OF HAWAII)
CITY AND COUNTY OF HONOLULU) ss.
)

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of KONA BEACH DEVELOPMENT CORPORATION, a Hawaii corporation, a General Partner of Kona Beach Development Venture, L.P., a Delaware limited partnership; that the seal affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation as such General Partner.

Notary Public, State of Hawaii

My commission expires _____

EXHIBIT "1"

All of that certain parcel of land (being Royal Patent Grant Number 3086 to Kapena) situate, lying and being at Kohanaiki, District of North Kona, Island and County of Hawaii, State of Hawaii, and thus bounded and described:

Beginning at an old square drill-hole cut in rock which marks a Government Triangulation Station called "PUHILI" on the northerly boundary of this tract of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KEAHOLE2" being 8628.02 feet south and 3463.12 feet east, and running by azimuths measured clockwise from true South:

1. 259° 41' 56" 4409.33 feet along Grant 4536 to J. A. Maguire and also partly along the south end of a 30-foot Government Road Reserve to a spike and stonepile on the southwest side of a narrow old Government Road, the azimuth and distance across Road from said spike to an old "+" cut in solid rock in large stonepile marking Government Triangulation Station "KEKEE" being 259° 41' 56" 11.54 feet;
2. 328° 14' 10" 4679.83 feet along the southwest side of a narrow old Government Road to a pipe in stonepile, the azimuth and distance from said pipe across a narrow Government Road to an old "+" cut in solid rock and large stonepile marking Government Triangulation Station "KANANAKA" being 254° 39' 20" 11.20 feet;
3. 74° 39' 20" 3043.17 feet along the Ahupuaa of Kaloko to a galvanized nail set in concrete on large boulder at highwater mark at the sea and passing over an old "+" cut in rock that marks Government Survey Triangulation Station "HALAU" at 2864.50 feet and which is located at the northwest corner of an old house site foundation wall; thence following along the

windings of highwater mark at the sea to a point at highwater mark, the direct azimuth and distance being:

4. 111° 37' 55" 3163.29 feet; thence following along the windings at highwater mark at the sea to a point at highwater mark, the direct azimuth and distance being:
5. 155° 20' 12" 3042.91 feet;
6. 259° 23' 30" 349.10 feet along Grant 4536 to J. A. Maguire to the point of beginning and passing over an old large "+" cut in solid pahoehoe at 52.50 feet;

Area 462.38 acres, more or less.

BEING THE PREMISES DESCRIBED IN DEED

GRANTOR : HENRY F. AKONA and SARAH L. AKONA, husband and wife, DAN N. KAHAPEA, also known as Daniel N. Kahapea, also known as Daniel Nalua Kahapea, also known as Daniel Kahapea, unmarried, ALEXANDER N. KAHAPEA, husband of Florence Kahapea, WILLIAM N. KAHAPEA, also known as William Kahapea, husband of Miriam M. Kahapea, and PARTNERS' INVESTMENT CORPORATION, a Hawaii corporation

GRANTEE : JOSEPH G. NASON, NORMAN L. KASPARSON, E. J. CALDECOTT and JAMES G. DEGNAN, as Trustees under Declaration of Trust dated April 2, 1968

DATED : April 19, 1968

RECORDED : Liber 6036 Page 364
in the Office of the Registrar of Conveyances at Honolulu

EXHIBIT "2"

All of that certain parcel of land (portion of the land described in and covered by Royal Patent Grant Number 2942 to Hulikoa) situate, lying and being between 30.00 feet roadway and Kailua-Kawaihae Road at Kohanaiki, District of North Kona, Island and County of Hawaii, State of Hawaii, being PARCEL 4, and thus bounded and described:

Beginning at the Southwest corner of this parcel of land being also the Northwest corner of Parcel 6 on the Easterly side 30.00 feet roadway the coordinates of said point of beginning referred to Hawaiian Plane Coordinates Grid System Zone 1 being 316,603.34 feet North and 315,325.75 feet East and running by Plane azimuths measured clockwise from true South:

1. 148° 26' 30" 304.02 feet along the Easterly side of 30.00 feet roadway;
2. 271° 59' 35" 1336.47 feet along Parcel 2 and along remainder of Grant 2942 to Hulikoa to the Westerly side of Kailua-Kawaihae Road;
3. 329° 36' 30" 300.00 feet along the Westerly side of Kailua-Kawaihae Road and along remainder of Grant 2942 to Hulikoa;
4. 91° 59' 35" 1329.10 feet along Parcel 6 and along remainder of Grant 2942 to Hulikoa to the point of beginning, containing an area of 7.752 acres, more or less.

Together with Easement B, eighty feet wide, for road and utility purposes, affecting Parcels 2 and 4.

Land situated on the Westerly side of Kailua-Kawaihae Road at Kohanaiki, North Kona, Hawaii.

Being a portion of Grant 2942 to Hulikoa.

Beginning at the North corner of this parcel of land, the direct azimuth and distance from the Southeast corner of Parcel 2 and the Northeast corner of Parcel 4, being 149° 36' 30" 40.00 feet, the coordinates of said point of beginning referred to Hawaiian Plane Coordinate Grid System

Zone 1 being 316,850.40 feet North and 316,482.04 feet East and running by Plane azimuths measured clockwise from true South:

1. 329° 36' 30" 80.00 feet along the Westerly side of Kailua-Kawaihae Road;
2. 91° 59' 35" 100.00 feet along remainder of Parcel 4 and Grant 2942 to Hulikoa;
3. 149° 36' 30" 80.00 feet along remainders of Parcels 4 and 2 and Grant 2942 to Hulikoa;
4. 271° 59' 35" 100.00 feet along the remainders of Parcel 2 and Grant 2942 to Hulikoa to the point of beginning and containing an area of 6,756 square feet, more or less.

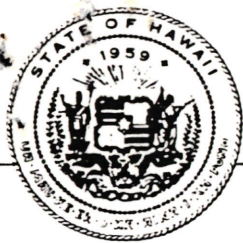
BEING THE PREMISES DESCRIBED IN DEED

GRANTOR : ISABEL K. SHERMAN, wife of Russell
Sherman, and YVONNE HANA MORGAN, wife of
William Morgan

GRANTEE : STATE MUTUAL LIFE ASSURANCE COMPANY OF
AMERICA, a Massachusetts corporation

DATED : September 26, 1983

RECORDED : Liber 17371 Page 210
in the Office of the Registrar of
Conveyances at Honolulu



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

JOHN WAIHEE
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

February 2, 1987

NOTIFICATION OF BOUNDARY AMENDMENT
DECISIONS BY STATE LAND USE COMMISSION

To all concerned agencies:

The Findings of Fact, Conclusions of Law and Decision and Order for the following boundary amendment petitions have been filed by the Land Use Commission:

<u>Petition Docket No.</u>	<u>Boundary Amendment Requested</u>	<u>LUC Action on December 16, 1986</u>	<u>DATE OF DECISION AND ORDER</u>
A86-603 HUEHUE RANCH	To reclassify approximately 667 acres from Conservation to Urban at Kukio, North Kona, Hawaii	Approved approximately 666.5 acres at Kukio, North Kona, Hawaii, TMK: 7-2-04: 16 and portion of parcel 5 (see map attached) Denied approximately 0.5 acres at Kukio, North Kona, Hawaii, TMK: 7-2-04: portion of parcel 5 (see map attached)	Jan. 28, 1987
A86-607 HAWAIIAN TRUST CO., LTD. A HAWAII CORP., AND TRUSTEE OF GEORGE GALBRAITH TRUST	To reclassify approximately 1.33 acres from Conservation to Urban at Wahiawa, Central Oahu, City and County of Honolulu	Approved approximately 1.33 acres at Wahiawa, Central Oahu, City and County of Honolulu, TMK: 7-3-06: 77 (Por.) (see map attached)	Jan. 28, 1987
		<u>LUC Action on January 13, 1987</u>	
A86-605 KEAUHOU INVESTMENT COMPANY AND KONA COAST PROPERTIES, LTD., A JOINT VENTURE	To reclassify approximately 44.3 acres from Agricultural to Urban at Pahoehe 2nd, District of North Kona, County of Hawaii	Approved approximately 44.3 acres at Pahoehe 2nd, District of North Kona, County of Hawaii, TMK: 7-7-08: portion of 21 (see map attached)	Jan. 30, 1987

Notification of Boundary Amendment Decisions

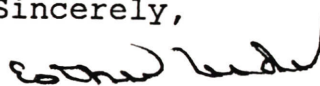
February 2, 1987

Page Two

<u>Petition Docket No.</u>	<u>Boundary Amendment Requested</u>	<u>LUC Action on January 13, 1987</u>	<u>DATE OF DECISION AND ORDER</u>
✓ A86-599 KONA BEACH DEVELOP- MENT VENTURE, L.P.	To reclassify approximately 470.13 acres from Conservation to Urban at Kohanaiki, North Kona, Hawaii	Approved approximately 470.13 acres at Kohanaiki, North Kona, Hawaii, TMK: 7-3-09: 3 and 16	Jan. 30, 1987

Should you have any questions on the above, please do not
hesitate to contact this office.

Sincerely,



ESTHER UEDA
Executive Officer

EU:to
Att.

NOTIFICATION OF BOUNDARY AMENDMENT DECISIONS BY LUC

Concerned Agencies

State (all petitions)

1. Dept. of Planning & Economic Development - Planning Division
2. Dept. of Planning & Economic Development - Land Use Division
3. Dept. of Transportation - Office of the Director
4. Board of Land & Natural Resources - Office of the Chairman
5. Dept. of Education - Facilities & Auxiliary Services Branch
6. Office of Environmental Quality Control
7. USDA Soil Conservation Service - Attention: Harry Sato
8. Board of Agriculture - Office of the Chairman
9. C&C, Dept. of Finance - Mapping Section
10. Deputy Attorney General - Everett Kaneshige

City & County of Honolulu (Oahu petitions only)

1. Dept. of General Planning - Chief Planning Officer
2. Dept. of General Planning - Division Head, Policy Analysis Division
3. Dept. of Land Utilization - Director
4. Planning Commission - Executive Secretary
5. Board of Water Supply - Manager and Chief Engineer
6. Dept. of Public Works - Director
7. C&C, Dept. of Finance - Property Assessment Section
8. C&C, Dept. of Finance - Property Technical Office

Hawaii County (Hawaii petitions only)

1. Dept. of Planning - Director
2. Planning Commission - Chairman
3. Dept. of Water Supply
4. Dept. of Public Works
5. Real Property Tax Office

Maui County (Maui petitions only)

1. Dept. of Planning - Director
2. Planning Commission - Chairman
3. Dept. of Water Supply
4. Dept. of Public Works
5. Real Property Tax Division

Kauai County (Kauai petitions only)

1. Dept. of Planning - Director
2. Planning Commission - Chairman
3. Dept. of Water Supply
4. Dept. of Public Works
5. Real Property Division

STATE OF HAWAII
LAND USE COMMISSION
Old Federal Building
335 Merchant Street
Room 104
Honolulu, Hawaii 96813

January 30, 1987

James Funaki, Esq.
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Gentlemen:

Subject: Docket No. A86-599

Petitioner KONA BEACH DEVELOPMENT VENTURE, L.P.

Pursuant to Section 205-4 (g), HRS, and Part VII, Subsection 7-1, of the Land Use Commission's Rules of Practice and Procedure, this is to advise you that you are required to submit to the Land Use Commission, for its approval, the document listing the conditions imposed on the above boundary amendment petition, prior to filing with the Bureau of Conveyances or the Assistant Registrar of the Land Court. These conditions shall be recorded with the Bureau of Conveyances or the Land Court within 30 days after receipt of the Commission's decision and order. You are also required to forward a certified copy of the recordation under the signature of the Registrar of Conveyances or by the Assistant Registrar of the Land Court, as the case may be, to the Land Use Commission.

Should you have any questions on the above matter, please call the Commission's office.

Sincerely,



ESTHER UEDA
Executive Officer

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
KONA BEACH DEVELOPMENT VENTURE, L.P.)
To Amend the Conservation Land Use)
District Boundary into the Urban)
Land Use District for Approximately)
470.13 Acres at Kohanaiki, North)
Kona, Hawaii, State of Hawaii, Tax)
Map Key Nos.: 7-3-09: 3 and 16)
_____)

DOCKET NO. A86-599

KONA BEACH DEVELOPMENT
VENTURE, L.P.

This is to certify that this is a true and correct
copy of the Decision and Order on file in the office
of the State Land Use Commission, Honolulu Hawaii.

JAN 30 1987

Date

by

Robert L. Lunde
Executive Officer

FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND DECISION AND ORDER

JAN 30 10 30 AM '87
LAND USE COMMISSION
STATE OF HAWAII

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A86-599
KONA BEACH DEVELOPMENT VENTURE, L.P.)	
To Amend the Conservation Land Use	)	KONA BEACH DEVELOPMENT
District Boundary into the Urban	)	VENTURE, L.P.
Land Use District for Approximately)	
470.13 Acres at Kohanaiki, North)	
Kona, Hawaii, State of Hawaii, Tax)	
Map Key Nos.: 7-3-09: 3 and 16)	

FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND DECISION AND ORDER

KONA BEACH DEVELOPMENT VENTURE, L.P., a Delaware limited partnership (hereinafter "Petitioner"), filed this petition on February 24, 1986, as amended by amendment filed on May 29, 1986, pursuant to Chapter 205, Hawaii Revised Statutes, and the Rules of Practice and Procedure of the Land Use Commission, State of Hawaii, to amend the land use district boundary for approximately 470.13 acres of land, Hawaii Tax Map Key Nos.: 7-3-09: 3 and 16, situate at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii (hereinafter "Property"), from the Conservation District to the Urban District. The Land Use Commission (hereinafter "Commission"), having heard and examined the testimony, evidence and argument of counsel presented during the hearings, the stipulation for the proposed findings of fact and conclusions of law, and the proposed

decision and orders hereby makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. The Commission conducted hearings on this petition on July 8, 1986, October 7, 1986, October 21 and 22, 1986 and November 6, 1986, pursuant to notices published in the Honolulu Advertiser and the Hawaii Tribune Herald on June 6, 1986.

2. The Commission allowed Virginia Isbell, Mark Van Pernis, Douglas Blake, Harry Foster and Dean Newstrom to testify as public witnesses.

3. The Commission allowed a letter from the United States Department of Interior, National Park Services, to be read into the record on October 21, 1986.

4. The Commission did not receive any request for intervention in this petition.

5. On November 13, 1986, the Commission filed its Decision and Order accepting Petitioner's environmental impact statement pursuant to Chapter 343 of the Hawaii Revised Statutes.

DESCRIPTION OF THE PROPERTY

6. The Property consists of approximately 470.13 acres of land located makai of the Queen Kaahumanu Highway along the shoreline of the Kohanaiki ahupua'a in the North Kona District on the west coast of the island of Hawaii. The Property is approximately two miles south of the Keahole

Airport, two miles north of Honokohau small boat harbor, and five miles north of Kailua, Kona.

7. The Property consists of open and unimproved lava land. Elevation of the Property ranges from sea level at the coastline to approximately 70 feet above mean sea level at Queen Kaahumanu Highway. The Property slopes gently with slopes ranging from zero to five percent.

8. The U.S. Soil Conservation Service classifies soil on the Property into three types: Pahoehoe lava, A'a lava and Punaluu extremely rocky peat with 6 to 20 percent slopes. The predominant soil type covering almost 70 percent of the Property is Pahoehoe lava. A fourth land type is the beach area which contains sand and gravel. The white sand beaches fronting the Property are comprised of coral and sea shells.

9. The climate of the North Kona area is semi-tropical and considered to be dry and arid with light rainfall. Average annual rainfall at Kailua-Kona is 25 inches. A high rainfall belt lies between 1,200 to 3,000 foot elevations on the leeward slopes of Hualalai and Mauna Loa. The Property is sheltered from the predominant tradewind system by the land masses of Mauna Kea, Hualalai and Mauna Loa. The prevailing pattern consists of onshore winds in the morning and early afternoon, returning to offshore breezes in the late afternoon and evening. The average annual temperature is 75 degrees Fahrenheit with an average high of 83 degrees Fahrenheit and an average low of 67 degrees Fahrenheit.

10. The Flood Insurance Rate Map designates and confines the coastal high hazard area (Zone V-15) to the Property's shoreline area. The 100-year flood zone boundary (Zone A-4) lies inland of the V-15 zone and between 200 and 1,000 feet inland of the shoreline. Base flood elevations range from 7 to 9 feet above mean sea level. The majority of the Property lies within Zone "C" which is an area of minimal flooding.

11. The Property is comprised of two parcels of land identified by Hawaii Tax Map Key Nos. 7-3-09: 3 and 7-3-09: 16. The parcel of land identified as Tax Map Key No. 7-3-09: 3, consisting of approximately 462.38 acres, is owned in fee simple by Walter F. Weldon, Jr., Norman L. Kasparson, E. J. Caldecott and James G. Degnan, as Trustees under Declaration of Trust, dated April 2, 1986. The parcel of land identified as Tax Map Key No. 7-3-09:16, consisting of approximately 7.752 acres, is owned in fee by State Mutual Life Assurance Company of America.

12. Christian Wolffer is the tenant under the ground leases covering the two parcels of land comprising the Property, and he is also the holder of the option agreements to purchase the two parcels from the fee owners. Christian Wolffer is the sole shareholder of Kona Beach Development Corporation, which is the general managing partner of the Petitioner, and holds the aforesaid ground leases and the options to purchase as the nominee of the Petitioner.

Christian Wolffer has authorized Petitioner to submit this petition.

13. The two parcels which comprise the Property are separated by a 30-foot wide strip of land which is a portion of the Mamalahoa Trail, also known as the King's Highway, owned by the State of Hawaii. Petitioner has applied to the State Department of Land and Natural Resources for the appropriate easement to cross the Mamalahoa Trail.

PROPOSAL FOR DEVELOPMENT

14. Petitioner proposes to develop the Property as an integrated intermediate-class resort. Under Petitioner's conceptual plan for the proposed project, the land uses for the Property are as follows:

<u>Land Use</u>	<u>Gross Acreage</u>	<u>Unit Count</u>
Resort Hotel:	62	700
Resort Condominium:	70	800
Residential:	73	200
Support Housing:	100	150
Golf Course:	170	
Clubhouse/Recreation Center:	8	
Resort Commercial:	6	
Marina Basin:	10	
Open Space/ Circulation:	61	
TOTALS:	<u>470</u>	<u>1,850</u>

Marina Village

The Marina Village will provide a primary focal point for the resort. Space for approximately 150 boats will be created in a man-made basin carved from the lava rock in a protected area south of Wawahiwaa Point. Surrounding the

approximately 10-acre marina basin will be the marina village within a mix of commercial and resort residential uses.

Approximately 300 resort condominiums and 33,000 square feet of leasable commercial space are planned for this area.

Resort Village

Located between the two hotels and the main access to the Pine Trees Beach, the Resort Village will provide a focal mixing point between residents and guests of the Kohana-iki Resort and residents of the greater Kona community. Parking areas for beach-goers and shoppers will be incorporated into the village design.

Clubhouse Recreation Center

A third focus of activity will be at the clubhouse recreation center located inland at about the 50 foot elevation. The facility will serve as the principal activity center for land-based recreational amenities and will contain spas, weight rooms, indoor racket sport courts, and outdoor sports facilities such as tennis courts and swimming pools. The clubhouse will serve the needs of golfers as well, providing space for golf cart rental and pro shop. Jogging paths throughout the Property will originate from the clubhouse.

Resort Hotels

Two resort hotels providing approximately 700 rooms are planned for the Property's coastal area. The proposed hotels would be separated from each other by natural land features such as the anchialine ponds (some of which would be

incorporated into the hotel grounds), extensive landscaping, and the Resort Village Commercial area. The hotel sites are located on level ground approximately 400 to 600 feet inland from the shoreline.

Resort Condominiums

Approximately 800 resort condominiums are planned throughout the site in three different locations. One grouping is planned to front the coastal area adjacent to the northern border of the Property. A second cluster is planned to be located directly mauka of the resort hotels, located between the Resort Village and the clubhouse recreation center. A third grouping will be located within the Marina village proper. The average densities for the condominiums will vary from 10 units per acre along the golf course fairways to 14 units per acre within the Marina Village.

Fairway Homesites

Approximately 200 single family residential homesites will be developed in the upland areas of the site surrounded by golf course fairways. The average density for these parcels is estimated at 3 per acre. It is expected that these homesites will be purchased and developed as primary residences.

Support Housing

Approximately 150 apartments will be developed on a 10-acre site adjacent to the Marina Village for resort employees. The housing units will consist of a mix of studio and one bedroom apartments as it is expected that employees

with families will prefer to live off-site. These apartments may be either leased or sold in fee.

Golf Course

The 18-hole, par-72 championship course is a key recreational element of the development concept. In addition to its recreational amenity, the course will serve as the principal landscape element within the resort by providing a major green open space.

15. Petitioner proposes to incorporate the anchialine ponds into its proposed development as cultural and educational features.

16. Petitioner's proposed project was designed to achieve the following objectives:

a. The resort is planned to become an upscale active community, directed towards the emerging and lucrative middle-age visitor market as distinguished from existing West Hawaii resorts which were designed and developed for the older, established "carriage trade" market. The amenities and entertainment would be directed to the more physically active and more affluent younger market.

b. The resort is planned to become a major hub of activity for both the visitors that come and stay and for the residents of the Kona area.

17. Petitioner's preliminary estimates of off-site and on-site improvement costs (not including buildings) are as follows:

<u>System</u>	<u>Cost (In millions of 1986 dollars)</u>
Water	\$15.2
Sewer	\$10.0
Roadways	\$ 4.2
Drainage	\$ 3.9
Power/ Communications	\$ 2.0
Total	<u>\$35.3</u>

18. The proposed project will be phased to meet market demands and coincide with required infrastructure improvements. Build-out of the proposed project could occur within five years of receiving final government approvals to begin construction. Petitioner's proposed phasing and estimated timetable of the proposed project are as follows:

<u>Phase</u>	<u>Land Use</u>	<u>Units</u>	<u>Development Period After Final Government Approvals</u>
1A	Hotel Support Housing Golf Course Infrastructure	400	1A - completion within two years
1B	Hotel Resort Condos Support Housing Commercial Village Recreation Complex Infrastructure	300 470 50	1B - construction within three years
1C	Mixed Use Com'l Facilities Support Housing Marina Basin Infrastructure	330 50	1C - construction within three to four years
2	Fairway Homesites Infrastructure	200	2 - construction commencement within four years

PETITIONER'S CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

19. Petitioner's balance sheet listed total assets of \$1,497,914.00, and \$125,000.00 as total accounts payable and \$1,372,914.00 as partners capital. The balance sheet represents initial commitment for acquisition costs of leasehold and land purchase option and other start-up costs.

20. Petitioner is comprised of one general partner and ten limited partners. The general partner is Kona Beach Development Corporation, a Delaware corporation. Christian Wolffer is the sole shareholder, sole director and president of Kona Beach Development Corporation. The limited partners are as follows:

Theodore J. Forstmann

Aole Partners:

William Brian Little
Nicholas C. Forstmann

Vala Partners:

John A. Sprague
Henry M. O'Neill, Jr.
Steven B. Klinsky
Winston W. Hutchins

Peter C. Jaquith

Dr. Theodor Brendle

Vincent Bohlen

Edgar V. Bohlen

Matthias H. Kunheim

A Partnership comprised of:

Steve Novick
Charles Moss
Paul Thomas Cohen
John Leffler

Naomi Wolffer

21. The Bank of Hawaii, in its investigation of the financial capacities and creditworthiness of Christian Wolffer and the partners of the Petitioner indicate that ". . . Mr. Wolffer and his partners should have the ability to finance the infrastructure improvements for the Kohanaiki project and to attract other investors and operators to realize the master-plan development."

22. Christian Wolffer will be responsible and in charge of the overall development of the proposed project. He has had extensive experience for fifteen years in the business of developing, managing and financing real estate involving real property projects of considerable size and worth in major metropolitan areas in the United States and Canada, including New York, Boston, Atlanta, Toronto and Montreal.

STATE AND COUNTY PLANS AND PROGRAMS

23. The Property is located within the State Land Use Conservation District as reflected on Land Use District Boundary Map H-2 (Keahole Point, Hawaii).

24. The Hawaii County General Plan identifies the Property as Conservation with an Open designation along the coastline.

25. Petitioner has filed an application to amend the County of Hawaii General Plan Land Use Pattern allocation guide map from the Conservation designation to the Resort, Medium and Low Density Urban destinations.

26. The Property is situate within the County's Open (O) zoned district.

27. The Property is located within the County of Hawaii Special Management Area.

NEED FOR THE PROPOSED DEVELOPMENT

28. State and County projections forecast a demand for approximately 16,000 visitor units on the island of Hawaii by the year 2005.

29. The number of visitor units currently available on a transient basis in the County of Hawaii totaled 6,944 as of February 1985. A significant addition to that total will come with the completion of the 1,260-room Hyatt Regency scheduled for 1987. Currently, there are approximately 4,509 transient units available in North Kona, comprising 62.44 percent of the island's total inventory.

30. In 1984, 756,890 tourists stayed an average of 4.64 days on the island of Hawaii. The Stanford Research Institute estimates the visitor count on the island of Hawaii will increase to between 1.6 million and 2.5 million annually in the next 15 years. The County of Hawaii's projections also indicate similar estimates of 1.6 million to 2 million visitors annually by the year 2000.

31. Based on the number of visitors to the island of Hawaii anticipated by the year 2000, the minimum number of rooms needed would more likely approach 20,000 assuming that every room is filled to 100 percent occupancy every day of the year.

Assuming a 70% occupancy rate, the potential visitor unit demand would approximate 27,000 rooms by the year 2000 as compared to governmental forecast of 16,000 units.

32. According to a marina market study by The Hallstrom Appraisal Group, Inc., the demand for small boat improvements in West Hawaii far exceeds the existing and planned public facilities. An estimated 750 to 1,000 slips would be required over the next decade to ease anticipated demand. Currently, no existing resort in Hawaii has a boating marina within its community.

33. According to The Hallstrom Appraisal Group, Inc., the Petitioner's proposed 150 slips would be spoken for prior to the completion of the marina. If 250 or more slips were to be constructed, The Hallstrom Appraisal Group, Inc. concludes that all could be successfully filled within 18 months of completion of the marina.

34. The market study by The Hallstrom Appraisal Group, Inc. estimates absorption of the resort improvements from the date of market offerings as follows:

<u>Use</u>	<u>No. of Units</u>	<u>Absorption Period in Years</u>
Hotel	700	6- 8
Condominium	800	14-16
Commercial	20,000-35,000 Sq. Ft. Gross Leasable Area	3
Single Family Residential	Variable	10-15

35. Petitioner has entered into a letter of understanding with Intercontinental Hotels Corporation which letter expresses Intercontinental Hotels Corporation's intent to manage the two hotels proposed to be developed on the Property and to invest a certain amount of equity into the two hotels.

IMPACT UPON RESOURCES AND AREAS OF STATE CONCERN

Agricultural Resources

36. The University of Hawaii Land Study Bureau's overall master productivity rating for the Property is Class "E" or very poor.

37. The Property is not classified on the State Department of Agriculture's Agricultural Lands of Importance to the State of Hawaii (ALISH) map.

38. The U.S. Soil Conservation Service has classified the soils within the Property with Capability Class Rating of VIII which is defined as soils and land forms which have limitations that preclude their use for commercial plants.

Flora and Fauna

39. A botanical survey of the Property was conducted by Char and Associates, botanical and environmental consultants. The survey identified four vegetative types on the Property. A well developed strand vegetation community occurs along the coastal portion of the Property. Immediately inland, in the southern area of the project site, the Kiawe thicket form a closed to semi-open canopy on the pahoe-hoe lava. The pond vegetation occurs at the edges of or within the anchialine ponds

which are found along the coast. Scrub vegetation is dispersed roughly over 80 to 85% of the Property.

40. Within these vegetative areas, 73 vascular plant species were identified. Of these, 27 are native species, 18 being indigenous and 9 are endemic. One plant tentatively identified as a *Reynoldsia* species was found in the kiawe thicket. A species of this genus (*Reynoldsia sandwicensis*) is a candidate endangered or threatened species; however, the plant is located within a historic site and no development is planned for this site.

41. A terrestrial faunal survey of the Property was also conducted by Char and Associates. The faunal survey identified 13 bird species and 1 mammal. The most common bird species, the House Finch and Japanese White-eye, were found in the mangrove, Kiawe thicket and strand habitats. The mongoose was the only mammal seen during the survey.

42. The proposed development will alter the existing faunal habitats. Potential impacts to avifaunal habitats would be associated with development adjacent to the anchialine ponds. As mitigating measures, the Petitioner proposes to include pond buffer zones which would prohibit development near the ponds and will prevent undue disturbances by casual passers-by.

Anchialine Ponds

43. The coastline of the Property contains a series of anchialine ponds which constitute one of the larger

concentrations of relatively undisturbed ponds on the island of Hawaii. An impact analysis of the proposed development on the anchialine ponds resource was conducted in 1986 by O I Consultants, Inc. The impact analysis reported that a survey conducted by O I Consultants, Inc. in 1985 located a total of 56 ponds along the Property's coastline, 13 of which were not examined in a 1972 survey by Maciolek and Brock. A more recent survey in 1986 located 2 senescent anchialine ponds at the southern edge of the Property.

44. No physical intrusion into the individual anchialine ponds is being proposed by the Petitioner at the Property with the possible exception of the two small ponds located in the vicinity of the proposed marina basin. The disposition of these ponds will be determined pending the completion of detailed engineering and environmental analyses to be prepared pursuant to an Army Corps permit application for marina construction.

45. The Petitioner intends to prepare an anchialine pond management plan with the objective of preserving significant pond features and providing interpretive and education opportunities to the public. Ponds identified at the Property will be incorporated into the overall design of the resort. Care will be taken in the design of the on-site drainage plan to assure that no runoff is directed towards the pond areas. The waste water treatment plan recognizes the potential impact of related nutrient loading on the pond

resource and proposes a system that will minimize the potential impact.

46. According to David Alan Ziemann, Ph.D., of O I Consultants, Inc., the proposed development is not seen as posing any major potential impacts to the anchialine ponds, aside from the potential of one or two ponds being impacted by the construction of the proposed marina.

Near Shore Environment

47. The near shore waters off the Property are classified as "AA" waters by the State Department of Health. The objective of Class "AA" is that these waters remain in their natural pristine state as nearly as possible.

48. The near shore marine environment off the Property is not significantly different, either in species abundance, or diversity, from other areas of the western coast of the island of Hawaii. The endangered humpback whale and the threatened green sea turtle are known to occur off the Property coastline. According to Steven J. Dollar, Ph.D., marine research consultant, the proposed development would not affect fishing as it exists today.

49. Direct impacts to the near shore environment due to construction will be associated with the proposed marina. The entrance channel to the marina will be constructed by dredging a portion of the offshore area to a depth required for the passage of small boats. This dredging activity will remove some portion of the existing coral community and will also cause siltation.

50. Petitioner proposes to mitigate the impact of the marina construction by constructing the marina basin "in the dry" behind a shoreline berm which will not be removed until construction of the marina has been completed and sediment within the marina basin has had an opportunity to settle out of the water.

51. Construction of the marina would require a Corps of Engineers permit and a Federal Environmental Impact Statement as well as a supplemental impact statement under the requirements of Chapter 343, Hawaii Revised Statutes.

52. According to marine research consultant Steven J. Dollar, the marina construction would not cause any noticeable effect to the pristine quality of water in the nearshore environment where the Natural Energy Laboratory of Hawaii and the Hawaii Ocean Science and Technology Park conduct their activities.

Historical/Archaeological Resources

53. There have been several archaeological surveys of the Property over the years; the most recent being a full archaeological reconnaissance survey of the Property conducted by Paul H. Rosendahl, Ph.D. Inc., consulting archaeologist, in 1986.

54. The archaeological survey identified a total of 105 sites within the Property. Of these, 13 sites had been previously recorded, and 92 sites were newly identified. The range of sites included walled shelters, enclosures, cave

shelters, overhang shelters, walls, trails, walled pond, platforms, cairns, petroglyphs, straight and circular rock alignment, rock mound, filled depression, cleared pond and spring/well.

55. Of the 105 sites identified, 84 have been determined to be significant solely for their information content. Sufficient data were collected from 50 of the 84 sites during the survey. These 50 sites no longer contain endangered information and no further work is recommended. Additional data collection has been recommended for the remaining 34 sites.

56. Eleven of the sites are significant for their information content and potential cultural value as probable burial sites. The consulting archaeologist recommends either preservation of the sites or proper reburial of remains if burials are found.

57. Five of the sites are significant for their information content and their interpretive potential. The recommended treatment of these sites is to conduct further data collection and to develop the sites as interpretive locales.

58. Five of the sites are significant for information content, as a site-type example, and for their cultural value. Inplace preservation or some level of interpretive development is recommended for these sites.

59. All sites recommended for preservation will be preserved by Petitioner in accordance with the archaeological consultant's recommendations. Sites with significant

interpretive and cultural value will be managed under an archaeological resources management plan which will be formulated with the assistance of the State Historic Sites Office and the Hawaii County Planning Department.

60. Petitioner intends to follow the archaeological consultant's recommendations concerning future field work and continue to work closely on such matter with both the Hawaii County Planning Department and the State Historic Sites Office.

Recreational Resources and Access

61. Currently, the recreational resources of the Property are limited to the coastal areas which are accessible by way of an unimproved coastal trail and used by local fishermen, beachcombers, and persons frequenting the popular bathing and surfing area known as Pine Trees Beach.

62. Petitioner's proposed public access system within the proposed development would maintain the present coastal access as lateral pedestrian ways with two mauka-makai points of entry: one at the Pine Trees Beach area, and the other near the proposed marina. Vehicular use of the existing jeep trail along the shoreline will be prohibited.

Noise Quality

63. The primary source of noise originates from air traffic operations at and near the Keahole Airport, located approximately two miles north of the Property.

64. Keahole Point was selected as the site for the airport to replace the old Kona Airport because aircraft

approaches to the site were generally over water and over lands that were within the Conservation District. There were also only one or two people living in the area. These were ideal conditions for an airport.

65. The primary concern of the DOT, manager of the Keahole Airport facility, is the impact of aircraft noise on the proposed Kohanaiki Resort. Complaints and lawsuits originating from owners and users of the resort due to aircraft noise could limit the operational efficiency of Keahole Airport and adversely impact future plans for expansion.

66. Aircraft take-offs and landings at night have been the cause of complaints at other airports. Complaints may lead to a curfew being placed on the airport and eventually to a total restriction of night operations. This would be a disaster to Keahole Airport because night flights are a key to successful air cargo operations.

67. The DOT is in the process of developing a revised master plan for Keahole Airport. Included in this plan will be a detailed analysis of the aircraft noise impacts on the areas surrounding the airport.

68. The DOT recently let contracts to update the original 1971 Keahole Airport Master Plan and to prepare detailed noise studies of existing and projected aircraft operations. These studies are expected to take approximately one year to complete.

69. The DOT, in preparing its noise plan for the Property and the surrounding area, is guided by the Federal Aviation Administration Advisory Circular number 150/5050-6 entitled "Land Use Guidance Chart I: Airport Noise Interpolation" (Chart).

According to the FAA Chart, under Land Use Guidance Zone A, a Minimal Exposure Class with a day-night average sound level range of zero to 55 decibels, no special noise control considerations are suggested and areas which fall in this zone are clearly acceptable according to the Federal Department of Housing and Urban Development Noise Assessment Guidelines.

For Land Use Guidance Zone B, a Moderate Exposure Class with a day-night average sound level range of 55 to 65 decibels, land use noise controls should be considered.

70. In a highly urbanized environs such as Honolulu, where other non-aircraft noise sources can be higher than 60 Ldn, a compromise value of 60 Ldn is considered by the DOT Airports Division. The 60 Ldn is selected since it is midway between the unconditionally acceptable 55 Ldn and the conditionally acceptable 65 Ldn.

71. DOT had established suggested land use compatibility standards in aircraft noise exposure areas in 1981 under its Honolulu International Airport and Environs Master Plan Study. Under these standards, all land uses below the 60 Ldn contour are compatible. Between the 60 to 65 Ldn contour, residential land uses, mobile homes, transient lodgings and

public facilities such as schools, hospitals and nursing homes are compatible only when additional noise level reduction measures are incorporated into the design and construction.

72. It is possible to achieve the desirable 45 Ldn noise level within a building subject to 65 Ldn exterior noise levels and higher, but this means that the building must utilize much heavier construction than is typical in Hawaii. The building also could not have open windows and lanais for cross ventilation. The building would have to be air conditioned and of heavy construction in order to achieve a 45 Ldn interior noise level.

73. Petitioner proposes to apply sound attenuation measures on all residential units on the Property that are subject to noise contours greater than 60 Ldn and to include a noise covenant in the conveyances documents for such residential units.

74. The location of the noise contours projected for 1990 with respect to the Property has been located by DOT and shown on Exhibit A attached hereto and incorporated by reference herein.

75. Other sources of noise affecting portions of the Property are those caused by wave action crashing against the beaches and lava boulders and noise produced from vehicular traffic moving along the Queen Kaahumanu Highway.

Air Quality

76. Petitioner anticipates that temporary fugitive dust emissions from the construction activity will be sources of pollutants on the Property. Petitioner proposes to mitigate such fugitive dust emissions by watering of exposed areas and early landscaping.

77. Petitioner anticipates that the proposed project on the Property will have vehicular traffic characteristics and emission impacts similar to those of the Kaupulehu Resort, a project of like-size located north of the Keahole Airport. An air quality impact analysis for the Kaupulehu Resort had showed that at full build-out the increased emission would still be in compliance with federal and state standards.

Visual Impacts/Height Restrictions

78. The present landscape of the Property will be irretrievably altered from its present natural condition to one characterized by low-lying buildings, landscaped open space, internal roadways, marina harbor and related facilities, and an 18-hole golf course. Major buildings will be designed by Petitioner to minimize impacts to existing mauka-makai view corridors.

79. Due to its close proximity to Keahole Airport, development in a portion of the coastal area of the Property must conform to height restrictions as shown on the airport zoning map, by the State Department of Transportation (DOT), Airports Division.

Commitment of State Funds and Resources

80. Two areas of significant public expenditures in 1986 dollars associated with the proposed project would be for police and fire protection. The proposed project would require public expenditures of \$105,000.00 annually for police protection and \$252,000.00 annually for fire protection.

81. The proposed project is expected to generate some \$10,818,415.00 annually to public revenues in direct net tax benefits. This amount would be divided between \$5,719,425.00 to the County of Hawaii and \$5,098,990.00 to the State. This does not include the over \$4,000,000.00 annually in other tax revenues generated through economic multipliers in the community.

Employment Opportunities and Economic Development

82. Total employment growth is estimated at about 1,830 full-time equivalent positions at full build-out of the proposed project, including a total of 305 indirect/induced jobs.

83. Direct construction employment is estimated at about 2,000 full-time equivalent persons-years for total project build-out.

Housing Opportunities

84. Petitioner proposes to construct 150 employee housing units on the Property. Petitioner recognizes that additional housing may be necessary to meet employee housing demand generated by the proposed project. Petitioner has established contact with the Hawaii County Office of Housing and

Community Development and has expressed willingness to work with the County to explore assisted housing requirements.

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Water Resource and Service

85. The water demand for the proposed project on the Property is 0.7 million gallons per day (MGD) for the initial development phase which includes a 400-room hotel, clubhouse, staff of 645 persons and irrigation of 112 acres. At full build-out of the proposed project, the projected water demand is 2.0 MGD.

86. Groundwater resources in the Kona area have been estimated at 100 MGD by the Hawaii Water Resources Plan. The existing supply sources in the North Kona water system at Kahaluu with a cumulative safe capacity of 8.4 MGD are approaching capacity. Additional source and transmission facilities must be constructed to provide water for the proposed project.

87. Petitioner has examined four potential water development alternatives, the most probable of which is the development of a new water agreement wherein the County would be responsible for easement acquisition as well as the design, source development and operation. The funding of such a development would be provided by Petitioner or by a pool of developers of projects in the vicinity as the County may determine under the water agreement.

88. Petitioner's discussions with the Hawaii County Department of Water Supply indicate that adequate water supply can be made available to the proposed project if the Petitioner contributes to the cost of source and transmission facilities and shares in the cost of secondary impacts of resort development in water commitments.

Transportation Services and Facilities

89. The proposed project is estimated to generate about 500 vehicles per hour onto the Queen Kaahumanu Highway during the evening peak hour at full build-out.

90. The traffic capacity for Queen Kaahumanu Highway is estimated at 1,800 to 2,500 vehicles per hour per lane. According to the State DOT, current traffic volumes on the highway close to the Property indicate peak flows of 594 vehicles per hour.

91. The State DOT has stated that the access for the proposed project at Queen Kaahumanu Highway should be a channelized intersection in conformance with current standards of the State Highways Division and constructed by the Petitioner at no cost to the State.

Petitioner intends to implement the intersection improvement at its cost.

Sewage Treatment and Disposal

92. The engineering study for the Petitioner examined five alternative treatment systems for the proposed project. The alternative that would give the best advantage is a single

centralized treatment facility with a capacity of 0.46 MGD to treat the entire development.

93. Treated effluent will be used by Petitioner for golf course irrigation or other landscaped areas.

94. According to James Kumagai, Ph.D., of M & E Pacific, Inc., engineering consultant for Petitioner, most of the treated effluent used in irrigation will be evapotransported and about a fourth of the treated effluent will percolate to the groundwater without any impact to the near shore marina environment or the anchialine pond system.

95. Petitioner proposes to locate all wastewater pumping stations and treatment facilities as far from the anchialine ponds as practical. Pumping and treatment facilities would also be located above the 15 foot elevation to reduce the potential for groundwater contact.

Drainage

96. The change in land use proposed by the resort development on the Property will increase the amount of rainfall that is converted to surface runoff.

97. Petitioner proposes to prevent surface runoff from going into Kaloko Fishpond and the anchialine ponds through its drainage plan. The proposed drainage plan calls for the majority of the surface flow from resort development to be directed to ponding areas and dry wells within the golf course, with excess surface flow being discharged into the marina basin.

98. Petitioner believes runoff into the Kaloko Fishpond area will actually be reduced from the current 2,800 cubic feet per second to 2,700 cubic feet per second and this reduction in surface runoff will not represent a major potential source of change of the character of the Kaloko Fishpond.

Electrical and Telephone Services

99. Electrical and telephone services can be made available to the Property for the proposed project.

100. A requirement of 35 mva is estimated for the proposed project. A new substation, to be located mauka of Queen Kaahumanu Highway, would be required to handle this requirement and two 12.47 kv distribution lines would be required to run under the highway to the Property. An onsite substation will also be required for telephone service for the proposed site. Petitioner intends to contribute to the cost of both substations.

Police and Fire Protection

101. Police services are available from the police substation in Kailua-Kona. Planning is underway to move the regional Captain Cook police headquarters to a new 10-acre facility at Kealakehe, North Kona, located mid-way between the Property and Kailua-Kona.

102. Fire protection for the proposed project will be served by the Kailua-Kona station approximately five to seven miles from the Property.

Schools

103. Public schools serving the North Kona District are Kealakehe Elementary, Kealakehe Intermediate and Konawaena High School, which are operating at capacity. Additional classrooms will be required at the schools to accommodate growth.

104. Petitioner estimates a total of between 45 to 85 children may require public school education at full build-out of the proposed project.

105. The State Department of Education has stated that master plans for the schools are being revised in anticipation of projected future growth. A 12-classroom project is presently being designed at Kealakehe to accommodate increasing enrollment.

Health Care Facilities

106. The Kona Hospital located in Kealahou, Kona, is the nearest health care facility to the Property. The hospital is approaching capacity and funding request to accommodate additional beds is expected. Using a standard of 4 hospital beds per 1,000 residents, the proposed project at full build-out and operation would require the provision of about 17 additional hospital beds.

Solid Waste

107. There is no government pick-up service for solid waste disposal in the County of Hawaii. Solid waste generated from the proposed project can be accommodated at the Kailua-Kona landfill at Kealahou. A new 300-acre landfill site is being

planned by the County at Puu Anahulu to serve both North Kona and Kohala.

CONFORMANCE TO STATE LAND USE DISTRICT STANDARDS

108. The Property is contiguous to the Kaloko-Honokohau-Kealakehe Urban District. The northern Kaloko-Honokohau portion of that Urban District is privately-owned and the remaining southern Kealakehe portion is owned by the State of Hawaii. Existing urban development within the Kaloko-Honokohau-Kealakehe Urban District is the Honokohau Harbor which is owned and operated by the State. The proposed project is also adjacent, at its northern mauka corner, to a portion of the Hawaii Ocean and Science Technology Park Urban District.

109. The Kaloko-Honokohau urban areas are currently designated as a resort destination area under the State Tourism Plan Technical Reference document and the County General Plan and are not proposed as the area for the congressionally authorized National Park. Development of the subject Property as a resort would carry out the general intent of the State Tourism Plan and the County General Plan for a resort destination in the general vicinity of the Kaloko-Honokohau area.

110. Public services and facilities are available to service the Property or can be provided at reasonable costs to Petitioner.

Petitioner intends to develop the proposed project's on-site and off-site infrastructure relating to water, sewer, roadways, drainage and power.

111. Petitioner proposes to develop an integrated intermediate-class resort including two full-service hotels, marina, golf course, commercial shops, residential homes and condominiums, which would generate trade and employment.

112. Petitioner demonstrates sufficient financial stability and capacity to undertake and complete the proposed project.

CONFORMANCE WITH THE HAWAII STATE PLAN

113. The proposed reclassification to allow the proposed project conforms to the Hawaii State Plan, including the following goal, objective and policy:

Goal: "A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawaii's present and future generations." Hawaii Revised Statutes Section 226-4(1)

Objective: "Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii's people." Hawaii Revised Statutes Section 226-6(a)(1)

Policy: "Encourage an increase of economic activities and employment opportunities on the Neighbor Islands consistent with community needs and desires." Hawaii Revised Statutes Section 226-5(b)(2)

The Hawaii County economy has shifted from an economy dominated by agriculture to a more diversified economy with a significant service-oriented component. The visitor industry has played a vital and significant role in the diversification of the County's economy, particularly in the North Kona-South Kohala

districts. The proposed project will provide direct long-term employment for an estimated 1,525 residents and indirect employment for an additional 305 residents. Significant public benefit will accrue to both the County and the State in the form of net increased tax annual revenue estimated to be in excess of \$10 million per year.

RULING ON STIPULATED PROPOSED FINDINGS OF FACT

Any of the stipulated proposed findings of fact submitted by the parties not adopted by the Commission herein, or rejected by clear contrary findings of fact herein, are hereby denied and rejected.

CONCLUSIONS OF LAW

Pursuant to Chapter 205, Hawaii Revised Statutes, as amended, and the Rules of Practice and Procedure and District Regulations of the Commission, the Commission finds upon the preponderance of evidence that the reclassification of approximately 470.13 acres from the Conservation District into the Urban District at Kohanaiki, North Kona, Island and County of Hawaii, Tax Map Key Numbers: 7-3-09: 3 and 16, for resort, residential, commercial, golf course, and marina uses, subject to the conditions stated in the Order, conforms to the standards established in the State Land Use District Regulations, is reasonable and non-violative of Section 205-2, Hawaii Revised Statutes, and the Hawaii State Plan, as set forth in Chapter 226, Hawaii Revised Statutes, as amended.

ORDER

IT IS HEREBY ORDERED that the Property, consisting of approximately 470.13 acres, being the subject of this Docket No. A86-599 by Kona Beach Development Venture, L.P., situate at Kohanaiki, North Kona, Island and County of Hawaii, and identified as Hawaii Tax Map Key Numbers: 7-3-09: 3 and 16, for reclassification from the Conservation District to the Urban District, shall be and hereby is approved subject to the following conditions:

1. Petitioner shall provide housing opportunities for low and moderate income Hawaii residents and for employees employed on the Property by constructing and offering for sale or rent, on a preferential basis on its own or in cooperation with either or both the Hawaii Housing Authority and the County of Hawaii, within or without the Property, a number of residential units not less than ten percent (10%) of the residential units to be developed on the Property to residents of Hawaii and/or employees employed on the Property of low or moderate income as determined by the Hawaii Housing Authority or County of Hawaii from time to time, or by contributing to the development of such housing without the Property. The preferential residential units shall be offered for sale at prices that would enable such purchasers to qualify for and obtain State-assisted financing (e.g. Act 105 or Hula Mae) or Federally-insured or assisted financing (e.g. FHA Section 245

Program) intended to encourage home ownership by low and moderate income families or employees.

2. Petitioner shall provide public access from Queen Kaahumanu Highway to the shoreline. Petitioner shall provide space for parking stalls at the access(es). Petitioner shall maintain a continuous trail along the seaward boundary of the Property and such access shall be integrated with the shoreline trails on adjacent lands. The accesses shall be available to the public for recreational use. Petitioner shall coordinate plans for public access with the Department of Land and Natural Resources and the County of Hawaii.

3. Petitioner shall establish a pond management plan for the anchialine pond complex in coordination with the Department of Land and Natural Resources, the County of Hawaii, and other appropriate agencies. The anchialine pond management plan shall include provisions for a buffer zone of no less than forty feet in width measured from the edge of the anchialine pond basin area to the outer edge of the buffer zone.

4. Petitioner shall prepare preservation and data recovery plans for all significant historic sites which plans shall be submitted to the Department of Land and Natural Resources and the County of Hawaii Planning Department for their review and comment.

5. Petitioner shall develop and maintain on-site facilities such as sewage treatment plants, dry wells and ponding areas to insure that the nearshore, offshore and deep

ocean waters remain in pristine condition. Petitioner shall also develop and coordinate a monitoring system with the Natural Energy Laboratory of Hawaii and the Hawaii Ocean Science and Technology Park.

6. Petitioner shall provide a buffer area and develop and maintain a storm drainage system that does not adversely affect the existing wildlife habitat at Kaloko Fishpond in coordination with the Department of Land and Natural Resources, the U.S. Fish and Wildlife Service, the U.S. Park Service, and other appropriate agencies.

7. Petitioner shall grant to the State of Hawaii a noise easement in a form prescribed by the State Department of Transportation on any portion of the Property subject to noise levels exceeding 55 LDN as determined by the Department of Transportation noise contour map provided by the Department of Transportation for the year 1990. (see Exhibit A attached to this Decision and Order)

8. Petitioner shall apply sound attenuation measures on all residential units on the Property that are subject to noise levels greater than 60 LDN. Petitioner shall not construct residential or resort condominium development on any portion of the Property subject to noise levels greater than 65 LDN.

9. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.

DOCKET NO. A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

Done at Honolulu, Hawaii, this 30th day of January 1987,
per motions on January 13, 1987 and January 27, 1987.

LAND USE COMMISSION
STATE OF HAWAII

By *T. P. Tacbian*
TEOFILO PHIL TACBIAN
Chairman and Commissioner

By *Frederick P. Whittemore*
FREDERICK P. WHITTEMORE
Vice Chairman and Commissioner

By *William W. L. Yuen*
WILLIAM W. L. YUEN
Commissioner

By *Toru Suzuki*
TORU SUZUKI
Commissioner

By *Lawrence F. Chun*
LAWRENCE F. CHUN
Commissioner

By *Robert S. Tamaye*
ROBERT S. TAMAYE
Commissioner

By *Richard B. F. Choy*
RICHARD B. F. CHOY
Commissioner




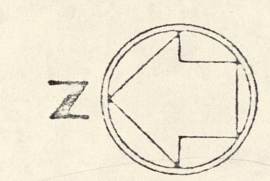
KEAHOLE AIRPORT, NORTH KONA,
HAWAII

STATE PROJECT NO. AH2011-02
AIP PROJECT NO. 3-15-0008-03

1990 Ldn CONTOURS




STATE COMMISSION
STATE OF HAWAII
JAN 22 3 47 PM '87



2000' 0 2000' 4000'

SCALE IN FEET


**PEAT
MARWICH**

October 1986

EXHIBIT A

4255

P 601 826 313

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

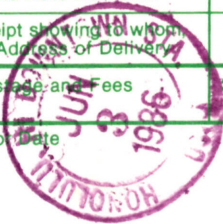
(See Reverse)

A85-599 Kona Beach Development Venture

★ U.S.G.P.O. 1983-403-517

Form 3800, Feb. 1982

Sent to James Funaki	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Everett Kaneshige, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 309

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

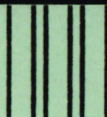
Loma A. Kauna

7. Date of Delivery

6-4 J6

8. Addressee's Address (*ONLY if requested and fee paid*)

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

State of Hawaii

LAND USE COMMISSION (City, State, and ZIP Code)

Room 104, Old Federal Building

335 Merchant Street

Honolulu, Hawaii 96813

P 601 826 315

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL


(See Reverse)

A85-599 Kona Beach & A86-601 R. Smart

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to Barbara Koi	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
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4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Barbara A. Koi, Chairperson

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

P 601 826 315

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X *A. Nielson*

6. Signature — Agent

X

7. Date of Delivery

6/14/86

8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

State of Hawaii

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

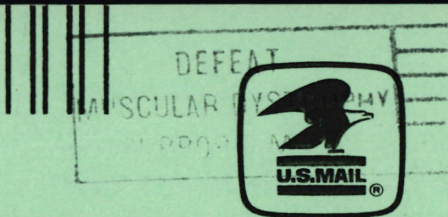
LAND USE COMMISSION

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813



PENALTY FOR PRIVATE
USE, \$300

P 601 826 311

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to		Ronald Ibarra, Esq	
Street and No.			
P.O., State and ZIP Code			
Postage		\$	.39
Certified Fee			.75
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered			.70
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees		\$	1.84
Postmark or Date			



★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

A85-599 Kona Beach & A86-601 Richard Smart

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
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SENDER: Complete items 1, 2, 3 and 4.

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Ronald Ibarra, Esq.

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

P 601 826 311

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee.

X *A. Nelson*

6. Signature — Agent

X

7. Date of Delivery

6/4/86

8. Addressee's Address (*ONLY if requested and fee paid*)

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

State of Hawaii

LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 601 826 310

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL


(See Reverse)

A85-599 Kona Beach & A86-601 Richard Smart

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to Albert Lono Lyman	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
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4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

A85-599 Kona Beach & A86-601 Richard Smart

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Albert Lono Lyman

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

P 601 826 310

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee

X *A. Nelson*

6. Signature — Agent

X

7. Date of Delivery

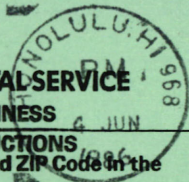
6/4/86

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

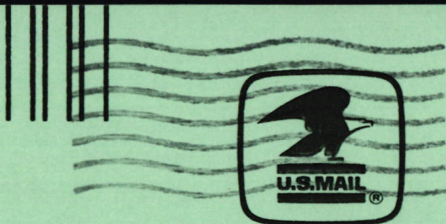
UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

State of Hawaii

LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 601 826 317

RECEIPT FOR CERTIFIED MAIL


NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to		E. John Caldecott,	
Street and No.		Esq.	
P.O., State and ZIP Code			
Postage	\$	.22	
Certified Fee		.75	
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered		.70	
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees	\$	1.67	
Postmark or Date			



A85-599 Kona Beach Dev.

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
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5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

E. John Caldecott, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 317

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

JUN 05 1996

8. Addressee's Address (*ONLY if requested and fee paid*)

A85-599 Kona Beach Development

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

State of Hawaii
LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 601 826 316

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to John W. Nunley	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.22
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.67
Postmark or Date	



A86-601 Kona Beach Dev.

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Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

John W. Nunley

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 316

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

6-9-86

STATE MUTUAL LIFE ASSUR. CO.

8. Addressee's Address (ONLY if requested and fee paid)

WORCESTER, MASS. 01605

A85-599 Kona Beach

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

State of Hawaii
LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 601 826 309

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to	
Everett Kaneshige,	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.56
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$2.01
Postmark or Date	

Esq

A85-599 Kona Beach & A86-601

R. Smart



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James Funaki, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 313

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

2.1.16 etc

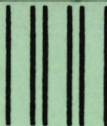
7. Date of Delivery

6/4/86

8. Addressee's Address (*ONLY if requested and fee paid*)

A85-599 Kona Beach Dev. Venture

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE, \$300

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

(City, State, and ZIP Code)

State of Hawaii
LAND USE COMMISSION
Room 104, Old Federal Building
336 Merchant Street
Honolulu, Hawaii 96813

P 124 044 395

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

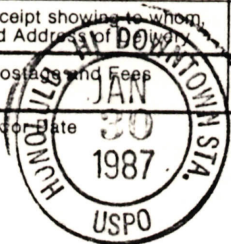
(See Reverse)

A86-599/Kona Beach Development Venture, L.P.
A86-605/Keahou Investment Co. & Kona Coast Properties

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to: Albert Lono Lyman	
Street and No.	
P.O., State and ZIP Code	
Postage	\$ 2.40
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of delivery	
TOTAL Postage and Fees	\$ 3.85
Postmark or Date	



A86-599/Kona Beach Development

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

A86-605/Keaunou Investment Co. & Kona Coast Properties

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Albert Lono Lyman

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 124 044 395

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

A. Nelson

7. Date of Delivery

2/2/87

8. Addressee's Address (*ONLY if requested and fee paid*)

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



**PENALTY FOR PRIVATE
USE, \$300**

**RETURN
TO**



(Name of Sender)

State of Hawaii

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

LAND USE COMMISSION

Room 104, Old Federal Building

(City, State, and ZIP Code)

**335 Merchant Street
Honolulu, Hawaii 96813**

A86-599/Kona Beach Development

P 124 044 396

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to James Funaki, Esq.	
Street and No.	
P.O., State and ZIP Code	
Postage	\$ 1.41
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.86
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST-CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article. **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

A86-599/Kona Beach Deve'opment

● SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James Funaki, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
X ☒ Certified ☐ COD
☐ Express Mail

Article Number

P 124 044 396

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

2-2-87

8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

State of Hawaii

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

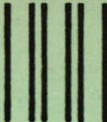
LAND USE COMMISSION

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A86-599
KONA BEACH DEVELOPMENT VENTURE, L.P.	)	KONA BEACH DEVELOPMENT
To amend the Conservation Land Use	)	VENTURE, L.P.
District Boundary into the Urban)	
Land Use District for Approximately)	
470.13 Acres at Kohanaiki, North)	
Kona, Hawaii, State of Hawaii, Tax)	
Map Key Nos: 7-3-09: 3 and 16)	

CERTIFICATE OF SERVICE

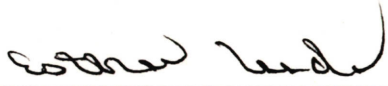
I hereby certify that a copy of the Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

ROGER A. ULVELING, Director
Dept. of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

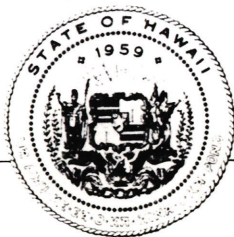
ALBERT LONO LYMAN, Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

JAMES FUNAKI, ESQ.
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Dated: Honolulu, Hawaii, this 30th day of January 1987.



ESTHER UEDA, Executive Officer



DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT

KAMAMALU BUILDING, 250 SOUTH KING ST., HONOLULU, HAWAII
MAILING ADDRESS: P.O. BOX 2359, HONOLULU, HAWAII 96804 • TELEX: 7430250 HDPED

JOHN WAIHEE
GOVERNOR
ROGER A. ULVELING
DIRECTOR
MURRAY E. TOWILL
DEPUTY DIRECTOR
BARBARA KIM STANTON
DEPUTY DIRECTOR

DIVISIONS
BUSINESS AND INDUSTRY DEVELOPMENT DIVISION
ENERGY DIVISION
335 Merchant St., Room 110, Honolulu, Hawaii 96813
FOREIGN-TRADE ZONE DIVISION
Pier 2, Honolulu, Hawaii 96813
LAND USE DIVISION
PLANNING DIVISION
RESEARCH AND ECONOMIC ANALYSIS DIVISION
OFFICES
ADMINISTRATIVE SERVICES OFFICE
INFORMATION OFFICE

January 22, 1987

ORIGINAL

MEMORANDUM

TO: Mr. Teofilo Phil Tacbian, Chairman
State Land Use Commission

FROM: Roger A. Ulveling, Director
Department of Planning and Economic Development

ATTENTION: Ms. Esther Ueda, Executive Officer
State Land Use Commission

SUBJECT: State Department of Transportation, Airports Division
Noise Contour Map for the Year 1990, Keahole Airport,
North Kona, Hawaii
Pertaining to Docket No. A86-599
(Kona Beach Development Venture, L.P.)

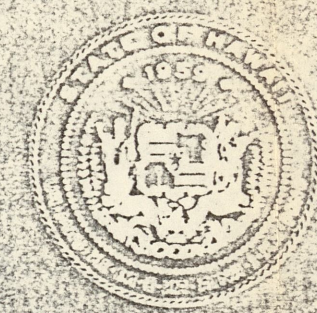
JAN 22 3 42 PM '87
LAND USE COMMISSION
STATE OF HAWAII

Transmitted per your request is the 1990 Noise Contour Map pertaining to the subject petition.

Murray E. Towill
for Director

A86-599. Kona Beach Development Venture, L.P.

Dept. of Transportation 1990 Noise Contour Map
Keahole Airport, North Kona, Hawaii



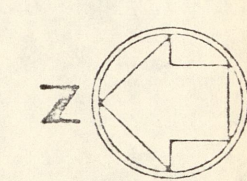
KEAHOLE AIRPORT MASTER PLAN

KEAHOLE AIRPORT, NORTH KONA, HAWAII

STATE PROJECT NO. AH2011-02
AIP PROJECT NO. 3-15-0008-03

1990 Ldn CONTOURS

LAND USE COMMISSION
STATE OF HAWAII
JAN 22 3 44 PM '87



2000' 0 2000' 4000'
SCALE IN FEET

October 1986 PEAT MARWICK

EXHIBIT A ORIGINAL

Of Counsel:
OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

ORIGINAL

JAMES T. FUNAKI 200
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813
Telephone No. 543-9800

Attorney for Petitioner

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To Reclassify Approximately)	
470.13 Acres of Land, TMKS:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona)	
District, Island of Hawaii,)	
State of Hawaii,)	
From the Conservation District)	
to the Urban District)	

Dec 16 10 04 AM '86
LAND USE COMMISSION
STATE OF HAWAII

STIPULATION FOR PROPOSED FINDINGS OF FACT
AND CONCLUSIONS OF LAW

PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

AND

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition) Docket No. A86-599
)
)
)
)
KONA BEACH DEVELOPMENT VENTURE, L.P.)
)
To Reclassify Approximately)
470.13 Acres of Land, TMKs:)
7-3-09: 3 and 16 (Division 3),)
at Kohanaiki, North Kona)
District, Island of Hawaii,)
State of Hawaii,)
From the Conservation District)
to the Urban District)
_____)

STIPULATION FOR PROPOSED FINDINGS OF FACT
AND CONCLUSIONS OF LAW

Petitioner KONA BEACH DEVELOPMENT VENTURE, L.P. and
the PLANNING DEPARTMENT, COUNTY OF HAWAII, through their
undersigned representatives, hereby stipulate to the following
Proposed Findings of Fact and Conclusions of Law.

And the DEPARTMENT OF PLANNING AND ECONOMIC
DEVELOPMENT, STATE OF HAWAII, by its undersigned
representative, hereby also stipulate to said Proposed Findings
of Fact and Conclusions of Law except as to Paragraphs 72, 73,
74, 75, 76, 77, 79, 80, 81 and 82 thereof.

DATED: Honolulu, Hawaii
December 15, 1986

KONA BEACH DEVELOPMENT
VENTURE, L.P.

By James T. Funaki
James T. Funaki
Its Attorney

Petitioner

DATED: Hilo, Hawaii
December 12, 1986

PLANNING DEPARTMENT
COUNTY OF HAWAII

By A. Law

DATED: Honolulu, Hawaii
December 15th, 1986

DEPARTMENT OF PLANNING AND
ECONOMIC DEVELOPMENT
STATE OF HAWAII

By Murray E. Towell

Of Counsel:
OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

JAMES T. FUNAKI 200
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813
Telephone No. 543-9800

Attorney for Petitioner

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To Reclassify Approximately)	
470.13 Acres of Land, TMKs:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona)	
District, Island of Hawaii,)	
State of Hawaii,)	
From the Conservation District)	
to the Urban District)	

PROPOSED FINDINGS OF FACT AND
CONCLUSIONS OF LAW

AND

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To Reclassify Approximately)	
470.13 Acres of Land, TMKS:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona)	
District, Island of Hawaii,)	
State of Hawaii,)	
From the Conservation District)	
to the Urban District)	

PROPOSED FINDINGS OF FACT AND
CONCLUSIONS OF LAW

KONA BEACH DEVELOPMENT VENTURE, L.P., a Delaware limited partnership (hereinafter "Petitioner"), filed this petition on February 24, 1986, as amended by amendment filed on May 29, 1986, pursuant to Chapter 205, Hawaii Revised Statutes, and the Rules of Practice and Procedure of the Land Use Commission, State of Hawaii, to amend the land use district boundary for approximately 470.13 acres of land, Hawaii Tax Map Keys 7-3-09: 3 and 16 situate at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii (hereinafter "Property"), from the Conservation District to the Urban District. The Land Use Commission (hereinafter "Commission"), having heard and examined the testimony, evidence and argument of counsel presented during the hearings, and the proposed findings of

fact and conclusions of law, hereby makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. The Commission opened the hearing on this petition on July 8, 1986, pursuant to notices published in the Honolulu Advertiser and the Hawaii Tribune Herald on June 6, 1986. The Commission held continued hearings on this petition on October 7, 1986, October 21 and 22, 1986 and November 6, 1986, notices for which hearings were sent to each of the parties by certified mail. All of the hearings were held at the Resolution Room, Kona Hilton Hotel, Kailua, Kona, Hawaii, except the hearing on October 22, 1986, which was held at the Endeavor Room of the Kona Hilton Hotel.

2. The Commission received untimely requests to appear as public witnesses at the hearing on July 8, 1986 from Douglas Blake of the Kona Conservation Group, Harry Foster, Elizabeth Ann Stone, Owen Miyamoto and Dean [sic] Newstrom. Owen Miyamoto and Elizabeth Ann Stone were not present at that hearing. The Commission allowed Douglas Blake, Harry Foster and Dean Newstrom to testify at that hearing. (TR 10/21/86: p 4, L 9-16)

3. The Commission received a letter from the United States Department of Interior, National Park Services, which letter was read into the record at the hearing on October 21, 1986. (Commission Ex 1; TR 10/21/86: pp 52-54)

4. The Commission received one untimely request to appear as public witness at the hearing on October 22, 1986 from Virginia Isbell who was allowed to testify at that hearing. (TR 10/22/86: p 81, L 9-14)

5. The Commission received one untimely request to appear as public witness at the hearing on November 6, 1986, from Mark Van Pernis who was allowed to testify at that hearing. (TR 11/6/86: p 90)

5. The Commission did not receive any request for intervention in this petition.

6. The Commission's action on the petition requesting a land use district boundary amendment from the Conservation District to the Urban District is subject to Chapter 343 of the Hawaii Revised Statutes pursuant to which an environmental impact statement was duly prepared and filed by Petitioner. On October 7, 1986, the Commission accepted the environmental impact statement pursuant to Chapter 343 of the Hawaii Revised Statutes. (Commission Decision and Order dated November 13, 1986, Docket No. A86-599)

DESCRIPTION OF PETITIONER AND OWNERSHIP OF PROPERTY

7. Petitioner is a Delaware limited partnership with its principal place of business and mailing address at Davies Pacific Center, Suite 1050, 841 Bishop Street, Honolulu, Hawaii. (TR 11/6/86: p 54, L 6-9)

8. The Petitioner is comprised of one general partner and ten limited partners. The general partner is Kona Beach Development Corporation, a Delaware corporation.

Christian Wolffer is the sole shareholder, sole director and president of Kona Beach Development Corporation. (TR 11/6/86: p. 53, L 10-17) The limited partners are as follows:

Theodore J. Forstmann

Aole Partners:

William Brian Little
Nicholas C. Forstmann

Vala Partners:

John A. Sprague
Henry M. O'Neill, Jr.
Steven B. Klinsky
Winston W. Hutchins

Peter C. Jaquith

Dr. Theodor Brendle

Vincent Bohlen

Edgar V. Bohlen

Matthias H. Kunheim

A Partnership comprised of:

Steve Novick
Charles Moss
Paul Thomas Cohen
John Leffler

Naomi Wolffer

(PET Ex 19)

9. The Property is comprised of two parcels of land identified by Tax Map Key Nos. 7-3-09: 3 and 7-3-09: 16 (Division 3). The parcel of land identified by Tax Map Key No. 7-3-09: 3, area 462.38 acres, is owned in fee simple by Walter F. Weldon, Jr., Norman L. Kasparson, E. J. Caldecott and James G. Degnan, as Trustees under Declaration of Trust, dated April 2, 1986, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 6036 at Page 346, as amended by instruments

recorded in said Bureau of Conveyances in Liber 12219 at Page 588 and Liber 13616 at Page 207. The parcel of land identified by Tax Map Key No. 7-3-09: 16, area 7.752 acres, is owned in fee simple by State Mutual Life Assurance Company of America. (Petition: pp 1-2)

10. Christian Wolffer is the tenant under the ground leases covering the two parcels of land comprising the Property, and he is also the holder of the option agreements to purchase the two parcels from the fee owners. The memoranda of said ground leases and option agreements are recorded as aforesaid in Liber 19196 at Pages 113, 119, 123 and 129.

(Petition: p 2) Christian Wolffer is the sole shareholder of Kona Beach Development Corporation, which is the general managing partner of the Petitioner, and holds the aforesaid ground leases and the options to purchase as the nominee of the Petitioner. Christian Wolffer has authorized Petitioner to submit this petition. (Petition: p 3; TR 11/6/86: p 63, L 10-17; PET Ex 1)

11. The two parcels which comprise the Property are separated by a 30-foot wide strip of land which is a portion of the Mamalahoa Trail, also known as the King's Highway, owned by the State of Hawaii. Petitioner has applied to the State Department of Land and Natural Resources for the appropriate easement across the Mamalahoa Trail. (TR 10/21/86: p 16, L 23-25; p 17, L 1-22)

DESCRIPTION OF THE PROPERTY

12. The Property consists of approximately 470.13 acres of land located makai of the Queen Kaahumanu Highway along the shoreline of the Kohanaiki ahupuaa in the North Kona District on the west coast of the island of Hawaii. The Property is approximately two miles south of the Keahole Airport, two miles north of Honokohau small boat harbor, and five miles north of Kailua, Kona. (TR 10/21/86: p 18, L 17-25; PET Ex 5: Fig 5, p III-15; Fig 10, p IV-2)

13. The Property consists of open and unimproved lava land. Elevation of the Property ranges from sea level at the coastline to approximately 70 feet above mean sea level at Queen Kaahumanu Highway. The Property slopes gently with slopes ranging an average from 0 to 5%. (PET Ex 5: p IV-8; DPED Ex 1: p 4; PD Ex 1: p 3)

14. The U.S. Soil Conservation Service classified the soil on the subject property into three types: Pahoehe lava, A'a lava and Punaluu extremely rocky peat with 6 to 20 percent slopes. The predominant soil type covering almost 70% of the project site is Pahoehe lava. A fourth land type is the beach areas of sand and gravel. The white sand beaches fronting the Property are comprised of coral and sea shells. (PET Ex 5: p IV-9; DPED Ex 1: p 4; PD Ex 1: p 3)

15. The climate of the North Kona area is semi-tropical and considered to be dry and arid with light rainfall. Average annual rainfall at Kailua-Kona is 25 inches. A high rainfall belt lies between 1,200 to 3,000 foot

elevations on the leeward slopes of Hualalai and Mauna Loa. The Property is sheltered from the predominant tradewind system by the land masses of Mauna Kea, Hualalai and Mauna Loa. The prevailing pattern consists of onshore winds in the morning and early afternoon, returning to offshore breezes in the late afternoon and evening. The average annual temperature is 75 degrees F. with an average high of 83 degrees F. and an average low of 67 degrees F. (PET Ex 5: pp IV-1, IV-2; DPED Ex 1: pp 4-5)

16. The Flood Insurance Rate Map designates and confines the coastal high hazard area (Zone V-15) to the shoreline area. The 100-year flood zone boundary (Zone A-4) lies inland of the V-15 zone and between 200 and 1,000 feet inland of the shoreline. Base flood elevations range from 7 to 9 feet above mean sea level. The majority of the Property lies within Zone "C" which designates area of minimal flooding. (PET Ex 5: p IV-17, Fig 13, p IV-18; DPED Ex 1: p 5; PD Ex 1: pp 3-4)

PROPOSAL FOR DEVELOPMENT

17. Petitioner proposes to develop the Property as an integrated intermediate-class resort which is the highest and best use of the Property according to an analysis prepared by The Hallstrom Appraisal Group, Inc. (PET Ex 5: p II-4; PET Ex 5A: pp 166-190)

18. Under the Petitioner's conceptual plan for the proposed project, the land uses for the Property are proposed as follows:

<u>Land Use</u>	<u>Gross Acreage</u>	<u>Unit Count</u>
Resort Hotel:	62	700
Resort Condo.:	70	800
Residential:	73	200
Support Hsg.:	100	150
Golf Course:	170	
Clubhouse/Rec. Ctr.:	8	
Resort Com'l.:	6	
Marina Basin:	10	
Open Space/ Circulation:	61	
TOTALS:	<u>470</u>	<u>1,850</u>

(PET Ex 5: p II-9; PET Ex 5: Fig 2, p II-5; Fig 3, p II-6)

19. Within the areas of the land uses proposed, Petitioner proposes to include the following developments and activities:

a. The Marina Village. The Marina Village will provide a primary focal point for the resort. Space for approximately 150 boats will be created in a man-made basin carved from the lava rock in a protected area south of Wawahiwaa Point. Surrounding the approximately 10-acre marina basin will be the marina village within a mix of commercial and resort residential uses. Approximately 300 resort condominiums and 33,000 square feet of leaseable commercial space are planned for this area. (PET Ex 5: p II-7)

b. The Resort Village. Located between the two hotels and the main access to the Pine Trees Beach, the Resort Village will provide a focal mixing point between residents and guests of the Kohana-iki Resort and residents of the greater Kona community. Parking areas for beach-goers and shoppers

will be incorporated into the village design. (PET Ex 5: p II-7)

c. The Clubhouse Recreation Center. A third focus of activity will be at the clubhouse recreation center located inland at about the 50 foot elevation. The facility will serve as the principal activity center for land-based recreational amenities and contain spas, weight rooms, indoor racket sport courts, and outdoor sports facilities such as tennis courts and swimming pools. The clubhouse will serve the needs of golfers as well, providing space for golf cart rental and pro shop. Jogging paths will originate from the clubhouse. (PET Ex 5: p II-7)

d. Resort Hotels. Two resort hotels providing approximately 700 rooms have been planned for the coastal area of the site. The proposed hotels would be separated from each other by natural land features such as the anchialine ponds, (some of which would be incorporated into the hotel grounds) extensive landscaping, and the Resort Village commercial area. The hotel sites are located on level ground approximately 400 to 600 feet inland from the shoreline. (PET Ex 5: pp II-7 and II-8)

e. Resort Condominiums. Approximately 800 resort condominiums are planned throughout the site in three different locations. One grouping is planned to front the coastal area adjacent to the northern border of the site. A second cluster is planned to be located directly mauka of the resort hotels, located between the Resort Village and the

clubhouse recreation center. A third grouping will be located within the Marina Village proper. The average densities for the condominiums will vary from 10 units per acre along the golf course fairways to 14 units per acre within the Marina Village. (PET Ex 5: p II-8)

f. Fairway Homesites. Approximately 200 single family residential homesites will be developed in the upland areas of the site surrounded by golf course fairways. The average density for these parcels is estimated at 3 per acre. It is expected that these homesites will be purchased and developed as primary residences. (PET Ex 5: p II-8)

g. Support Housing. Approximately 150 apartments will be developed on a 10-acre site adjacent to the Marina Village for resort employees. The housing units will consist of a mix of studio and one bedroom apartments as it is expected that employees with families will prefer to live off site. These apartments may be either leased or sold in fee. (PET Ex 5: p II-8)

h. Golf Course. The 18-hole, par-72 championship course is a key recreational element of the development concept. In addition to its recreational amenity, the course will serve as the principal landscape element within the resort by providing a major green open space. (PET Ex 5: p II-8)

20. Petitioner's proposed development incorporates the anchialine ponds as cultural and educational features for the resort guests and the Kona community. (TR 10/21/86: p 27,

L 1-25; p 28, L 1-3)

21. The proposed project was designed by Petitioner to achieve the following objectives:

a. The resort is planned to become an upscale active community, geared towards the emerging and lucrative middle-age visitor market as distinguished from existing West Hawaii resorts which were designed and developed for the older, established "carriage trade" market. (PET Ex 5: p II-4) The amenities and entertainment would be geared to the more physically active and more affluent younger market. (TR 10/21/86: p 64, L 1-25; p 65, L 1-3)

b. The resort is planned to become a major hub of activity for both the visitors that come and stay and for the residents of the Kona area. The resort's proximity to Kailua-Kona, a primary off-site amenity feature, make it a popular recreational and social destination for local residents. (PET Ex 5: p II-4; TR 10/21/86: p 27, L 5-12)

22. Petitioner estimates that preliminary off-site and on-site improvement costs (not including buildings) are as follows:

<u>System</u>	<u>Cost</u> (In millions of 1986 dollars)
Water	\$15.2
Sewer	\$10.0
Roadways	\$ 4.2
Drainage	\$ 3.9
Power/ Communications	\$ 2.0
Total	<u>\$35.3</u>

(PET Ex 7)

23. The proposed project will be phased to meet market demands and coincide with the required infrastructure improvements. Build-out of the proposed project could occur within five years of receiving final government approvals to begin construction. Petitioner's proposed phasing and estimated timetable of the proposed project are as follows:

<u>Phase</u>	<u>Land Use</u>	<u>Units</u>	<u>Development Period After Final Government Approvals</u>
1A	Hotel Support Housing Golf Course Infrastructure	400	1A - completion within two years
1B	Hotel Resort Condos Support Housing Commercial Village Recreation Complex Infrastructure	300 470 50	1B - construction within three years
1C	Mixed Use Com'l Facilities Support Housing Marina Basin Infrastructure	330 50	1C - construction within three to four years
2	Fairway Homesites Infrastructure	200	2 - construction commencement within four years

(PET Ex 6; TR 10/21/86: p 32, L 14-25; p 33, L 1-23)

PETITIONER'S CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

24. Petitioner's balance sheet listed total assets of \$1,497,914.00, and it also listed \$125,000.00 as total accounts payable and \$1,372,914.00 as partners capital. (PET Ex 2) Petitioner was organized for the purpose of acquiring rights in and developing the Property. (Tr 10/21/86: p 57, L 8-11) The balance sheet represents initial commitment for

acquisition costs of leasehold and land purchase option and other start-up costs. (TR 10/21/86: p 73, L 10-21)

25. According to the Bank of Hawaii, its investigation of the financial capacities and creditworthiness of Christian Wolffer and the partners of the Petitioner indicate that ". . . Mr. Wolffer and his partners should have the ability to finance the infra structure improvements for the Kohanaiki project and to attract other investors and operators to realize the master-plan development." (PET Ex 20; see also PET Ex 19) Financing to complete the proposed project will be through additional capital from the partners and through financial institutions based on the partners' financial capacities and creditworthiness which have been acknowledged by the Bank of Hawaii. (TR 11/6/86: p 74, L 1-17; p 75, L 1-5; PET Ex 20)

26. Christian Wolffer, as the president of the corporate general partner of the Petitioner, will be responsible and in charge of the overall development of the proposed project. (TR 10/21/86: p 53, L 18-22) He has had extensive experience for fifteen years in the business of developing, managing and financing real estate involving real property projects of considerable size and worth in major metropolitan areas in the United States and Canada, including New York, Boston, Atlanta, Toronto and Montreal. (TR 10/21/86: p 54, L 16-25; pp 55-56; see also PET Ex 19) All institutions contacted by Bank of Hawaii to confirm the validity of credit references reported "a high regard for Mr. Wolffer and entirely

satisfactory experience in the handling of credit facilities."

(PET Ex 20)

STATE AND COUNTY PLANS AND PROGRAMS

27. The Property is located within the State Land Use Conservation District as reflected on Land Use District Boundary Map H-2 (Keahole Point, Hawaii). (DPED Ex 1: p 11)

28. The Hawaii County General Plan identifies the Property as Conservation with an Open designation along the coastline. (PD Ex 1: p 6; PET Ex 5: pp 21-23)

29. Petitioner has filed an application concerning the Property to amend the County of Hawaii General Plan Land Use Pattern allocation guide map from the Conservation designation to the Resort, Medium and Low Density Urban destinations. (PD Ex 1: p 6; TR 10/21/86: p 35, L 7-25; p 36, L 1-2; PET Ex 5: pp 24-25)

30. The Property is currently situated within the County's Open (O) zoned district. (PD Ex 1: p 7)

31. The Property is located within the Special Management Area of the Coastal Zone Management program. (PD Ex 1: p 7)

NEED FOR THE PROPOSED DEVELOPMENT

32. Tourism is the primary economic activity of North Kona and the major economic stimulus for the entire North Kona District. Agriculture, still the main focus of South Kona, has been relegated to a secondary status in North Kona. (PET Ex 5A: p A-13)

33. The 1980 census reported a total of 13,748 residents in North Kona with current estimates ranging upward of 16,000. North Kona grew 184.52 percent from 1970 figures. Governmental planners forecast a population for North Kona of 25,000 by 1990. (PET Ex 5A: p A-13)

34. The number of visitor units currently available on a transient basis in the County of Hawaii totaled 6,944 as of February 1985. A significant addition to that total will come with the completion of the 1,260-room Hyatt Regency scheduled for 1987. (PET Ex 5A: p A-36) Currently, there are approximately 4,509 transient units available in North Kona, comprising 62.44 percent of the island's total inventory. (PET Ex 5A: p A-13)

35. State and County projections forecast a demand for approximately 16,000 visitor units on the island of Hawaii by the year 2005. (TR 10/22/86: p 129, L 7-12)

36. In 1984, 756,890 tourists stayed an average of 4.64 days on the island of Hawaii. The Stanford Research Institute estimates the visitor count on the island of Hawaii will increase to between 1.6 million and 2.5 million annually in the next 15 years. (PET Ex 5A: p A-13) The County of Hawaii's projections also indicate similar estimates of 1.6 million to 2 million visitors annually by the year 2000. (TR 10/22/86: p 129, L 7-22)

37. Based on the number of visitors to the island of Hawaii anticipated by the year 2000, the minimum number of rooms needed would more likely approach 20,000 assuming that

every room is filled to 100 percent occupancy every day of the year. Assuming a 70% occupancy rate, the realistic visitor unit demand would approximate 27,000 rooms by the year 2000 as compared to governmental forecast of 16,000 units. (TR 10/22/86: p 130, L 7-25; p 131, L 1-15)

38. According to a marina market study by The Hallstrom Appraisal Group, Inc., the demand for small boat improvements in West Hawaii, long considered a world-class fishing and boating area, far exceeds the existing and planned public facilities. An estimated 750 to 1,000 slips would be required over the next decade to ease the anticipated demand. (PET Ex 5G: p G-14) Currently, no existing resort in Hawaii has a boating marina within its community. (PET Ex 5A: p A-101)

39. According to The Hallstrom Appraisal Group, Inc., the Petitioner's proposed 150 slips would be spoken for prior to the completion of the marina. If 250 or more slips were to be constructed, The Hallstrom Appraisal Group, Inc. concludes that all could be successfully filled within 18 months of completion of the marina. (PET Ex 5G: p G-14)

40. The market study by The Hallstrom Appraisal Group, Inc. estimates absorption of the resort improvements from the date of market offerings as follows:

<u>Use</u>	<u>No. of Units</u>	<u>Absorption Period in Years</u>
Hotel	700	6- 8
Condominium	800	14-16

<u>Use</u>	<u>No. of Units</u>	<u>Absorption Period in Years</u>
Commercial	20,000-35,000 Sq. Ft. Gross Leaseable Area	3
Single Family Residential	Variable	10-15

41. Petitioner has entered into a letter of understanding with Intercontinental Hotels Corporation which letter covers Intercontinental Hotels Corporation's intent to manage the two hotels proposed to be developed on the Property and to invest a certain amount of equity into the two hotels. (TR 11/8/86: p 84, L 5-25; p 85, L 1-18; p 64, L 1-11)

IMPACT UPON RESOURCES AND AREAS OF STATE CONCERN

Agricultural Resources

42. The University of Hawaii Land Study Bureau's overall master productivity rating for agricultural use is Class "E" or very poor. (PD Ex 1: p 10)

43. The Property is not classified on the State Department of Agriculture's Agricultural Lands of Importance to the State of Hawaii (ALISH) map. (PD Ex 1: p 10; PET Ex 5; p IV-9; DPED Ex 1: p 4)

44. The U.S. Soil Conservation Service has classified the soils within the Property with Capability Class Rating of VIII which is defined as soils and land forms which have limitations that preclude their use for commercial plants. (PET Ex 5: p IV-4)

Flora and Fauna

45. A botanical survey of the Property was conducted by Char and Associates, botanical and environmental consultants. The survey identified four vegetative types on the Property. A well developed strand vegetation community occurs along the coastal portion of the Property. Immediately inland, in the southern area of the project site, the Kiawe thicket form a closed to semi-open canopy on the pahoe-hoe lava. The pond vegetation occurs at the edges of or within the anchialine ponds which are found along the coast. Scrub vegetation is dispersed roughly over 80 to 85% of the property. (PET Ex 5C: pp C-2 to C-4)

46. Within these vegetative areas, 73 vascular plant species were identified. Of these, 27 are native species, 18 being indigenous and 9 are endemic. (PET Ex 5C: p C-5) One plant tentatively identified as a *Reynoldsia* species was found in the kiawe thicket. A species of this genus (*Reynoldsia sandwicensis*) is a candidate endangered or threatened species; however, the plant is located within a historic site and no development is planned for this site. (PET Ex 5C: p C-4)

47. A terrestrial faunal survey of the Property was also conducted by Char and Associates. The faunal survey identified 13 bird species and 1 mammal. The most common bird species, the House Finch and Japanese White-eye, were found in the mangrove, Kiawe thicket and strand habitats. The mongoose was the only mammal seen during the survey. (PET Ex 5D: p D-5)

48. The proposed development will alter the existing faunal habitats. Potential impacts to avifaunal habitats would be associated with development adjacent to the anchialine ponds. As mitigating measures, the Petitioner proposes to include pond buffer zones which would prohibit development near the ponds and will prevent undue disturbances by casual passers-by. (PET Ex 5: p IV-22)

Anchialine Ponds

49. The coastline of the Property contains a series of anchialine ponds which constitute one of the larger concentrations of relatively undisturbed ponds on the island of Hawaii. An impact analysis of the proposed development on the anchialine ponds resource was conducted in 1986 by O I Consultants, Inc. (PET Ex 5-E) The impact analysis reported that a survey conducted by O I Consultants, Inc. in 1985 located a total of 56 ponds along the Property's coastline, 13 of which were not examined in a 1972 survey by Maciolek and Brock. A more recent survey in 1986 located 2 senescent anchialine ponds at the southern edge of the Property. (PET Ex 5E: p E-5)

50. No physical intrusion into the individual anchialine ponds is being proposed by the Petitioner at the Property with the possible exception of the two small ponds located in the vicinity of the proposed marina basin. The disposition of these ponds will be determined pending the completion of detailed engineering and environmental analyses

to be prepared pursuant to an Army Corps permit application for marina construction. (PET Ex 5: p I-3)

51. The Petitioner intends to prepare an anchialine pond management plan with the objective of preserving significant pond features and providing interpretive and education opportunities to the public. Ponds identified at the Property will be incorporated into the overall design of the resort. (PET Ex 5: p I-4; TR 10/21/86: p 27, L 9-25; p 28, L 1-3) Care will be taken in the design of the on-site drainage plan to assure that no runoff is directed towards the pond areas. (TR 10/21/86: p 83, L 11-23; PET Ex 5-F: p F-5) The waste water treatment plan recognizes the potential impact of related nutrient loading on the pond resource and proposes a system that will minimize the potential impact. (PET Ex 5-F: p F-16)

52. According to David Alan Ziemann, Ph.D., of O I Consultants, Inc., the proposed development is not seen as posing any major potential impacts to the anchialine ponds, aside from the potential of one or two ponds being impacted by the construction of the proposed marina. (TR 11/6/86: p 21, L 12-25; p 22, L 1-6)

Near Shore Environment

53. The near shore waters off the Property are classified as "AA" waters by the State Department of Health. (PET Ex 5: p IV-11) The objective of Class "AA" is that these waters remain in their natural pristine state as nearly as possible. (PD Ex 1: p 13)

54. The near shore marine environment off the Property is not significantly different, either in species abundance, or diversity, from other areas of the western coast of the island of Hawaii. The endangered humpback whale and the threatened green sea turtle are known to occur off the Property coastline. (PET Ex 5-E: p E-5) According to Steven J. Dollar, Ph.D, marine research consultant, the proposed development would not affect the fishing as it exists today. (PET Ex 13; TR 10/22/86: p 151, L 16-20)

55. Direct impacts to the near shore environment due to construction will be associated with the proposed marina. The entrance channel to the marina will be constructed by dredging a portion of the offshore area to a depth required for the passage of small boats. This dredging activity will remove some portion of the existing coral community and will also cause siltation. (PET Ex 5E: p E-11)

56. Petitioner proposes to mitigate the impact of the marina construction by constructing the marina basin "in the dry" behind shoreline berm which will not be removed until construction of the marina has been completed and sediment within the marina basin has had an opportunity to settle out of the water. (PET Ex 5-E: p E-12)

57. Construction of the marina would require a Corps of Engineers permit and a Federal Environmental Impact Statement as well as a supplemental impact statement under the requirements of Chapter 343, Hawaii Revised Statutes. (PD Ex 1: p 13)

58. According to marine research consultant Steven J. Dollar, the marina construction would not cause any noticeable effect to the pristine quality of water in the near shore environment where NELH and HOST Park conduct their activities. (TR 10/22/86: p 154, L 2-19)

Historical/Archaeological Resources

59. There have been several archaeological surveys of the Property over the years; the most recent being a full archaeological reconnaissance survey of the Property conducted by Paul H. Rosendahl, Ph.D. Inc., consulting archaeologist, in 1986. The consulting archaeologist has consulted with the County and the State in the course of the conduct of the archaeological survey on the adequacy of the scope of the survey. (TR 10/22/86: p 142, L 6-20) The survey report included descriptions of sites from the field survey as well as a historical documentary research. (PET Ex 5: pp IV-25 and IV-26; PET Ex 5-B)

60. The archaeological survey identified a total of 105 sites within the Property. Of these, 13 sites had been previously recorded, and 92 sites were newly identified. The range of sites included walled shelters, enclosures, cave shelters, overhang shelters, walls, trails, walled pond, platforms, cairns, petroglyphs, straight and circular rock alignment, rock mound, filled depression, cleared pond and spring/well. (PET Ex 5-B: p B-11; TR 10/22/86: p 140, L 12-15)

61. Of the 105 sites identified, 84 have been determined to be significant solely for their information

content. Sufficient data were collected from 50 of the 84 sites during the survey. These 50 sites no longer contain endangered information and no further work is recommended. Additional data collection has been recommended for the remaining 34 sites. (TR 10/22/86: p 141, L 4-12; PET Ex 5: p XII-30)

62. Eleven of the sites are significant for their information content and potential cultural value as probable burial sites. The consulting archaeologist recommends either preservation of the sites or proper reburial of remains if burials are found to occur. (TR 10/22/86: p 141, L 13-18; PET Ex 5: p XII-30)

63. Five of the sites are significant for their information content and their interpretive potential. The recommended treatment of these sites is to conduct further data collection and to develop the sites as interpretive locales. (TR 10/22/86: p 141, L 19-24; PET Ex 5: p III-30)

64. Five of the sites are significant for information content, as a site-type example, and for their cultural value. Inplace preservation or some level of interpretive development is recommended for these sites. (TR 10/22/86: p 141, L 25; p 142, L 1-5; PET Ex 5: p XII-30)

65. All sites recommended for preservation will be preserved by Petitioner in accordance with the archaeological consultant's recommendations. Sites with significant interpretive and cultural value will be managed under an archaeological resources management plan which will be

formulated with the assistance of the State Historic Sites Office and the Hawaii County Planning Department. (PET Ex 5: p IV-28)

66. The Petitioner intends to follow the archaeological consultant's recommendations concerning future field work and continue to work closely on such matter with both the Hawaii County Planning Department and the State Historic Sites Office. (PET Ex 5: p IV-28)

67. The proposed access corridor for the Property contemplates an easement over a portion of the historic Mamalahoa Trail at a location of least impact to be determined by the archaeologists for the State and Petitioner. The Petitioner has initiated a request for such an easement from the State Department of Land and Natural Resources. (TR 10/21/86: p 17, L 15-25; p 18, L 1)

Recreational Resources and Access

68. Currently, the recreational resources of the Property are limited to the coastal areas which are accessible by way of an unimproved coastal trail and used by local fishermen, beachcombers, and persons frequenting the popular bathing and surfing area known as Pine Trees Beach. (PET Ex 5: p IV-28)

69. The Petitioner's proposed public access system within the proposed development would maintain the present coastal access as lateral pedestrian ways with two mauka-makai points of entry: one at the Pine Trees Beach area, and the other near the proposed marina. Vehicular use of the existing

jeep trail along the shoreline will be prohibited. (PET Ex 5: p XII-29; PET Ex 5: Fig 3, p II-6)

Noise Quality

70. A source of noise affecting those parts of the Property which are close to the shoreline is that naturally caused by wave action crashing against the beaches and lava boulders. Another minor source of noise is also produced from vehicular traffic moving along the Queen Kaahumanu Highway. (PET Ex 5: p IV-15)

71. The primary source of noise originates from air traffic operations at and near the Keahole Airport, located approximately two miles north of the Property. (PET Ex 5: p IV-13)

72. A straight line projection of Runway 17's centerline crosses the northwest corner of the Property at Puhili Point--some 8,200 feet off the end of Runway 17. Straight-in approaches from the south to Runway 35 (used only under abnormal weather conditions) and straight-out departures from Runway 17 therefore, do not necessitate an overflight of the subject property. The majority of aircraft utilizing the airport (approx. 80%) land and takeoff on Runway 17, travelling in a north to south direction. (PET Ex 5: pp IV-13 and IV-14)

73. According to preliminary noise studies to assess the present aircraft noise impacts prepared by Petitioner's consulting acoustical and energy engineers, Gordon Bricken & Associates, if straight-in approaches and departures were made 100 percent of the time, a portion of the Property in the

96. The traffic capacity for Queen Kaahumanu Highway is estimated at 1,800 to 2,500 vehicles per hour per lane. According to the State DOT, current traffic volumes on the highway close to the Property indicate peak flows of 594 vehicles per hour. (PET Ex 5: p IV-40)

97. The proposed project is estimated to generate about 500 vehicles per hour onto the highway during the evening peak hour at full build-out. (PET Ex 5: p IV-40)

98. The State DOT has stated that the access for the proposed project at Queen Kaahumanu Highway should be a channelized intersection in conformance with current standards of the State Highways Division and constructed by the Petitioner at no cost to the State. (DPED Ex 1: p 25) Petitioner intends to implement the intersection improvement at its cost. (PET Ex 5: p IV-7)

Sewage Treatment and Disposal

99. The engineering study for the Petitioner examined five alternative treatment systems for the proposed project. The alternative that would give the best advantage is a single centralized treatment facility with a capacity of 0.46 MGD to treat the entire development. (PET Ex 5: p IV-46; PET Ex 5F: pp F-13 to F-15; TR 10/21/86: p 80, L 10-21)

100. Treated effluent will be used by Petitioner for golf course irrigation or other landscaped areas. (TR 10/21/86: p 80, L 5-25)

101. According to James Kumagai, Ph.D., of M & E Pacific, Inc., engineering consultant, most of the treated

vicinity of Puhili Point would lie within the 60 to 65 Ldn contours based on 1985 flight operations data. (PET Ex 5: p IV-14; PET Ex 5J: p J-2, Fig 2; p J-3, Fig 3)

74. According to the preliminary noise studies, most of the commercial and military air traffic leaving Keahole Airport is bound for either Kahului or Honolulu, necessitating a right turn out to sea shortly after takeoff instead of a 100 percent straight in-out operations so that actual condition will be much closer to that represented by 100 percent turning operation. The 100 percent turning operations Ldn contour map prepared by Gordon Bricken & Associates indicate that the entire property lies outside the 60 Ldn contour. (PET Ex 5: p IV-14; PET Ex 5J: p J-1, Fig 1)

75. Ldn Contours for 1985, 1995 and 2005, based on additional 1985 and projected 1995 and 2005 flight operations data, prepared by Gordon Bricken & Associates, indicate that only a small portion of the Property in the vicinity of Puhili Point would be within contours greater than 60 Ldn. (TR 10/22/86: p 12, L 12-25; p 13, L 1-12; p 79, L 17-25; p 80, L 1-12)

76. The Federal Aviation Administration ("FAA") has adopted regulations relating to surrounding land use compatibility with airport facilities. The FAA regulations state that "all land uses are normally compatible with noise levels less than 65 Ldn. Local needs or values may dictate further delineation based on local requirements or determinations." (PET Ex 30: CFR PART 150, p 64)

77. The State Department of Transportation ("DOT") had established suggested land use compatibility standards in aircraft noise exposure areas in 1981 under its Honolulu International Airport and Environs Master Plan Study. Under these standards, all land uses below the 60 Ldn contour are compatible. Between the 60 to 65 Ldn contour, residential land uses, mobile homes, transient lodgings and public facilities such as schools, hospitals and nursing homes are compatible only when additional noise level reduction measures are incorporated into the design and construction. (PET Ex 5: p IV-15; PET Ex 5J: p J-6, Table 2-B)

78. The State DOT is the manager of the Keahole Airport facility. It recently let contracts to update the original 1971 Keahole Airport Master Plan and to prepare detailed noise studies of existing and projected aircraft operations. These studies are expected to take approximately one year to complete. (PET Ex 5: p IV-14; TR 10/22/86: p 107, L 8-14)

79. The State DOT has recommended that no residence or resort condominium be constructed on any portion of the Property subject to noise levels greater than 55 Ldn on the basis that undeveloped lands such as the Property have lower ambient noise levels. (DPED Ex 1: pp 40, 41 and 54) The recommendation, however, is not based on, nor related to, the on-going DOT noise study program to update the Keahole Airport Master Plan. (TR 10/22/86: p 107, L 21-23) DOT does not have any standard as to what point the ambient level must be before

the 55 Ldn recommendation is made by DOT. (TR 10/22/86: p 109, L 1-13)

80. The location of the 55 Ldn contour with respect to the Property has not been indicated by DOT and remains uncertain. (TR 11/6/86: p 137, L 1-25; p 138, L 1-5)

81. The State of Hawaii had never before proposed nor imposed a 55 Ldn contour line as a demarcation to determine compatible and incompatible land uses. (TR 11/6/86: p 138, L 10-16; TR 10/21/86: p 42, L 8-13) The State of Hawaii has imposed a 60 Ldn boundary for the Ewa Marina project in State Land Use Commission Docket A83-558, MSM & Associates, Inc. (TR 10/21/86: p 59, L 14-25; p 60, L 1-2)

82. The Petitioner has indicated that it is willing to apply sound attenuation measures on all residential units on the Property that are subject to noise contours greater than 60 Ldn and to include a noise covenant in the conveyance documents for such residential units. (TR 10/21/86: p 43, L 9-25)

Air Quality

83. Petitioner anticipates that temporary fugitive dust emissions from the construction activity will be sources of pollutants on the Property. Petitioner proposes to mitigate such fugitive dust emissions by watering of exposed areas and early landscaping. (PET Ex 5: p IV-11)

84. Petitioner anticipates that the proposed project on the Property will have vehicular traffic characteristics and emission impacts similar to those of the Kaupulehu Resort, a project of like-size located north of the Keahole Airport. An

air quality impact analysis for the Kaupulehu Resort had showed that at full build-out the increased emission will still be in compliance with federal and state standards. (PET Ex 5: p IV-11)

Visual

85. The present landscape of the Property will be irretrievably altered from its present natural condition to one of an urban state characterized by low-lying buildings, landscaped open space, internal roadways, marina harbor and related facilities, and an 18-hole golf course. Major buildings will be designed by Petitioner to minimize impacts to existing mauka-makai view corridors. (PET Ex 5: p IV-19)

Commitment of State Funds and Resources

86. Two areas of significant public expenditures in 1986 dollars associated with the proposed project would be for police and fire protection. The proposed project would require public expenditures of \$105,000.00 annually for police protection and \$252,000.00 annually for fire protection. (PET Ex 5I: p I-7)

87. The proposed project is expected to generate some \$10,818,415.00 annually to public revenues in direct net tax benefits. This amount would be divided between \$5,719,425.00 to the County of Hawaii and \$5,098,990.00 to the State. This does not include the over \$4,000,000.00 annually in other tax revenues generated through economic multipliers in the community. (PET Ex 5I: pp I-12 and I-13)

Employment Opportunities and Economic Development

88. Total employment growth is estimated at about 1,830 full-time equivalent positions at full build-out of the proposed project, including a total of 305 indirect/induced jobs. (PET Ex 5: p IV-35)

89. Direct construction employment is estimated at about 2,000 full-time equivalent persons-years for total project build-out. (PET Ex 5: p IV-33)

Housing Opportunities

90. The Petitioner proposes to construct 150 employee housing units on the Property. The Petitioner recognizes that additional housing may be necessary to meet employee housing demand generated by the proposed project. The Petitioner has established contact with the Hawaii County Office of Housing and Community Development and has expressed willingness to work with the County to explore assisted housing requirements. (PD Ex 1: p 18; PET Ex 5: pp IV-36 and IV-37)

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Water Resource and Service

91. The water demand for the proposed project on the Property is 0.7 million gallons per day (MGD) for the initial development phase which includes a 400-room hotel, clubhouse, staff of 645 persons and irrigation of 112 acres. At full build-out of the proposed project, the projected water demand is 2.0 MGD. (PET Ex 5: p IV-44, Table 10)

92. Groundwater resources in the Kona area have been estimated at 100 MGD by the Hawaii Water Resources Plan. Water

availability is primarily a problem of infrastructure, not source availability. The existing supply sources in the North Kona water system at Kahaluu with a cumulative safe capacity of 8.4 MGD are approaching capacity. Additional source and transmission facilities must be constructed to provide water for the proposed project. (PET Ex 5: p IV-42; PET Ex 5F: p F-11)

93. Petitioner has examined four potential water development alternatives, the most probable of which is the development of a new water agreement wherein the County would be responsible for easement acquisition as well as the design, source development and operation. The funding of such a development would be provided by Petitioner or by a pool of developers of projects in the vicinity as the County may determine under the water agreement. (PET Ex 5: p XII-51; PET Ex 5, Fig F-11 and F-12; TR 10/21/86: p 79, L 15-23)

94. Petitioner's discussions with the Hawaii County Department of Water Supply indicate that adequate water supply can be made available to the proposed project if the Petitioner contributes to the cost of source and transmission facilities and shares in the cost of secondary impacts of resort development in water commitments. (PET Ex 5: p XII-34)

Transportation Services and Facilities

95. The proposed project will generate vehicular traffic both internally and onto adjacent Queen Kaahumanu Highway. (PET Ex 5: p IV-39)

effluent used in irrigation will be evaportransported and about a fourth of the treated effluent will percolate to the groundwater without any impact to the near shore marina environment or the anchialine pond system. (TR 10/21/86: p 81, L 11-21; p 89, L 6-20; p 102, L 4-25; p 103, L 1-5)

102. Petitioner proposes to locate all wastewater pumping stations and treatment facilities as far from the anchialine ponds as practical. Pumping and treatment facilities would also be located above the 15 foot elevation to reduce the potential for groundwater contact. (PET Ex 5: p IV-47)

Drainage

103. The change in land use proposed by the resort development on the Property will increase the amount of rainfall that is converted to surface runoff. The proposed drainage plan calls for the majority of the surface flow from resort development to be directed to ponding areas and dry wells within the golf course, with excess surface flow being discharged in to the marina basin. (PET Ex 5: p IV-10; PET Ex 5F: pp F-3 to F-15; p F-5, Fig 3)

104. The objective of Petitioner's drainage plan is to prevent surface runoff from going into Kalako Fishpond and the anchialine ponds for the protection of the ponds. (TR 10/21/86: p 83, L 4-23; PET Ex 5F: p F-5, Fig 3)

105. Runoff into the Kaloho Fishpond area will actually be reduced from the current 2,800 cubic feet per second to 2,700 cubic feet per second. (PET Ex 5F: p F-5)

This reduction in surface runoff does not represent a major potential source of change of the character of the Kaloko Fishpond. (TR 11/6/86: p 25, L 2-24)

Electrical and Telephone Services

106. Electrical and telephone services can be made available to the Property for the proposed project. (PET Ex 5F: p F-17)

107. A requirement of 35 mva is estimated for the proposed project. A new substation, to be located mauka of Queen Kaahumanu Highway, would be required to handle the estimated requirement, and two 12.47 kv distribution lines would run under the highway to the Property. An onsite substation will also be required for telephone service for the proposed site. (PET Ex 5F; pp F-17 and F-18) Petitioner intends to contribute to the cost of the new substations. (PET Ex 7)

Police and Fire Protection

108. Police services are available from the police substation in Kailua-Kona. Planning is underway to move the regional Captain Cook police headquarters to a new 10-acre facility at Kealakehe, North Kona, located mid-way between the Property and Kailua-Kona. (PD Ex 1: p 16; PET Ex 5: p IV-49)

109. Fire protection for the proposed project will be served by the Kailua-Kona station approximately five to seven miles from the Property and within eight to fifteen minute response time from the Property. (PD Ex 1: p 16; PET Ex 5: p IV-49)

Schools

110. Public schools serving the North Kona District are Kealakehe Elementary, Kealakehe Intermediate and Konawaena High School, which are operating at capacity. The budgeting of additional classrooms will be required at the schools to accommodate growth. (PET Ex 5: p IV-53)

111. A total of between 45 to 85 children may require public school education at full build-out of the proposed project. (PET Ex 5: p IV-53)

112. The State Department of Education has stated that master plans for the schools are being revised in anticipation of projected future growth. A 12-classroom project is presently being designed at Kealakehe to accommodate increasing enrollment. (DPED Ex 1: p 26)

Health Care Facilities

113. The Kona Hospital located in Kealahou, Kona, is the nearest health care facility to the Property. The hospital is a 83-bed skilled nursing facility providing both acute and intermediate care to Kona residents. The hospital is approaching capacity and funding request to accommodate additional beds is expected. Using a standard of 4 hospital beds per 1,000 residents, the proposed project at full build-out and operation would require the provision of about 17 additional hospital beds.

Solid Waste

114. There is no government pick-up service for solid waste disposal in the County of Hawaii. Solid waste generated

from the proposed project can be accommodated at the Kailua-Kona landfill at Kealakehe. A new 300-acre landfill site is being planned by the County at Puu Anahulu to service both North Kona and Kohala. (PD Ex 1: p 17; PET Ex 5: p IV-48)

CONFORMANCE TO STATE LAND USE DISTRICT STANDARDS

115. The Property is contiguous to the Kaloko-Honokohau-Kealakehe Urban District. The northern Kaloko-Honokohau portion of that Urban District is privately-owned and the remaining southern Kealakehe portion is owned by the State of Hawaii. Urban development within the Kaloko-Honokohau-Kealakehe Urban District is presently limited to the existing Honokohau Harbor which is owned and operated by the State. The proposed project is also adjacent at the northern mauka corner of its boundary to a portion of the HOST Park Urban District. (DPED Ex 1: p 41)

116. The Kaloko-Honokohau urban sites are currently designated as resort destination area under the State Tourism Plan Technical Reference Document and the County General Plan. (TR 10/21/86: p 50, L 2-9; DPED Ex 1: p 42) However, the Kaloko-Honokohau urban sites are now proposed as the area for the congressionally authorized National Park. (PET Ex 28) Development of the subject Property as a resort would carry out the general intent of the State Tourism Plan and the County General Plan for a resort destination in the general vicinity of the Kaloko-Honokohau sites. (DPED Ex 1: p 42; TR 10/21/86: p 50, L 2-9)

117. Public services and facilities are available to service the Property or can be provided at reasonable costs to Petitioner. (PET Ex 5: pp IV-38 to IV-53) The Petitioner intends to develop the proposed project's on-site and off-site infrastructure relating to water, sewer, roadways, drainage and power. (PET Ex 7)

118. The Property is intended to contain an integrated intermediate-class resort including two full-service hotels, marina, golf course, commercial shops, residential homes and condominiums, which would generate trade and employment. (PET Ex 5: pp II-1 to II-8; p IV-35)

119. A letter from the Bank of Hawaii supports the Petitioner's financial stability and capacity to undertake and complete the proposed project. (PET Ex 20)

CONFORMANCE WITH THE HAWAII STATE PLAN

120. The proposed reclassification to allow the proposed project conforms to the Hawaii State Plan, including the following goal, objective and policy:

Goal: "A strong, viable economy, characterized by stability, diversity, and growth, that enables the fulfillment of the needs and expectations of Hawaii's present and future generations." Hawaii Revised Statutes Section 226-4(1).

Objective: "Increased and diversified employment opportunities to achieve full employment, increased income and job choice, and improved living standards for Hawaii's people." Hawaii Revised Statutes Section 226-6(a)(1)

Policy: "Encourage an increase of economic activities and employment

opportunities on the Neighbor Islands
consistent with community needs and
desires." Hawaii Revised Statutes
Section 226-5(b)(2)

The Hawaii County economy has shifted from an economy dominated by agriculture to a more diversified economy with a significant service-oriented component. The visitor industry has played a vital and significant role in the diversification of the County's economy, particularly in the North Kona-South Kohala districts. (PET Ex 5A: pp A-12 and A-13) The proposed project will provide direct long-term employment for an estimated 1,525 residents and indirect employment for an additional 305 residents. (PET Ex 5: p IV-35) Significant public benefit will accrue to both the County and the State in the form of net increased tax annual revenues estimated to be in excess of \$10 million per year. (PET Ex 5: p IV-36; PET Ex 5I: pp I-12 and I-13)

CONCLUSIONS OF LAW

Pursuant to Chapter 205, Hawaii Revised Statutes, the Rules of Practice and Procedure and Section 6-1 of the District Regulations of the Land Use Commission, the Commission concludes that the reclassification of the Property, being approximately 470.13 acres of land situated at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii, from the Conservation District to the Urban District and the amendment of the State Land Use District Boundaries to permit the proposed development are reasonable and nonviolative of Section 205-2, Hawaii

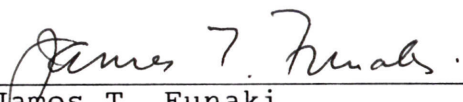
Revised Statutes, and are consistent with the criteria under Sections 205-16 and 205-17, Hawaii Revised Statutes.

CERTIFICATE OF SERVICE

I hereby certify that due service of a copy of the
within document was made by depositing the same with the U.S.
mail, postage prepaid, on December 16, 1986,
addressed to:

MURRAY E. TOWILL, Acting Director
Department of Planning and
Economic Development
State of Hawaii
Kamamalu Building
250 South King Street
Honolulu, Hawaii 96813

ALBERT LONO LYMAN, Director
Department of Planning
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720



James T. Funaki
Attorney for KONA BEACH
DEVELOPMENT VENTURE, L.P.

EVERETT S. KANESHIGE 3433
Deputy Attorney General
State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813
Telephone No. 548-6735

ORIGINAL

Attorney for Department of
Planning and Economic Development

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To reclassify approximately)	
470.13 acres of land, TMKs:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona District,)	
Island of Hawaii, State of Hawaii,)	
from the Conservation District)	
to the Urban District.)	

LAND USE COMMISSION
STATE OF HAWAII
DEC 16 9 38 AM '86

DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT'S
PROPOSED FINDINGS OF FACT AND DECISION AND ORDER

The Department of Planning and Economic Development of the State of Hawaii (DPED), having stipulated to the Findings of Fact and Conclusions of Law with the exception of paragraphs 72 through 77 and 79 through 82, to be filed herein by the Petitioner, hereby proposes the following Findings of Fact to be substituted in lieu of the paragraphs listed above, and also submits the following Decision and Order and conditions of reclassification for the Land Use Commission's consideration as follows:

PROPOSED FINDINGS OF FACT

____. Due to its close proximity to Keahole Airport, a portion of the coastal area of the subject project must conform to height restrictions as shown on the airport zoning map, by the State Department of Transportation, Airports Division. (DPED TEST: 40)

____. The primary concern of the State Department of Transportation is the impact of aircraft noise on the proposed Kohanaiki Resort. Complaints and lawsuits generated by the owners and users of the resort due to aircraft noise could limit the operational efficiency of Keahole Airport and adversely impact future plans for expansion. (DPED TEST: 40)

____. The State Department of Transportation is in the process of developing a revised master plan for Keahole Airport. Included in this plan will be a detailed analysis of the aircraft noise impacts on the areas surrounding the airport. (TR Vol. II: 94-95)

____. Keahole Point was selected as the site for the airport to replace the old Kona Airport because the aircraft approaches to the site were generally over water and over lands that were within the Conservation District. There were also only one or two people living in the area. These were ideal conditions for an airport. (TR Vol. II: 98-99)

____. Aircraft take-offs and landings at night have been generating complaints at other airports. Complaints may lead to a curfew being placed on the airport and eventually to a total restriction of night operations. This would be a disaster to

Keahole Airport because night flights are a key to successful air cargo operations. (TR Vol. II: 104)

____. It is possible to achieve the desirable 45 Ldn noise level within a building subject to 65 Ldn exterior noise levels and higher, but this means that the building must utilize much heavier construction than is typical in Hawaii. The building also could not have open windows and lanais for cross ventilation. The building would have to be air conditioned and of heavy construction in order to achieve a 45 Ldn interior noise level. (TR Vol. II: 117-118)

____. In a highly urbanized environs such as Honolulu, where other non-aircraft noise sources can be higher than 60 Ldn, a compromise value of 60 Ldn is considered by the DOT Airports Division. The 60 Ldn is selected since it is midway between the unconditionally acceptable 55 Ldn and the conditionally acceptable 65 Ldn. (DPED TEST: 41)

PROPOSED DECISION AND ORDER

IT IS HEREBY ORDERED that the property which is the subject of Docket No. A86-599 (Kona Beach Development Venture, L.P.), consisting of approximately 470.13 acres of land, situate at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii, identified as Hawaii Tax Map Keys 7-3-09: 3 and 16, shall be and the same is hereby reclassified from the Conservation District to the Urban District, and the State Land Use District Boundaries are amended accordingly, subject to the following conditions:

1. The Petitioner shall develop and maintain on-site facilities such as sewage treatment plants, dry wells and ponding areas to insure that the nearshore, offshore and deep ocean waters remain in pristine condition. The Petitioner shall also develop and coordinate a monitoring system with the Natural Energy Laboratory of Hawaii and the Hawaii Ocean Science and Technology Park.

2. The Petitioner shall provide a buffer area and develop and maintain a storm drainage system that does not adversely affect the existing wildlife habitat at Kaloko Fishpond in coordination with DLNR, the U.S. Fish and Wildlife Service, the U.S. Park Service and other appropriate agencies.

3. The Petitioner shall establish a pond management plan for the anchialine pond complexes in the petition area. This plan shall be developed with and reviewed by the Department of Land and Natural Resources, the County of Hawaii and other appropriate agencies. The anchialine pond management area shall be that basin area containing the anchialine ponds to be preserved and managed for the continuation of anchialine pond organisms and other animal life. The anchialine pond management buffer zone shall be established pursuant to the pond management plan, but in no event shall be less than forty feet from the edge of the anchialine pond management area boundary.

4. The Petitioner shall ensure that written reports of the anchialine pond biota and of the results of the monitoring of water quality and faunal assemblages in the anchialine ponds shall be submitted to the Department of Land and Natural

Resources and the County of Hawaii Planning Department in a timely manner. In the event of an unforeseen deleterious event that may affect the pond ecology, the Petitioner shall immediately implement remedial and corrective actions in consultation with the Department of Land and Natural Resources and the County of Hawaii Planning Department.

5. The Petitioner shall carry out the accepted mitigation strategy for the significant historic sites by the preparation of an archaeological preservation and data recovery plan for review and approval by the State's Historic Sites Section and the County of Hawaii's Planning Department and shall execute said plan in consultation with both agencies.

6. The Petitioner shall provide public access from Queen Kaahumanu Highway to the shoreline. Petitioner shall provide space for parking stalls at the access(es). Petitioner shall maintain a continuous trail along the seaward boundary of the property and such access shall be integrated with the shoreline trails on adjacent lands. The accesses shall be available to the public for recreational use. Petitioner shall coordinate plans for public access with the Department of Land and Natural Resources and the County of Hawaii.

7. The Petitioner shall provide affordable and hotel employee housing opportunities for residents of the County of Hawaii, at a minimum, by developing 10 percent of the proposed residential units to be developed within the petition areas either for sale or rental or in the form of a contribution to

housing assistance as determined in consultation with the County of Hawaii and/or State of Hawaii Housing Authority. This condition can be satisfied outside the petition area but accessible to the Kohanaiki Resort area.

8. The Petitioner shall fund the design and construction of highway improvements for access to the property and any other improvements as may be required by the State Department of Transportation.

9. As proposed, the Petitioner shall develop full service hotels on the subject property in conjunction with the recreational and residential projects in order to assure greater employment opportunities.

10. A noise easement in a form prescribed by the State Department of Transportation shall be granted to said Department by the property owner on any portion of the property subject to noise levels between 55 Ldn and 60 Ldn.

11. There shall be no residential or resort condominium development on any portion of the property subject to noise levels greater than 60 Ldn. This condition shall also apply to any other uses which are not compatible with the operations of Keahole Airport as prescribed by the State Department of Transportation and the Federal Aviation Administration (FAA).

Done at _____, Hawaii, this _____ day of _____, 198__, by Motion on _____, 198__, in _____, Hawaii.

LAND USE COMMISSION
STATE OF HAWAII

TEOFILO PHIL TACBIAN
Chairman and Commissioner

FREDERICK P. WHITTEMORE
Vice Chairman and Commissioner

RICHARD B.F. CHOY, Commissioner

LAWRENCE F. CHUN, Commissioner

EVERETT L. CUSKADEN, Commissioner

WINONA E. RUBIN, Commissioner

TORU SUZUKI, Commissioner

ROBERT S. TAMAYE, Commissioner

WILLIAM W.L. YUEN, Commissioner

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served upon the following parties by either hand delivery or by mailing the same, postage prepaid, at the addresses shown:

JAMES T. FUNAKI, ESQ.
Okumura Takushi Funaki & Wee
733 Bishop Street, Suite 2400
Honolulu, Hawaii 96813
(Attorney for Petitioner)

ALBERT LONO LYMAN
Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

DATED: Honolulu, Hawaii, December 15, 1986.

Murray E. Toward

Of Counsel:
OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

ORIGINAL

JAMES T. FUNAKI 200
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813
Telephone No. 543-9800

Attorney for Petitioner

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To Reclassify Approximately)	
470.13 Acres of Land, TMKs:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona)	
District, Island of Hawaii,)	
State of Hawaii,)	
From the Conservation District)	
to the Urban District)	

LAND USE COMMISSION
STATE OF HAWAII
DEC 16 10 03 AM '86

STIPULATION FOR PROPOSED DECISION AND ORDER

PROPOSED DECISION AND ORDER

and

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition) Docket No. A86-599
)
)
)
KONA BEACH DEVELOPMENT VENTURE, L.P.)
)
To Reclassify Approximately)
470.13 Acres of Land, TMKS:)
7-3-09: 3 and 16 (Division 3),)
at Kohanaiki, North Kona)
District, Island of Hawaii,)
State of Hawaii,)
From the Conservation District)
to the Urban District)
_____)

STIPULATION FOR PROPOSED DECISION AND ORDER

Petitioner, KONA BEACH DEVELOPMENT VENTURE, L.P. and
the PLANNING DEPARTMENT, COUNTY OF HAWAII, through their
undersigned representatives, hereby stipulate to the following
Proposed Decision and Order.

DATED: Honolulu, Hawaii
December 15, 1986

KONA BEACH DEVELOPMENT
VENTURE, L.P.

By James T. Funaki
James T. Funaki
Its Attorney

Petitioner

DATED: Hilo, Hawaii
December 12, 1986

PLANNING DEPARTMENT
COUNTY OF HAWAII

By A. Law

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition	)	Docket No. A86-599
)	
of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.))	
)	
To Reclassify Approximately)	
470.13 Acres of Land, TMKs:)	
7-3-09: 3 and 16 (Division 3),)	
at Kohanaiki, North Kona)	
District, Island of Hawaii,)	
State of Hawaii,)	
From the Conservation District)	
to the Urban District)	
_____)	

PROPOSED DECISION AND ORDER

IT IS HEREBY ORDERED that the Property which is the subject of Docket No. A86-599 (Kona Beach Development Venture, L.P.), consisting of approximately 470.13 acres of land, situate at Kohanaiki, North Kona, Island of Hawaii, State of Hawaii, identified as Hawaii Tax Map Keys 7-3-09: 3 and 16, as shown on Exhibit "A" attached hereto and incorporated herein by reference, shall be and the same is hereby reclassified from the Conservation District to the Urban District, and the State Land Use District Boundaries are amended accordingly, subject to the following conditions:

1. The Petitioner shall establish a pond management plan for the anchialine ponds within the Property as shall be approved by the County of Hawaii pursuant to Chapter 205A, Hawaii Revised Statutes relating to coastal zone management.

2. The Petitioner shall establish an archaeological resource management plan for the archaeological sites within the Property as shall be approved by the County of Hawaii pursuant to Chapter 205A, Hawaii Revised Statutes relating to coastal zone management.
3. The Petitioner shall provide improvements on the Property for public access to the shoreline as shall be approved by the County of Hawaii pursuant to Chapter 205A, Hawaii Revised Statutes relating to coastal zone management.
4. The Petitioner shall provide affordable and hotel employee housing opportunities for residents of the County of Hawaii, at a minimum, by developing 10 percent of the proposed residential units to be developed within the Property either for sale or rental or in the form of a contribution to housing assistance as determined in consultation with the County of Hawaii and/or the State of Hawaii Housing Authority. This condition may be satisfied on lands outside the Property.
5. The Petitioner shall apply sound attenuation measures on all residential units on the Property that are subject to noise contours greater than 60 Ldn. The Petitioner shall include a noise covenant in the conveyance documents for such residential units. The noise covenant shall be

substantially in the form imposed by the
Commission in the past on land subject to noise
contours greater than 60 Ldn.

DONE at _____, Hawaii, this _____ day
of _____, 19____, per Motion on _____,
19____.

LAND USE COMMISSION
STATE OF HAWAII

KOHANA-IKI

KEAHOLE AIRPORT

KALAOA

OOMA

HOMESTEAD

State of Hawaii

1031,000 Ac.

(878,034 Ac.)

GOVERNMENT

State Mutual Life Insurance Co of America

James S. Adams, Norman L. Robinson, Ed. Calverton & James S. DeGraham - Trustees

662.38 Ac. Surveyed Area
[540.00] Grant Area
(338.88 Ac.)

GRANT

Takemasa International

"KALOLO LIGHT INDUSTRIAL SUBD."

PLAT 91

SEC. 4

THIRD ZONE	DIVISION
7	3 09
CONTAINING PARCELS	
SCALE 1" = 2000 FT	

0 2000



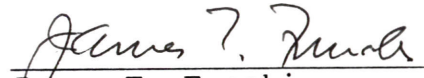
EXHIBIT "A"

CERTIFICATE OF SERVICE

I hereby certify that due service of a copy of the
within document was made by depositing the same with the U.S.
mail, postage prepaid, on December 16, 1986,
addressed to:

MURRAY E. TOWILL, Acting Director
Department of Planning and
Economic Development
State of Hawaii
Kamamalu Building
250 South King Street
Honolulu, Hawaii 96813

ALBERT LONO LYMAN, Director
Department of Planning
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720



James T. Funaki
Attorney for KONA BEACH
DEVELOPMENT VENTURE, L.P.

STATE OF HAWAII
LAND USE COMMISSION

VOTE RECORD

ITEM A86-599 Kona Beach Dev. Venture DATE 1/13/87
PLACE Resolution Room
Kona Hilton Hotel TIME 10:30 a.m.
Kailua-Kona, HI

	NAME	YES	NO	ABSTAIN	ABSENT
S	YUEN, WILLIAM W. L.	X			
	YUEN, WILLIAM W. L.				
	SUZUKI, TORU	X			
M	CHUN, LAWRENCE F.	X			
	WHITTEMORE, FREDERICK	X			
	CUSKADEN, EVERETT L.				X
	TAMAYE, ROBERT S.	X			
	CHOY, RICHARD B. F.	X			
	TACBIAN, TEOFILO PHIL	X			

Comments: I move to approve Docket No. A86-599 Kona Beach Dev. Venture, L.P. to reclassify approximately 470.13 acres currently in the Conservation District into the Urban District for resort, residential, commercial, golf course and marina uses at Kohanaiki, North Kona, Hawaii subject to the following conditions: (See minutes or transcript)

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Resolution Room, Kona Hilton Hotel
Kailua-Kona, Hawaii

January 13, 1987

Approved 1/26/87

COMMISSIONERS PRESENT: Teofilo Phil Tacbian, Chairman
Frederick Whittemore, Vice-Chairman
William Yuen
Richard Choy
Toru Suzuki
Robert Tamaye (Portion of Proceedings)
Lawrence Chun

COMMISSIONERS ABSENT: Everett Cuskaden

STAFF PRESENT: Esther Ueda, Executive Officer
Benjamin Matsubara, Special Deputy
Attorney General
Raymond Young, Staff Planner
Darlene Kinoshita, Chief Clerk

Jean Marie McManus, Court Reporter

Chairman Tacbian called the meeting to order.

* ACTION

A86-599 KONA BEACH DEVELOPMENT VENTURE, L.P.

Chairman Tacbian announced that the Commission would take action in the matter of the petition by Kona Beach Development Venture, L.P. to reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii for resort, residential, commercial, golf course, and marina uses. A hearing was conducted by the Land Use Commission on October 21, 1987, October 22, 1987, and November 6, 1987.

Appearances

James Funaki, Esq., Attorney for Petitioner

Norman Hayashi, County of Hawaii

Everett Kaneshige, Esq., Deputy Attorney General,
Department of Planning and Economic Development

Abe Mitsuda, Land Use Division, Department of Planning
and Economic Development

It was determined by Chairman Tacbian that all of the
Commissioners present today were eligible to participate in the
action of the petition.

Closing arguments were heard from James Funaki, Norman
Hayashi, and Everett Kaneshige. After hearing arguments,
examinations by the Commissioners were held.

Commissioner Yuen moved to go into Executive Session
to consult with the Deputy Attorney General certain legal
issues. It was seconded by Vice-Chairman Whittemore and
unanimously carried by voice votes.

Commissioner Chun moved to reopen the hearing to
obtain additional information no later than March 6, 1987. It
was seconded by Commissioner Yuen.

A lunch recess was taken at 12:02 p.m. to reconvene at
1:30 p.m.

- 1:30 p.m. -

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Cont'd)

Commissioner Chun withdrew his motion to reopen the
hearing. It was seconded by Commissioner Yuen and unanimously
carried by voice votes.

It was noted for the record that Commission Tamaye has
joined the Commission and participated in the rest of the
proceedings.

Commissioner Chun moved for approval of Docket No.
A86-599 - Kona Beach Development Venture, L.P. to reclassify
approximately 470.13 acres of land situated in Kohanaiki, North
Kona, Hawaii from the Agricultural District into the Urban
District for resort, residential, commercial, golf course, and
marina uses subject to the following conditions:

1. Petitioner shall provide housing opportunities for low and moderate income Hawaii residents and for employees employed on the Property by constructing and offering for sale or rent, on a preferential basis on its own or in cooperation with either or both the Hawaii Housing Authority and the County of Hawaii, within or without the Property, a number of residential units not less than ten percent (10%) of the residential units to be developed on the Property to residents of Hawaii and/or employees employed on the Property of low or moderate income as determined by the Hawaii Housing Authority or County of Hawaii from time to time, or by contributing to the development of such housing without the Property. The preferential residential units shall be offered for sale at prices that would enable such purchasers to qualify for and obtain State-assisted financing (e.g. Act 105 or Hula Mae) or Federally-insured or assisted financing (e.g. FHA Section 245 Program) intended to encourage home ownership by low and moderate income families or employees.

2. The Petitioner shall provide public access from Queen Kaahumanu Highway to the shoreline. Petitioner shall provide space for parking stalls at the access(es). Petitioner shall maintain a continuous trail along the seaward boundary of the Property and such access shall be integrated with the shoreline trails on adjacent lands. The accesses shall be available to the public for recreational use. Petitioner shall coordinate plans for public access with the Department of Land and Natural Resources and the County of Hawaii.

3. Petitioner shall establish a pond management plan for the anchialine pond complex in coordination with the Department of Land and Natural Resources, the County of Hawaii, and other appropriate agencies. The anchialine pond management plan shall include provisions for a buffer zone of no less than forty feet in width measured from the edge of the anchialine pond basin area to the outer edge of the buffer zone.

4. The Petitioner shall prepare preservation and data recovery plans for all significant historic sites which plans shall be submitted to the Department of Land and Natural Resources and the County of Hawaii Planning Department for their review and comment.

5. The Petitioner shall develop and maintain on-site facilities such as sewage treatment plants, dry wells and ponding areas to insure that the nearshore, offshore and deep ocean waters remain in pristine condition. The Petitioner shall also develop and coordinate a monitoring system with the Natural Energy Laboratory of Hawaii and the Hawaii Ocean Science and Technology Park.

6. The Petitioner shall provide a buffer area and develop and maintain a storm drainage system that does not adversely affect the existing wildlife habitat at Kaloko Fishpond in coordination with the Department of Land and Natural Resources, the U.S. Fish and Wildlife Service, the U.S. Park Service, and other appropriate agencies.

7. Petitioner shall grant to the State of Hawaii a noise easement in a form prescribed by the State Department of Transportation on any portion of the Property subject to noise levels exceeding 55 LDN as determined by the Department of Transportation noise contour map provided by the Department of Transportation for the year 1990.

8. The Petitioner shall apply sound attenuation measures on all residential units on the Property that are subject to noise levels greater than 60 LDN. Petitioner shall not construct residential or resort condominium development on any portion of the Property subject to noise levels greater than 65 LDN.

9. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.

The motion was seconded by Commission Yuen.

The motion to approve the petition with nine conditions was unanimously approved as follows:

Ayes: Commissioner Chun, Yuen, Suzuki, Whittemore, Tamaye, Choy, and Chairman Tacbian

It was noted for the record by Chairman Tacbian that the Commission will attach the approved Department of Transportation's 1990 LDN map with its Decision and Order. The approved Department of Transportation's 1990 LDN map will be provided by the Department of Planning and Economic Development.

A86-605 - KEAULOU INVESTMENT COMPANY AND KONA COAST PROPERTIES, LTD., A JOINT VENTURE

Chairman Tacbian announced that the Commission will take action in the matter of the Petition by Keaulou Investment Co. and Kona Coast Properties, Ltd., A Joint Venture to reclassify approximately 44.3 acres of land currently in the Agricultural District into the Urban District at Pahoehe 2nd, North Kona, Hawaii for single and multi-family residential use. A hearing was conducted by the Land Use Commission on November 6, 1986 and November 7, 1986.

Appearances

T. David Woo, Jr. Esq., Attorney for Petitioner

Norman Hayashi, County of Hawaii

Everett Kaneshige, Esq., Deputy Attorney General,
Department of Planning and Economic Development

Abe Mitsuda, Land Use Division, Department of Planning
and Economic Development

It was determined by Chairman Tacbian that all of the Commissioners present today were eligible to participate in the action of the petition.

Closing arguments were heard from T. David Woo, Norman Hayashi, and Everett Kaneshige. After hearing arguments, examinations by the Commissioners were held.

Commissioner Choy moved for approval of Docket No. A86-605 Keaulou Investment Company and Kona Coast Properties, Ltd., A Joint Venture to reclassify approximately 44.3 acres currently in the Agricultural District into the Urban District for single and multi-family residential use at Pahoehe 2nd, North Kona, Hawaii subject to the following conditions:

1. The Petitioner shall provide housing opportunities for low and moderate income Hawaii residents by developing a housing rental program, or offering for sale, or providing a cash distribution to either the Hawaii Housing Authority or County of Hawaii, or any combination thereof, meeting with the approval of either the Hawaii Housing Authority or County of Hawaii. The amount of units shall be equal to ten percent (10%) of residential units to be developed on the project area. The definition of low and moderate income families' income shall be determined by standards promulgated by the Hawaii Housing Authority and the County of Hawaii from time to time.

2. Petitioner shall design and construct a drainage system which will either contain development runoff within the Property or, if channelized to the ocean, minimize adverse impacts on nearshore ecosystems and Class AA water.

3. Petitioner shall fund the design and construction of highway improvements for access to the Property and any other improvements fronting the Property as may be required by the County of Hawaii or by the State Department of Transportation.

4. Petitioner shall design, locate and construct the private sewage treatment plant as may be required by the County of Hawaii and the State Department of Health so as to minimize adverse impacts on the adjoining properties.

5. Petitioner shall prepare preservation and data recovery plans for all significant historic sites which plans shall be submitted to the Department of Land and Natural Resources and the County of Hawaii Planning Department for their review and comment.

6. The Commission may fully or partially release these conditions as to all or any portion of the Property upon timely motion, and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.

The motion was seconded by Commissioner Suzuki.

The motion to approve the petition with six conditions was unanimously approved as follows:

Ayes: Commissioner Chun, Yuen, Suzuki, Whittemore, Tamaye, Choy, and Chairman Tacbian.

CONTINUED HEARING

A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST (Hawaii)

The present matter before the Commission was a continuation of the hearing which had begun on July 8, 1986.

Appearances

Benjamin Kudo, Esq., Attorney for Petitioner

Gary Wong, Esq., Attorney for Petitioner

Richard Smart, Petitioner

Norman Hayashi, County of Hawaii

Everett Kaneshige, Esq., Deputy Attorney General,
Department of Planning and Economic Development

Abe Mitsuda, Land Use Division, Department of Planning
and Economic Development

Joan Yim, Land Use Division, Department of Planning
and Economic Development

EXHIBITS

Petitioner's Exhibit 1 through 17 were admitted into evidence. Petitioner's original Exhibit 11 was substituted by a new Exhibit 11. Petitioner also submitted Exhibit 11a.

County's Exhibit 1 was admitted into evidence.

State's Exhibit 1 was admitted into evidence.

Staff Planner, Raymond Young, oriented the Commission to the area being requested for reclassification on the USGS and tax maps.

PUBLIC WITNESSES

1. Mike O'Kieffe

2. Neil (Willis) Morris
3. Elaine Flores
4. Gary Carvalho

PETITIONER'S WITNESSES

1. Richard Smart
2. James Bell

Before continuing with Petitioner's witnesses, Chairman Tacbian allowed County's witness, Quirinio Antonio, to testify out of turn.

Thereafter Petitioner's other witnesses were called.

PETITIONER'S WITNESSES

3. William Bonk

MISCELLANEOUS

Adoption of Decision and Orders

The Decision and Orders for the following dockets were adopted:

A86-607 Hawaiian Trust Company, Ltd., A Hawaii Corporation and Trustee of George Galbraith Trust (Oahu)

A86-603 Huehue Ranch (Hawaii)

Adoption of Minutes:

The minutes for the following meeting dates were approved as circulated: December 16, 1986 and December 17, 1986.

Chairman Tacbian continued the hearing until January 14, 1987 at 8:30 a.m. The hearing was adjourned at 4:46 p.m.

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

January 13, 1987 - 10:30 a.m.
and January 14, 1987*

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

REC'D. BY

1986 DEC 12 AM 9 41

LT. GOVERNOR'S OFFICE

A G E N D A

I. ACTION

- ✓ 1. A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course, and marina uses.

2. A86-605 - KEAUHOU INVESTMENT COMPANY AND KONA COAST PROPERTIES, LTD., A JOINT VENTURE (Hawaii)

To reclassify approximately 44.3 acres of land currently in the Agricultural District into the Urban District at Pahoehe 2nd, North Kona, Hawaii for single and multi-family residential use.

II. CONTINUED HEARING

1. A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST (Hawaii)

To reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii, for residential, commercial, and industrial uses.

III. MISCELLANEOUS

1. Adoption of Decision and Orders
2. Adoption of Minutes
3. Tentative Meeting Schedule

*Meeting will continue on January 14, 1987 only if not completed on January 13, 1987.

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

December 11, 1986

Mr. Murray Towill, Acting Director
Department of Planning and
Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

Attention: Mr. Abe Mitsuda, Land Use Division

Dear Mr. Towill:

Enclosed is a Land Use Commission meeting agenda.

Please note that petition(s)


A86-605 - KEAUHOU INVESTMENT COMPANY AND KONA COAST
PROPERTIES, LTD., A JOINT VENTURE (HAWAII)*

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (HAWAII)*

will be *acted on at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

P 601 817 913

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to Albert Lono Lyman	
Street and No. 25 Aupuni St.	
P.O., State and ZIP Code Hilo, HI. 96720	
Postage	\$.22
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	.70
TOTAL Postage and Fees	\$1.67
Postmark or Date	



A86-605 - KEAUAU INVESTMENT CO. & KONA COAST PROPERTIES

A86-599 KONA BEACH DEVELOPMENT, L.P.
PS Form 3800, Feb. 1982

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

86-599 KONA BEACH DEVELOPMENT VENTURE
SENDER: Complete items 1, 2, 3 and 4.

L.P

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- 1. ☐ Show to whom, date and address of delivery.
- 2. ☐ Restricted Delivery.

3. Article Addressed to:

Albert Lono Lyman

A JOINT VENTURE

4. Type of Service:

- ☐ Registered ☐ Insured
- ☒ Certified ☐ COD
- ☐ Express Mail

Article Number

P601 817 913

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

12/12/86

8. Addressee's Address (ONLY if requested and fee paid)

86-605 - KEAUHOU INVESTMENT CO. & KONA COAST PROPERTIES, LTD

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

December 11, 1986

Mr. Albert Lono Lyman
Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Lyman:

Enclosed is a Land Use Commission meeting agenda.

Please note that petition(s)

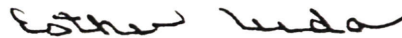
A86-605 - KEAUHOU INVESTMENT COMPANY AND KONA COAST
PROPERTIES, LTD., A JOINT VENTURE (HAWAII)*

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (HAWAII)*

will be *acted on at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

P 601 817 917

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

A86-599 - KONA BEACH DEVELOPMENT VENTURE L.P.

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to James T. Funaki, Esq.	
Street and No. 733 Bishop St.	
P.O., State and ZIP Code Honolulu, HI 96813	
Postage	\$.22
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	.70
TOTAL Postage and Fees	\$ 1.67
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

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6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James T. Funaki, Esq.

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

P 601 817 917

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

Ann Davis

7. Date of Delivery

12-12-86

8. Addressee's Address (ONLY if requested and fee paid)

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

State of Hawaii

LAND USE COMMISSION

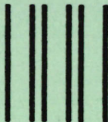
(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813



PENALTY FOR PRIVATE
USE, \$300

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

December 11, 1986

James T. Funaki, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

Dear Mr. Funaki:

Enclosed is a Land Use Commission meeting agenda.

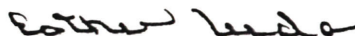
Please note that petition(s)

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

will be _____ acted on _____ at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

P 601 817 914

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

Sent to	
Everett Kaneshige, Esq.	
Street and No.	
465 S. King St. Rm. 200	
P.O., State and ZIP Code	
Honolulu, HI 96813	
Postage	\$.20
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	.70
TOTAL Postage and Fees	\$ 1.67
Postmark or Date	



LTD. A JOINT VENTURE

A86-605 - KEAUAHOU INVESTMENT CO. & KONA COAST PROPERTIES

✓ A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.
PS Form 3800, Feb. 1982 ★ U.S.G.P.O. 1983-403-517

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

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6. Save this receipt and present it if you make inquiry.

A86-599 - KONA BEACH DEVELOPMENT

SENDER: Complete items 1, 2, 3 and 4. VENTURE L. P.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
☐ Restricted Delivery.

3. Article Addressed to:

Everett Kaneshige, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

A601 817 914

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

12/12/86

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

A86-605 - KEAUAHOU INVESTMENT CO. & KONA COAST PROPERTIES, LTI

A JOINT VENTURE

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

December 11, 1986

Everett Kaneshige, Esq.
Deputy Attorney General
State of Hawaii
465 S. King Street, Room 200
Honolulu, HI 96813

Dear Mr. Kaneshige:

Enclosed is a Land Use Commission meeting agenda.

Please note that petition(s)

A86-605 - KEAUFHOU INVESTMENT COMPANY AND KONA COAST
PROPERTIES, LTD., A JOINT VENTURE (HAWAII)*

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (HAWAII)*

will be *acted on at that time.

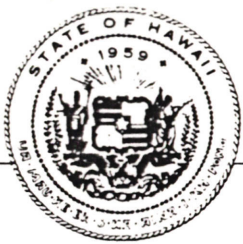
Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

JOHN WAIHEE
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

December 5, 1986

James T. Funaki, Esq.
Okumura Takushi Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Funaki:

Subject: LUC Docket No. A86-599/Kona Beach Development
Venture, L.P.

We have received your December 5, 1986 letter requesting an extension of the period to file the findings for the subject docket to December 15, 1986.

Please be advised that your request is approved and by copy of this letter, we are notifying the other parties of this extension.

Sincerely,

ESTHER UEDA
Executive Officer

EU:to

cc: DPED
County of Hawaii
LUC

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

SUYEKI OKUMURA	SHUICHI MIYASAKI	JAMES N. H. YEE
ROY E. TAKUSHI	ALFRED M. K. WONG	GARY Y. OKUDA
JAMES T. FUNAKI	ROBERT M. EHRHORN, JR.	LAURIE J. YOON
JOSEPH K. WEE	DICKSON C. H. LEE	ALLAN F. SUEMATSU
TON SEEK PAI	PETER T. STONE	

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

December 5, 1986

HAND DELIVERY

Land Use Commission
State of Hawaii
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 96813

Attention: Esther Ueda
Executive Officer

Re: Land Use Commission Docket No. A86-599
Kona Beach Development Venture, L.P.

Honorable Chairman and Members:

This refers to your letter of November 25, 1986 instructing the parties in this docket to submit proposed findings of fact and conclusions of law on or before December 8, 1986 and to submit comments on findings received from other parties within two weeks thereafter.

At the hearing on November 6, 1986, the chairman had allowed the parties to submit stipulated findings of fact and conclusions of law. (TR 11/6/86: p 146) The parties intend to submit stipulated findings and are now in the process of reviewing draft proposed findings which have been circulated to all the parties. While the chairman did not specify a timetable for the submission of stipulated findings, it is respectfully requested that the parties be allowed to submit the stipulated findings on or before December 15, 1986, in the event that the Commission had intended the submission of stipulated findings by December 8, 1986. It is noted that the Commission is not prejudiced inasmuch as the extension date does not exceed the period during which the parties were

Dec 5 2 49 PM '86
LAND USE COMMISSION
STATE OF HAWAII

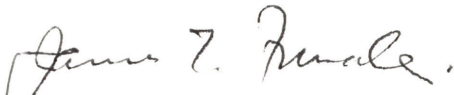
OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

Land Use Commission
Attention: Esther Ueda
December 5, 1986
Page 2

otherwise permitted to submit their respective findings and responsive comments to the other parties' findings.

Yours very truly,

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION


James T. Funaki

JTF/nmn
cc: Everett Kaneshige, Esq.
Mr. Norman Hayashi



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard E. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

AMENDED

November 26, 1986

James Funaki, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

Dear Mr. Funaki:

Subject: LUC Docket No. A86-599 Kona Beach Dev. Venture

Please be advised that the Land Use Commission received the completed transcripts on the hearing for the subject petition on November 21, 1986.

As indicated by the Chairman, all proposed findings of fact and conclusions of law are due ¹⁴ days after the transcripts become available, which is December 5, 1986. Proposed findings of fact and conclusions of law should have references to the date, page and line(s) of the applicable transcripts and/or exhibits to identify the source of the facts.

Proposed findings of fact and conclusions of law should be served on all parties. Parties will have two weeks to comment on findings received from other parties.

In complying with the proposed decision and order procedure as set forth in Section 91-11 of the Hawaii Revised Statutes, the following procedures will be utilized at the action meeting on this docket.

1. All parties shall be afforded the opportunity of presenting oral arguments in support of their position and against an opposing party's position. Each party is to assume that the Commission has accepted the opposing party's position and should argue his case accordingly.
2. The Commission shall have the discretion of limiting the length of time each party will be permitted to argue his case and all arguments shall be limited to testimony and evidence on the record.

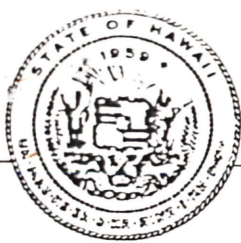
3. At the conclusion of the oral arguments, the Commission will act on the petitions.

If you have questions on the above, please do not hesitate contacting the Commission office.

Sincerely,

A handwritten signature in cursive script, appearing to read "Esther Ueda".

ESTHER UEDA
Executive Officer



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard E. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

AMENDED

November 26, 1986

Mr. Kent Keith, Director
Dept. of Planning and
Economic Dev.
250 S. King Street
Honolulu, HI 96813

Attn: Mr. Abe Mitsuda, Land Use Division

Dear Mr. Keith:

Subject: LUC Docket No. A86-599 Kona Beach Dev. Co.

Please be advised that the Land Use Commission received the completed transcripts on the hearing for the subject petition on Nov. 21, 1986.

As indicated by the Chairman, all proposed findings of fact and conclusions of law are due 14 days after the transcripts become available, which is December 5, 1986. Proposed findings of fact and conclusions of law should have references to the date, page and line(s) of the applicable transcripts and/or exhibits to identify the source of the facts.

Proposed findings of fact and conclusions of law should be served on all parties. Parties will have two weeks to comment on findings received from other parties.

In complying with the proposed decision and order procedure as set forth in Section 91-11 of the Hawaii Revised Statutes, the following procedures will be utilized at the action meeting on this docket.

1. All parties shall be afforded the opportunity of presenting oral arguments in support of their position and against an opposing party's position. Each party is to assume that the Commission has accepted the opposing party's position and should argue his case accordingly.
2. The Commission shall have the discretion of limiting the length of time each party will be permitted to argue his case and all arguments shall be limited to testimony and evidence on the record.

3. At the conclusion of the oral arguments, the Commission will act on the petitions.

If you have questions on the above, please do not hesitate contacting the Commission office.

Sincerely,



ESTHER UEDA
Executive Officer

EU:dyk

cc: Everett Kaneshige, Esq.



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

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ESTHER UEDA
Executive Officer

AMENDED

November 26, 1986

Mr. Albert Lono Lyman
Planning Dept.
County of Hawaii
25 Aupuni Street
Hilo, HI 96720

Dear Mr. Lyman:

Subject: LUC Docket No. A86-599 Kona Beach Dev. Co.

Please be advised that the Land Use Commission received the completed transcripts on the hearing for the subject petition on November 21, 1986.

As indicated by the Chairman, all proposed findings of fact and conclusions of law are due 14 days after the transcripts become available, which is December 5, 1986. Proposed findings of fact and conclusions of law should have references to the date, page and line(s) of the applicable transcripts and/or exhibits to identify the source of the facts.

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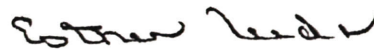
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Sincerely,

A handwritten signature in cursive script, appearing to read "Esther Ueda".

ESTHER UEDA
Executive Officer



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

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Vice Chairman

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Winona E. Rubin
Toru Suzuki
Robert S. Tanaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

November 25, 1986

James T. Funaki, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center
733 Bishop Street, Suite 1400
Honolulu, HI 96813

Dear Mr. Funaki:

Subject: LUC Docket No. A86-599 - Kona Beach Dev. Venture, L.P.

Please be advised that the Land Use Commission received the completed transcripts on the hearing for the subject petition on November 21, 1986.

As indicated by the Chairman, all proposed findings of fact and conclusions of law are due 14 days after the transcripts become available, which is December 8, 1986. Proposed findings of fact and conclusions of law should have references to the date, page and line(s) of the applicable transcripts and/or exhibits to identify the source of the facts.

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ESTHER UEDA
Executive Officer



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Vice Chairman

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Toru Suzuki
Robert S. Tazawa
William W. L. Tsen

ESTHER UEDA
Executive Officer

November 25, 1986

Mr. Kent M. Keith, Director
Dept. of Planning and
Economic Development
State of Hawaii
250 South King Street
Honolulu, HI 96813

Attention: Mr. Abe Mitsuda, Land Use Division

Dear Mr. Keith:

Subject: LUC Docket No. A86-599 Kona Beach Dev. Venture, L.P.
A86-605 Keauhou Investment Co. and Kona
Coast Properties, Ltd.

Please be advised that the Land Use Commission received the completed transcripts on the hearing for the subject petition on November 21, 1986.

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ESTHER UEDA
Executive Officer

EU:dyk

cc: Everett Kaneshige, Esq.



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

COMMISSION MEMBERS:

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Lawrence F. Chun
Everett L. Cusack
Winona E. Rubin
Toru Suzuki
Robert S. Takaya
William W. L. Yuen

ESTHER UEDA
Executive Officer

November 25, 1986

Mr. Albert Lono Lyman, Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, HI 96720

Dear Mr. Lyman:

A86-599 Kona Beach Dev. Venture, L.P.
A86-605 Keauhou Investment Co. and Kona
Coast Properties, Ltd.

Subject: LUC Docket No.

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Sincerely,

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ESTHER UEDA
Executive Officer

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

SUYEKI OKUMURA	SHUICHI MIYASAKI	JAMES N. H. YEE
ROY E. TAKUSHI	ALFRED M. K. WONG	GARY Y. OKUDA
JAMES T. FUNAKI	ROBERT M. EHRHORN, JR.	LAURIE J. YOON
JOSEPH K. WEE	DICKSON C. H. LEE	ALLAN F. SUEMATSU
TON SEEK PAI	PETER T. STONE	

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

November 17, 1986

Land Use Commission
State of Hawaii
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 96813

Re: Kona Beach Development Venture, L.P.
Docket No. A86-599

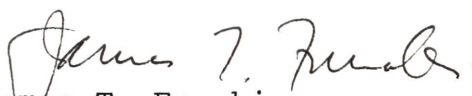
Honorable Chairman and Members:

Enclosed with this letter you will find original and 15 copies of pages 58 and 59 which had been inadvertently omitted from Petitioner's Exhibit No. 30 relating to part 150 of the Regulations of the Federal Aviation Administration.

Please insert said pages 58 and 59 as part of Petitioner's Exhibit No. 30.

Yours very truly,

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION


James T. Funaki
Attorney for Petitioner KONA
BEACH DEVELOPMENT VENTURE, L.P.

JTF/nmn
Enclosures
cc: Kent Keith
Everett Kaneshige, Esq.
Albert Lono Lyman

NOV 18 11 19 AM '86
LAND USE COMMISSION
STATE OF HAWAII

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
KONA BEACH DEVELOPMENT)
VENTURE, L.P.)
To Amend the Conservation Land Use)
District Boundary into the Urban)
Land Use District for Approximately)
470.13 acres at Kohanaiki, North)
Kona, Hawaii Tax Map Key: 7-3-09:)
3 and 16)

DOCKET NO. A86-599
KONA BEACH DEVELOPMENT
VENTURE, L.P.

NOV 13 11 28 AM '86
LAND USE COMMISSION
STATE OF HAWAII

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION
AND ORDER ACCEPTING AN ENVIRONMENTAL IMPACT
STATEMENT FOR A STATE LAND USE DISTRICT
BOUNDARY AMENDMENT

This is to certify that this is a true and correct
copy of the document on file in the office of the
State Land Use Commission, Honolulu, Hawaii.

11/13/86 by Ruth Under
Date Executive Officer

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A86-599
)	
KONA BEACH DEVELOPMENT	)	KONA BEACH DEVELOPMENT
VENTURE, L.P.)	VENTURE, L.P.
)	
To Amend the Conservation Land Use)	
District Boundary into the Urban)	
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470.13 acres at Kohanaiki, North)	
Kona, Hawaii Tax Map Key: 7-3-09:)	
3 and 16)	
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FINDINGS OF FACT, CONCLUSIONS OF LAW, AND DECISION
AND ORDER ACCEPTING AN ENVIRONMENTAL IMPACT
STATEMENT FOR A STATE LAND USE DISTRICT
BOUNDARY AMENDMENT

The Land Use Commission of the State of Hawaii (LUC), having examined the Final Environmental Impact Statement (EIS), filed by Kona Beach Development Venture, L.P. (Petitioner) on September 10, 1986, hereby makes the following Findings of Fact, Conclusions of Law and Decision and Order:

FINDINGS OF FACT

DESCRIPTION OF AFFECTED PROPERTY AND PROPOSED DEVELOPMENT

1. The subject property is located within the Kohanaiki Ahupua'a along the leeward coast of the island of Hawaii, south of Keahole Airport and approximately five miles north of Kailua-Kona.

2. The property consists mostly of prehistoric lava flows covered by sparse vegetation composed of grasses and scattered shrubs. The property's coastal area is densely

vegetated whereas the inland areas are dominated by barren lava landscape. The property is unimproved except for several jeep trails.

3. The climate of the North Kona area, including the subject property, is semi-tropical which is defined as dry and arid with light rainfall. Average annual temperature is 75 degrees Fahrenheit and average annual rainfall is about 25 inches.

4. The prevailing wind pattern for the area is on-shore winds in the morning and early afternoon and offshore breezes in late afternoon and early evening.

5. Elevation of the property ranges from sea level at the coastline to approximately 70 feet above mean sea level at the northern-mauka boundary. Slopes are gentle and average from zero to five percent.

6. The property's coastal area contains many anchialine ponds classified as Class "A" which exhibit the highest natural value due to their pristine condition.

The faunal community within the ponds is dominated by crustacean-mollusk species and several species of shrimp known only to exist in Hawaiian anchialine ponds.

7. Two species of endemic birds, the Hawaiian stilt and Hawaiian owl, exist in the coastal area.

8. The waters off the subject property are pristine, with no stream discharges, nor industrial or domestic wastes. The Department of Health classifies the offshore waters as Class "AA" whereby discharges are prohibited.

9. Over 100 archaeological sites have been identified on the property. The sites include habitation sites, ceremonial or burial complexes, trails, boundary markers, animal pens, recreation (petroglyphs and pools) areas, shrines, and aquaculture sites.

10. Petitioner proposes to develop an integrated destination resort consisting of two coastal hotels totaling 700 rooms, 800 resort condominium units, a 10-acre marina, commercial areas, an 18-hole golf course and recreation complex, 200 single family lots and 150 multi-family units for support housing.

PROCEDURAL MATTERS

11. On February 24, 1986, Petitioner filed its petition to amend the property from the Conservation District to the Urban District.

12. A Final EIS was prepared by the Petitioner for the County of Hawaii General Plan Amendment which was accepted by the County of Hawaii Planning Department on September 5, 1986.

13. The Environmental Quality Commission has previously advised the LUC that acceptance of an EIS prepared for a County General Plan Amendment would satisfy the requirements of Chapter 343, Hawaii Revised Statutes, provided that the proposed project is substantially similar.

CONTENT REQUIREMENTS

14. The Final EIS contains the required summary sheet, description of the project, description of the environmental setting, information regarding the relationship of the proposed

action to land use plans, policies, and controls for the affected area; information of the proposed action on the environment; information on adverse environmental effects that cannot be avoided; offsetting considerations of governmental policies; alternatives to the proposed action; information regarding the relationship between local shorter-term uses of the environment and the maintenance and enhancement of long-term productivity; mitigation measures; identification of any irreversible and irretrievable commitment of resources; a list of the organizations and persons consulted; and a list of necessary approvals.

RESPONSE TO COMMENTS

15. The Petitioner responded to timely comments received during the review process which comments and responses have been appended to the Final EIS.

CONCLUSIONS OF LAW

Pursuant to Chapter 343, Hawaii Revised Statutes, as amended, and Chapter 200 of Title 11, Administrative Rules, entitled "Environmental Impact Statement Rules", the State Land Use Commission concludes that the project is substantially similar to the proposal considered by the County for a General Plan Amendment and that the Petitioner has satisfied the criteria and procedures for acceptance of a Final EIS and the requirements of Section 11-200-23 of the EIS Rules.

ORDER

IT IS HEREBY ORDERED that the Final EIS submitted by Kona Beach Development, L.P. under Docket No. A86-599 be and the same is hereby accepted pursuant to Chapter 343, Hawaii Revised Statutes, and Chapter 200 of Title 11, Administrative Rules.

Done this 13th day of November 1986 per motion of October 7, 1986 at Kailua, Hawaii.

LAND USE COMMISSION
STATE OF HAWAII



By TEOFILO PHIL TACBIAN
Chairman and Commissioner

P 601 826 229

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to	James Funaki, Esq.	
Street and No.		
P.O., State and ZIP Code		
Postage	\$	.39
Certified Fee		.75
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to whom and Date Delivered		.70
Return receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	1.84
Postmark or Date		

A86-599 Kona Beach Dev. Venture

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James Funaki, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☐ Certified ☐ COD
☐ Express Mail

Article Number

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

7. Date of Delivery

11-14-84

8. Addressee's Address (*ONLY if requested and fee paid*)

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



**PENALTY FOR PRIVATE
USE, \$300**

**RETURN
TO**



(Name of Sender)

State of Hawaii

LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 124 044 340

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

A86-602 Kahala Capital Corporation

A86-599 Kona Beach Dev. Venture
U.S.G.P.O. 1984-446-014
PS Form 3800, Feb. 1982

Sent to Albert Lono Lyman	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$1.84
Postmark or Date	



P 124 044 340

MAIL

86-602 Kahala Capital Corp.

PS Form 3811, July 1983 447-845

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1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

ALBERT LONO LYMAN

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

P 124 044 340

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

M. Kanai

7. Date of Delivery

4/14/86

8. Addressee's Address (*ONLY if requested and fee paid*)

A86-599 Kona Beach Dev. Venture

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

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**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

(City, State, and ZIP Code)

State of Hawaii
LAND USE COMMISSION
Room 104, Old Federal Building
335 Merchant Street
Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A86-599
KONA BEACH DEVELOPMENT VENTURE)	
To amend the Conservation)	KONA BEACH DEVELOPMENT
Land Use District Boundary into)	VENTURE
the Urban Land Use District for)	
approximately 470.13 acres at)	
Kohanaiki, North Kona, Hawaii,)	
Tax Map Key: 7-3-09: 3 and 16)	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Findings of Fact, Conclusions of Law, and Decision and Order Accepting An Environmental Impact Statement For A State Land Use District Boundary Amendent was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:


KENT M. KEITH, Director
Dept. of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

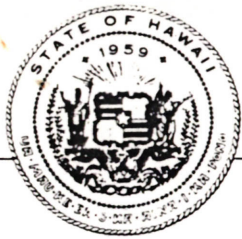
✓ ALBERT LONO LYMAN, Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

✓ JAMES T. FUNAKI, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

Office of Environmental Quality Control
465 S. King Street, Room 115
Honolulu, HI 96813

Dated: Honolulu, Hawaii, this 13th day of November,
1986.


ESTHER UEDA, Executive Officer



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITEMORE
Vice Chairman

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Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

November 5, 1986

Mr. Harold W. Adams
158 Puako Beach Drive
Kamuela, HI 96743

Dear Mr. Adams:

We have received your letter dated November 3, 1986 stating your concerns regarding proposed developments near the Keahole Airport area. Since you were not specific as to which petitions, presently before the Commission you were referring to, your letter will be submitted to the Commission for its consideration at the continued hearing on Docket No. A86-599/Kona Beach Development Venture to be held in Kailua, Kona on November 6 and 7, 1986.

In the event you wish to either appear as a public witness or have your statement introduced relative to other petitions that the Commission is considering, please notify our office as soon as possible.

Sincerely,

ESTHER UEDA
Executive Officer

EU:dyk

STATE OF HAWAII

DOCKET NO. A86-599

ESTHER UEDA, Executive Officer

P 601 826 343

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NOT FOR INTERNATIONAL MAIL

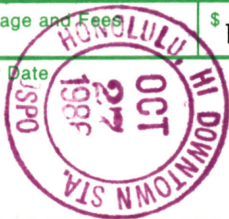
(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

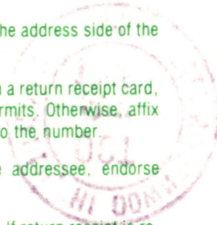
Sent to		James Funaki, Esq.	
Street and No.			
P.O., State and ZIP Code			
Postage	\$	.22	
Certified Fee		.75	
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered		.70	
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees		\$	1.67
Postmark or Date			

A86-599 Kona Beach Dev. Venture



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.



SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James Funaki, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 343

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature — Addressee

X

6. Signature — Agent

X

7. Date of Delivery

10-28-86

8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



**PENALTY FOR PRIVATE
USE, \$300**

**RETURN
TO**



(Name of Sender)

State of Hawaii (No. and Street, Apt., Suite, P.O. Box or R.D. No.)

LAND USE COMMISSION

Room 104, Old Federal Building (City, State, and ZIP Code)

335 Merchant Street
Honolulu, Hawaii 96813

P 601 826 342

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

A86-599 Kona Beach Development Venture

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to		Albert Lono Lyman	
Street and No.			
P.O., State and ZIP Code			
Postage		\$	.22
Certified Fee			.75
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered			.70
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees		\$	1.67
Postmark or Date			



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Albert Lono Lyman

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 342

* Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X *A. Nelson*

6. Signature - Agent

X

7. Date of Delivery

10-28-86

8. Addressee's Address (*ONLY if requested and fee paid*)

101 PM 28 OCT 1986

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



**PENALTY FOR PRIVATE
USE, \$300**

**RETURN
TO**



(Name of Sender)

State of Hawaii

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

LAND USE COMMISSION
Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street
Honolulu, Hawaii 96813

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	
)	
KONA BEACH DEVELOPMENT VENTURE, L.P.	)	DOCKET NO. A86-599
)	
To Amend the Conservation Land Use)	
District Boundary into the Urban)	
Land Use District for approximately)	
470.13 acres at Kohanaiki, North Kona,)	
Hawaii, Tax Map Key: 7-3-09: 3 and 16)	
)	
)	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Notice of Continued Hearing was served upon the following by either hand delivery or depositing the same in the U.S. Postal Service or by certified mail:

KENT M. KEITH, Director
Dept. of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, HI 96813

EVERETT KANESHIGE, Deputy Attorney General
465 South King Street, Room 200
Honolulu, HI 96813

Certified

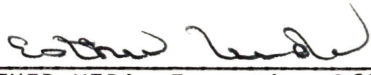
✓ ALBERT LONO LYMAN, Planning Director
County of Hawaii, Planning Dept.
25 Aupuni Street
Hilo, HI 96720

BARBARA A. KOI, Chairperson
Planning Commission
County of Hawaii
25 Aupuni Street
Honolulu, HI 96813

Certified

✓ JAMES FUNAKI, ESQ.
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

Dated: Honolulu, Hawaii, this 27th day of October, 1986.



ESTHER UEDA, Executive Officer

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

ORIGINAL

SUYEKI OKUMURA SHUICHI MIYASAKI JAMES N. H. YEE
ROY E. TAKUSHI ALFRED M. K. WONG GARY Y. OKUDA
JAMES T. FUNAKI ROBERT M. EHRHORN JR. LAURIE J. YOON
JOSEPH K. WEE DICKSON C. H. LEE ALLAN F. SUEMATSU
TON SEEK PAI PETER T. STONE

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

October 17, 1986

Land Use Commission
State of Hawaii
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 968183

Oct 17 2 37 PM '86
LAND USE COMMISSION
STATE OF HAWAII

Re: Kona Beach Development Venture, L.P.
Docket No. A86-599

Honorable Chairman and Members:

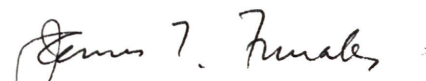
Enclosed with this letter are original and 15 copies of:

1. Revised exhibit list which includes additional Petitioner's Exhibit Nos. 16, 17 and 18 which are LDN Contour maps for Ke-Ahole Airport for years 1985, 1995 and 2005, respectively;
2. Petitioner's Exhibit Nos. 16, 17 and 18; and
3. Resume of David A. Ziemann.

Simultaneously with this submittal, I am serving a copy of the submittals aforesaid to Mr. Kent Keith by hand delivery and to Mr. Albert Lono Lyman by mail.

Very truly yours,

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION


James T. Funaki

JTF/nmn
Enclosures
cc: Kent Keith
Albert Lono Lyman

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION

ORIGINAL

SUYEKI OKUMURA SHUICHI MIYASAKI JAMES N. H. YEE
ROY E. TAKUSHI ALFRED M. K. WONG GARY Y. OKUDA
JAMES T. FUNAKI ROBERT M. EHRHORN, JR. LAURIE J. YOON
JOSEPH K. WEE DICKSON C. H. LEE ALLAN F. SUEMATSU
TON SEEK PAI PETER T. STONE

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

October 3, 1986

Land Use Commission
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 96813

Attention: Esther Ueda
Executive Officer

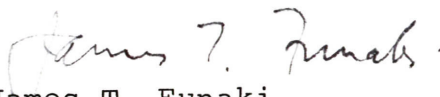
Re: Docket No. A86-599
Kona Beach Development Venture, L.P.
Prehearing Conference

Honorable Chairperson and Members:

Enclosed please find original and 15 copies of List of Witnesses and List of Exhibits for Petitioner Kona Beach Development Venture, L.P. The proposed exhibits will be made available at the prehearing conference.

Yours very truly,

OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW
A LAW CORPORATION


James T. Funaki
Attorney for KONA BEACH DEVELOPMENT
VENTURE, L.P.

JTF/nmn

Enclosures

cc: Kent M. Keith w/enclosures
Everett Kaneshige w/enclosures
Albert Lono Lyman w/enclosures

LAND USE COMMISSION
STATE OF HAWAII
OCT 3 3 01 PM '86

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

November 6, 1986

COMMISSIONERS PRESENT: Teofilo Phil Tacbian, Chairman (Portion
of Proceeding)
Frederick Whittemore, Vice-Chairman
William Yuen (Portion of proceeding)
Richard Choy
Everett Cuskaden (Portion of
proceeding)
Toru Suzuki
Robert Tamaye

COMMISSIONERS ABSENT: Lawrence Chun
Winona Rubin

STAFF PRESENT: Esther Ueda, Executive Officer
Annette Chock, Deputy Attorney General
Raymond Young, Staff Planner
Darlene Kinoshita, Chief Clerk

Jean Marie McManus, Court Reporter

Chairman Tacbian called the meeting to order.

ACTION

A86-602 - KAHALA CAPITAL CORPORATION (Hawaii)

Chairman Tacbian announced that the Commission will act to consider acceptance of the Petitioner's Environmental Impact Statement which was prepared for the petition to reclassify approximately 313.66 acres of land currently in the Conservation District into the Urban District at O'oma II, North Kona, Hawaii for an intermediate resort.

Commissioner Yuen moved to accept the Environmental Impact Statement prepared on behalf on Kahala Capital Corporation. It was seconded by Commissioner Cuskaden and unanimously carried by voice vote.

CONTINUED HEARING

* A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

It was announced by Chairman Tacbian that the present matter before the Commission was a continuation of the hearing which had begun on October 21, 1986 and October 22, 1986.

Appearances

James Funaki, Esq. - Attorney, representing Petitioner

Albert Lono Lyman - Director, Planning Dept., County of Hawaii

Norman Hayashi - Representing the County of Hawaii

Everett Kaneshige, Esq. - Deputy Attorney General, Representing the Department of Planning and Economic Development

Abe Mitsuda, Land Use Division, Department of Planning and Economic Development

EXHIBITS

Petitioner's Exhibits 21 through 31 were admitted into evidence.

PUBLIC WITNESSES

Vice-Chairman Whittemore read a letter from a public witness, Harold Adams, into the record.

Public witness Mark Van Pernis requested permission to testify on behalf of landowners owning property around the airport. It was determined by Vice-Chairman Whittemore to allow the public witness to testify after Petitioner presented his case.

PETITIONER'S WITNESSES

1. David Alan Zieman, The Oceanic Institute
2. Mark Hastert

A lunch recess was taken at 12:30 p.m. to reconvene at 1:45 p.m.

- 1:45 p.m. -

PETITIONER'S WITNESSES

1. Christian Wolfffer

Commissioner Yuen was not present for the rest of the proceedings.

2. Richard Hawkes

Chairman Tacbian was present for the rest of the proceedings. Commissioner Cuskaden was not present for the rest of the proceedings.

PUBLIC WITNESS

Mark Van Pernis testified as a public witness.

EXHIBIT

County's Exhibit 1 was admitted into evidence.

COUNTY'S WITNESS

1. Norman Hayashi, County of Hawaii

EXHIBIT

State's Exhibit #2 was admitted into evidence.

STATE'S WITNESS

1. Abe Mitsuda, Dept. of Planning and Economic Dev.

It was noted for the record that the parties may stipulate to finding of facts, conclusions of law and submit a proposed decision and order.

HEARING

A86-604 - KEAUHOU INVESTMENT Co. AND KONA COAST PROPERTIES

Pursuant to a notice published in the Hawaii Tribune Herald and the Honolulu Advertiser on September 22, 1986 and notices sent to all parties, a hearing was called by the Land Use Commission in the matter of the petition by Keauhou Investment Co. and Kona Coast Properties, Ltd. to reclassify approximately 44.3 acres of land currently in the Agricultural District into the Urban District at Pahoehe 2nd, North Kona, Hawaii for single and multiple-family residential use.

Appearances

T. David Woo, Jr., Esq., attorney representing
Petitioner.

Sidney Fuke, for Petitioner

Albert Lono Lyman, Director, Planning Dept., County of
Hawaii

Norman Hayashi, Planning Dept., County of Hawaii

Everett Kaneshige, Esq., Deputy Attorney General,
representing Dept. of Planning and Economic Development

Abe Mitsuda, Land Use Division, Dept. of Planning and
Economic Development

Joan Yim, Land Use Division, Dept. of Planning and
Economic Development

EXHIBITS

Petitioner's Exhibits 1 through 22 were admitted into
evidence.

State's Exhibit 1 and County's Exhibit 1 were also
admitted into evidence.

Raymond Young, Planner, oriented the Commission to the
subject area on the USGS and tax maps.

All of the persons who appeared were duly sworn in,
testified and were examined as set forth in the transcript.

Minutes - November 6, 1986
Page 5

PUBLIC WITNESS

1. Joseph Vierra of ~~Belt~~, Collins, & Associates,
representing Mrs. Lucille Kingman

Chairman Tacbian continued the hearing until November
7, 1986 at 8:00 a.m. The hearing was adjourned at 5:10 p.m.

IV. MISCELLANEOUS

1. Adoption of Minutes
2. Tentative Meeting Schedule

*Meeting will continue on November 7, 1986 only if not completed on November 6, 1986.

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

November 6, 1986 - 10:30 a.m.
and November 7, 1986*

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

REC'D. BY

1986 OCT 24 PM 2 42

LT. GOVERNOR'S OFFICE

A G E N D A

I. ACTION

1. A86-602 - KAHALA CAPITAL CORPORATION (Hawaii)

To consider acceptance of Kahala Capital Corporation's Environmental Impact Statement to reclassify approximately 313.66 acres of land currently in the Conservation District into the Urban District at O'oma II, North Kona, Hawaii for an intermediate resort.

II. CONTINUED HEARING

1. ✓ A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course, and marina uses.

III. HEARING

1. A86-605 - KEAUHOU INVESTMENT COMPANY AND KONA COAST PROPERTIES, LTD., A JOINT VENTURE (Hawaii)

To reclassify approximately 44.3 acres of land currently in the Agricultural District into the Urban District at Pahoehe 2nd, North Kona, Hawaii for single and multi-family residential use.

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Endeavor Room, Kona Hilton Hotel
Kailua-Kona, Hawaii

October 22, 1986 - 8:00 a.m.

Approved
11/7/86

COMMISSIONERS PRESENT: Teofilo Phil Tacbian, Chairman
Frederick Whittemore, Vice-Chairman
Winona Rubin (Portion of Proceeding)
Toru Suzuki
Robert Tamaye
William Yuen (Portion of Proceeding)

COMMISSIONERS ABSENT: Everett Cuskaden
Richard Choy
Lawrence Chun

STAFF PRESENT: Esther Ueda, Executive Officer
Annette Chock, Deputy Attorney General
Raymond Young, Planner
Darlene Kinoshita, Chief Clerk

Jean Marie McManus, Court Reporter

Chairman Tacbian called the meeting to order.

CONTINUED HEARING

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

Today's proceedings were a continuation of the hearing which had been adjourned yesterday at 5:00 p.m.

Appearances

James T. Funaki, Esq. - Attorney for Petitioner

Albert Lono Lyman - Planning Director, Planning Department, County of Hawaii

Virginia Goldstein - Planner, Planning Department, County of Hawaii

Everett Kaneshige - Deputy Attorney General
representing the Department of Planning and Economic Development
Abe Mitsuda - Acting Administrator, Land Use Division,
Department of Planning and Economic Development

EXHIBITS

State's Exhibit #2 was admitted into evidence.

PETITIONER'S WITNESS

4. George Bricken, Acoustical and Energy Engineer

It was noted for the record that Commissioner Yuen joined the Commission and participated in portions of the proceeding.

Commissioner Rubin was not present for the rest of the proceedings.

Before continuing with Petitioner's witnesses, Chairman Tacbian allowed a public witness, Representative Virginia Isbell, to testify.

Chairman Tacbian also allowed State's witness, Owen Miyamoto, to testify out of turn.

Thereafter Petitioner's other witnesses were called.

A lunch recess was taken at 12:30 p.m. to reconvene at 1:30 p.m.

-1:30 p.m.-

PETITIONER'S WITNESS

5. James Hallstrom, Jr., Marketing and Economics Specialist.

6. Paul H. Rosendahl, Archeologist.

7. Steven Dollar, Ph.D., Oceanographer.

Chairman Tacbian continued the hearing until November 6, 1986 at 10:30 a.m. The hearing was adjourned at 2:30 p.m.

STATE OF HAWAII
LAND USE COMMISSION

Approved
11/7/86

Minutes of Meeting

Resolution Room, Kona Hilton Hotel
Kailua-Kona, Hawaii

October 21, 1986 - 10:30 a.m.

COMMISSIONERS PRESENT: Teofilo Phil Tacbian, Chairman
Frederick Whittemore, Vice-Chairman
Winona Rubin
Robert Tamaye
Toru Suzuki
William Yuen
Lawrence Chun (Portion of Proceeding)

COMMISSIONERS ABSENT: Everett Cuskaden
Richard Choy

STAFF PRESENT: Esther Ueda, Executive Officer
Annette Chock, Deputy Attorney General
Raymond Young, Planner
Darlene Kinoshita, Chief Clerk

Jean Marie McManus, Court Reporter

Chairman Tacbian called the meeting to order.

CONTINUED HEARING

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

It was announced by Chairman Tacbian that the present matter before the Commission was a continuation of the hearing which had begun on July 8, 1986.

Appearances

James T. Funaki, Esq. - Attorney for Petitioner.

Albert Lono Lyman - Planning Director, Department of Planning, County of Hawaii
Virginia Goldstein - Planner, Department of Planning, County of Hawaii

Everett Kaneshige, Esq. - Deputy Attorney General, representing the Department of Planning and Economic Development
Abe Mitsuda, Acting Administrator, Land Use Division, Department of Planning and Economic Development

EXHIBITS

Petitioner's Exhibit #1 through 20 were admitted into evidence.

County's Exhibit #1 was admitted into evidence.

State's Exhibit #1 was admitted into evidence.

Land Use Commission's Exhibit #1 was read into the record by Chairman Tacbian and admitted into evidence.

Staff Planner, Raymond Young, oriented the Commission to the area being requested for reclassification on the USGS and tax maps.

It was noted for the record that Commissioner Chun joined the Commission and participated in portions of the proceedings.

PETITIONER'S WITNESSES

1. Mark Hastert, Planner.

It was requested by the Commission that the maps (colored), photographs, and also the contour maps from the Department of Transportation used by Mr. Hastert be submitted by Petitioner as exhibits.

Commission Suzuki was not present for the rest of the proceedings.

2. James Kumagai, Engineer.

Commissioner Yuen was not present for the rest of the proceedings.

3. Elaine Tamaye, Ocean Engineer

Minutes - October 21, 1986
Page 3

MISCELLANEOUS

Adoption of Decision and Orders

The Decision and Orders for the following Dockets were adopted:

A85-597 - Kaupulehu Developments (Hawaii)

A86-600 - Waitec Development, Inc.

Adoption of Minutes

The minutes for the following meeting dates were approved as circulated:

September 23, 1986

Chairman Tacbian continued the hearing until October 22, 1986 at 8:00 a.m. The hearing was adjourned at 5:00 p.m.

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

October 21, 1986 - 10:30 a.m.
and October 22, 1986*

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

REC'D. BY

1986 OCT 10 PM 2 58

LI. GOVERNOR'S OFFICE

A G E N D A

I. CONTINUED HEARING

1. A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course, and marina uses.

II. MISCELLANEOUS

1. Adoption of Minutes
2. Tentative Meeting Schedule

*Meeting will continue on October 22, 1986 only if not completed on October 21, 1986.

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

October 7, 1986 - 11:25 a.m.

Approved
11/17/86

COMMISSIONERS PRESENT:

Teofilo Phil Tacbian, Chairman
Frederick Whittemore, Vice Chairman
William Yuen
Toru Suzuki
Lawrence Chun

STAFF PRESENT:

Esther Ueda, Executive Officer
Raymond Young, Staff Planner
Teri Oki, Clerk Steno
Annette Chock, Deputy Attorney General

Jean Marie McManus, Court Reporter

HEARING

A86-603 - HUEHUE RANCH

Pursuant to a notice published in the Hawaii Tribune Herald and the Honolulu Advertiser on August 27, 1986 and notices sent to all parties, a hearing was called by the Land Use Commission in the matter of the petition by Huehue Ranch to reclassify approximately 675 acres of land currently in the Conservation District into the Urban District at Kukio, North Kona, Hawaii for resort, residential, commercial and recreational use. The hearing was conducted by Commissioner Frederick Whittemore, who acted as Hearing Officer.

Appearances

Jan Sullivan, Esq., Roy Takeyama, Esq., attorneys
representing the petitioner.

Albert Lono Lyman, Virginia Goldstein, Norman Hayashi,
representing the County of Hawaii, Planning Department

Everett Kaneshige, Esq., Deputy Attorney General
representing the Department of Planning and Economic Development.

ACTION

Chairman Tacbian called the meeting to order.

✓ A86-599 - KONA BEACH DEVELOPMENT

Chairman Tacbian announced that the Commission will act to consider acceptance of the petitioner's Environmental Impact Statement which was prepared for the petition to reclassify approximately 470.13 acres of land from the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii.

Commissioner Yuen moved to accept the Environmental Impact Statement prepared on behalf of Kona Beach Development. It was seconded by Vice Chairman Whittemore and unanimously carried by voice votes.

HEARING (continued)

A86-603/Huehue Ranch - PETITIONER'S WITNESS

4. Karen Char, Executive Vice President, John Child and Company

5. William Hee, President, Engineers Surveyors Hawaii, Inc.

Commissioner/Hearing Officer Whittemore continued the hearing until October 8, 1986 at 9:00 a.m. The hearing was adjourned at 3:50 p.m.

MISCELLANEOUS

Albert Lono Lyman, Director, Hawaii County Planning Department, gave a presentation to the Commissioners on the proposed County General Plan Amendment process.

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

October 7, 1986 - 10:30 a.m.
and October 8, 1986*

Resolution Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

REC'D. BY

1986 SEP 19 AM 10 16

LT. GOVERNOR'S OFFICE

A G E N D A

I. ACTION

1. ✓ A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

To consider acceptance of Kona Beach Development Venture, L.P.'s Environmental Impact Statement to reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course, and marina uses.

II. HEARING

1. A86-603 - HUEHUE RANCH (Hawaii)

To reclassify approximately 675 acres of land currently in the Conservation District into the Urban District at Kukio, North Kona, Hawaii, for resort, residential, commercial, and recreational use.

III. MISCELLANEOUS

1. Adoption of Minutes
2. Tentative Meeting Schedule

*Meeting will continue on October 8, 1986 only if not completed on October 7, 1986.

BEFORE THE LAND USE COMMISSION

STATE OF HAWAII

In the Matter of the Petition of)

KONA BEACH DEVELOPMENT VENTURE,)
L.P.)

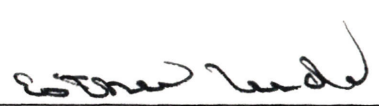
DOCKET NO. A86-599

To amend the Conservation Land)
Use District Boundary into the)
Urban Land Use District for)
approximately 470.13 acres at)
Kohanaiki, North Kona, Hawaii,)
Tax Map Key: 7-3-09: 3 and 16)
)
)
)
)
)

NOTICE OF CONTINUED HEARING

You are hereby notified that the above-entitled
docket has been set for continued hearing at 10:30 a.m.
on October 21 and 22, 1986 in the Resolution Room,
Kona Hilton Hotel, Kailua-Kona, Hawaii.

Dated: Honolulu, Hawaii, September 18, 1986.



ESTHER UEDA, Executive Officer

P 124 044 332

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

✓ A86-599 Kona Beach Development Venture
A86-603/Keaou Investment Company & Kona Coast

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to		Barbara A. Koi
Street and No.		
P.O., State and ZIP Code		
Postage	\$	.39
Certified Fee		.75
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to whom and Date Delivered		.70
Return receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	1.84
Postmark or Date		



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST-CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article. **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

A86-603/Keauhou Investment Company

● **SENDER: Complete items 1, 2, 3 and 4.**

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Barbara A. Koi

4. Type of Service:

- | | |
|---|----------------------------------|
| <input type="checkbox"/> Registered | <input type="checkbox"/> Insured |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD |
| <input type="checkbox"/> Express Mail | |

Article Number

A 124 144 332

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

M. Kemp

7. Date of Delivery

9/19/86

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983 447-845

DOMESTIC RETURN RECEIPT

A86-603/Keauhou Investment Company

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

State of Hawaii

LAND USE COMMISSION (City, State, and ZIP Code)

Room 104, Old Federal Building

335 Merchant Street

Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

P 601 826 339

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

A86-599 Kona Beach Dev. Venture

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to		James Funaki, Esq.	
Street and No.			
P.O., State and ZIP Code			
Postage		\$	.39
Certified Fee			.75
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered			.70
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees		\$	1.84
Postmark or Date			



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

James T. Funaki, Esq.

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 601 826 339

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee

X

6. Signature - Agent

X *K. Yasuda*

7. Date of Delivery

9-19-86

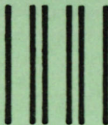
8. Addressee's Address (ONLY if requested and fee paid)

A86-599 Kona Beach Dev. Venture

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS



SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**PENALTY FOR PRIVATE
USE, \$300**

**RETURN
TO**



(Name of Sender)

State of Hawaii

LAND USE COMMISSION

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

Room 104, Old Federal Building

(City, State, and ZIP Code)

335 Merchant Street

Honolulu, Hawaii 96813

P 124 044 327

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

A86-603/Keaou Investment Company & Kona Coast
 A86-607 Haw. Trust Co.
 A86-599 Kona Beach

Sent to		Everett Kaneshige	
Street and No.			
P.O., State and ZIP Code			
Postage		\$	.56
Certified Fee			.75
Special Delivery Fee			
Restricted Delivery Fee			
Return Receipt Showing to whom and Date Delivered			.70
Return receipt showing to whom, Date, and Address of Delivery			
TOTAL Postage and Fees		\$	2.01
Postmark or Date			



★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST-CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article. **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Everett Kaneshige

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 124 044 327

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

Lorna A. Katena

7. Date of Delivery

9/19/86

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983 447-845
Venture Development, Inc.
P.O. Box 1000, Keauhou, HI 96752-0000
A86-603/Keauhou Investment Company

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

State of Hawaii

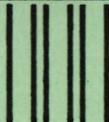
LAND USE COMMISSION

(City, State, and ZIP Code)

Room 104, Old Federal Building

335 Merchant Street

Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

P 124 044 328

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to		Albert Lono Lyman
Street and No.		
P.O., State and ZIP Code		
Postage	\$	.39
Certified Fee		.75
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt Showing to whom and Date Delivered		.70
Return receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	1.84
Postmark or Date		

✓
A86-599 Kona Beach Dev. Venture
A86-603/Keahou Investment Company & Kona Coast

**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST-CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article leaving the receipt attached and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
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5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

A86-603/Keauhou Investment Company

● SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Albert Lono Lyman

4. Type of Service:

- ☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number

P 124 044 328

Always obtain signature of addressee or agent and
DATE DELIVERED.

5. Signature - Addressee

X

6. Signature - Agent

X

M. Kamai

7. Date of Delivery

9/19/86

8. Addressee's Address (ONLY if requested and fee paid)

A86-599 Kona Beach Dev. Venture

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

State of Hawaii

LAND USE COMMISSION

(City, State, and ZIP Code)

Room 104, Old Federal Building

335 Merchant Street

Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

P 124 044 333

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

✓ A86-599 Kona Beach Dev Venture & Kona Coast
A86-603 Keahou Investment Company

★ U.S.G.P.O. 1984-446-014

PS Form 3800, Feb. 1982

Sent to Ronald Ibarra, Esq.	
Street and No.	
P.O., State and ZIP Code	
Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	.70
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark or Date	



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST-CLASS POSTAGE,
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

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2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article. **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

PS Form 3811, July 1983 447-845
VENTURE
KONA BEACH DEV.
DOMESTIC RETURN RECEIPT
665-987

A86-603/Keauhou Investment Company

● SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.

2. ☐ Restricted Delivery.

3. Article Addressed to:

Ronald Ibarra, Esq.

4. Type of Service:

☐ Registered

☐ Insured

☒ Certified

☐ COD

☐ Express Mail

Article Number

P 124 044 333

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X *M. Kama*

7. Date of Delivery
9/19/86

8. Addressee's Address (ONLY if requested and fee paid)

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

**RETURN
TO**



(Name of Sender)

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

(City, State, and ZIP Code)

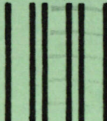
State of Hawaii

LAND USE COMMISSION

Room 104, Old Federal Building

335 Merchant Street

Honolulu, Hawaii 96813



**PENALTY FOR PRIVATE
USE, \$300**

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	
)	
KONA BEACH DEVELOPMENT VENTURE	)	DOCKET NO: A86-599
)	
To amend the Conservation)	
Land Use District Boundary into)	
the Urban Land Use District for)	
approximately 470.13 acres at)	
Kohanaiki, North Kona, Hawaii,)	
Tax Map Key: 7-3-09: 3 and 16)	
<hr/>		

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Notice of Continued Hearing was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

KENT M. KEITH, Director
Dept. of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

✓ EVERETT KANESHIGE, Deputy Attorney General
465 South King Street, Room 200
Honolulu, Hawaii 96813

✓ ALBERT LONO LYMAN, Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

✓ RONALD IBARRA, ESQ.
Deputy Corporation Counsel
Office of the Corporation Counsel
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

✓ BARBARA A. KOI, Chairperson
Planning Commission
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

✓ JAMES FUNAKI, ESQ.
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

WALTER F. WELDON, JR., NORMAN L.
KASPARSON, E.J. CALDECOTT AND JAMES G.
DEGNAN, as Trustees under Declaration
of Trust dated April 2, 1968
c/o E. John Caldecott, Esq.
Carter Hawley Hale Stores
550 South Flower Street
Los Angeles, CA 90071

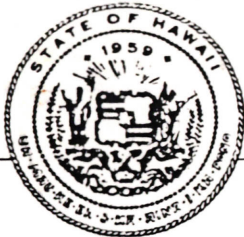
Sent by
reg. mail
dup

STATE MUTUAL LIFE ASSURANCE COMPANY
OF AMERICA
440 Lincoln Street
Worcester, MA 01605
Attn: John W. Nunley
Second Vice President

Dated: Honolulu, Hawaii, this 18th day of June, 1986.



ESTHER UEDA, Executive Officer



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITEMORE
Vice Chairman

September 17, 1986

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

MEMORANDUM

TO: Land Use Commissioners
FROM: Staff *[Signature]*
SUBJECT: Prehearing Conference

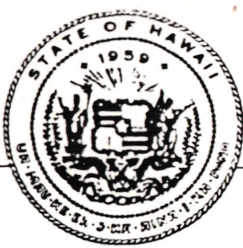
Please be advised that a prehearing conference on

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

will be held as follows:

DATE: October 10, 1986
TIME: 9:00 a.m.
PLACE: Land Use Commission
Room 104, Old Federal Building
335 Merchant Street
Honolulu, HI 96813

Commissioners' attendance at these informal conferences are not required; however, you are welcome to attend. If neighbor island Commissioners desire to attend the conference, please notify staff.



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

September 17, 1986

Mr. Kent M. Keith, Director
Department of Planning and Economic
Development
250 South King Street
Honolulu, HI 96813

ATTENTION:

Dear Mr. Keith:

This is to advise you that a prehearing conference will be held on:

DOCKET NO.: A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

DATE: October 10, 1986

TIME: 9:00 a.m.

PLACE: Land Use Commission
Room 104, Old Federal Building
335 Merchant Street
Honolulu, HI 96813

In order for the conference to be meaningful and beneficial to all parties, we are enclosing forms for identifying the exhibits that you intend to submit and witnesses you intend to introduce. Please serve the completed forms and exhibits to all parties and the Land Use Commission by October 3, 1986.

As required by the Land Use Commission Rules of Practice and Procedure, please transmit one (1) original and fifteen (15) copies of all materials to be submitted to the Land Use Commission and serve each party one copy of the same.

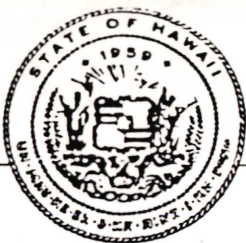
If you cannot attend the prehearing conference or have any questions regarding the above, please contact this office.

Sincerely,

ESTHER UEDA
Executive Officer

Enclosures

cc: Everett Kaneshige, Deputy Attorney General



LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

September 17, 1986

James T. Funaki, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

Dear Mr. Funaki:

This is to advise you that a prehearing conference will be held on:

DOCKET NO.: A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.
DATE: October 10, 1986
TIME: 9:00 a.m.
PLACE: Land Use Commission
Room 104, Old Federal Building,
335 Merchant Street
Honolulu, HI 96813

In order for the conference to be meaningful and beneficial to all parties, we are enclosing forms for identifying the exhibits that you intend to submit and witnesses you intend to introduce. Please serve the completed forms and exhibits to all parties and the Land Use Commission by October 3, 1986.

As required by the Land Use Commission Rules of Practice and Procedure, please transmit 1 original and 15 copies of all materials to be submitted to the Land Use Commission and serve each party one copy of the same.

If you cannot attend the prehearing conference or have any questions regarding the above, please contact this office.

Sincerely,

ESTHER UEDA
Executive Officer

Enclosures

cc: Mr. Rodney Y. Sato



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

September 17, 1986

Mr. Albert Lono Lyman
Planning Director
Hawaii County Planning Department
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Lyman:

This is to advise you that a prehearing conference will be held on:

DOCKET NO.: A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

DATE: October 10, 1986

TIME: 9:00 a.m.

PLACE: Land Use Commission
Room 104, Old Federal Building
335 Merchant Street
Honolulu, HI 96813

In order for the conference to be meaningful and beneficial to all parties, we are enclosing forms for identifying the exhibits that you intend to submit and witnesses you intend to introduce. Please serve the completed forms and exhibits to all parties and the Land Use Commission by October 3, 1986.

As required by the Land Use Commission Rules of Practice and Procedure, please transmit 1 original and 15 copies of all materials to be submitted to the Land Use Commission and serve each party one copy of the same.

If you cannot attend the prehearing conference or have any questions regarding the above, please contact this office.

Sincerely,

ESTHER UEDA
Executive Officer

Enclosures

cc: Ronald Ibarra, Corporation Counsel

OKUMURA TAKUSHI FUNAKI & WEE

ATTORNEYS AT LAW
A LAW CORPORATION

SUYEKI OKUMURA
JAMES T. FUNAKI
TON SEEK PAI
ALFRED M. K. WONG
DICKSON C. H. LEE

ROY E. TAKUSHI
JOSEPH K. WEE
SHUICHI MIYASAKI
ROBERT M. EHRHORN, JR.

PETER T. STONE
JAMES N. H. YEE
GARY Y. OKUDA
LAURIE J. YOON

SUITE 1400
GROSVENOR CENTER
733 BISHOP STREET
HONOLULU, HAWAII 96813

TELEPHONE: (808) 543-9800
CABLE ADDRESS: COUNSELLOR

September 10, 1986

Land Use Commission
State of Hawaii
Old Federal Building, Room 104
335 Merchant Street
Honolulu, Hawaii 96813

Re: Docket No. A86-599
Kona Beach Development Venture, L.P.
Kohanaiki, North Kona, Hawaii

SEP 10 9 22 AM '86
LAND USE COMMISSION
STATE OF HAWAII

Honorable Chairman and Members:

The land for which land use district boundary amendments are being sought in Docket No. A86-599 before this Commission is also the subject of a petition to amend the Hawaii County General Plan before the Planning Department of the County of Hawaii.

The Planning Department of the County of Hawaii, having caused an environmental impact statement (EIS) to be prepared and submitted for review and comments pursuant to Chapter 343, Hawaii Revised Statutes, in its consideration of the petition to amend the County General Plan, has recently issued its acceptance of the Final EIS. Accordingly, the following are transmitted:

1. Copy of letter dated September 5, 1986 issued by the Planning Department indicating its acceptance of the Final EIS;
2. Sixteen (16) copies of the Final EIS; and
3. Certificate of Service of a copy of the Final EIS to each of the parties in Docket No. A86-599.

The submittal aforesaid is made pursuant to Chapter 343, Hawaii Revised Statutes.

Yours very truly,

James T. Funaki
James T. Funaki
Attorney for KONA BEACH
DEVELOPMENT VENTURE, L.P.

JTF/nmn
Enclosures

ORIGINAL

Of Counsel:
OKUMURA TAKUSHI FUNAKI & WEE
ATTORNEYS AT LAW/A LAW CORPORATION

JAMES T. FUNAKI 200
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813
Telephone No. 543-9800
Attorney for Petitioner

LAND USE COMMISSION
STATE OF HAWAII
SEP 10 9 22 AM '86

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

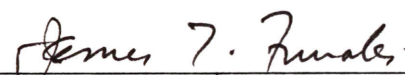
In the Matter of the Petition) Docket No. A86-599
)
of)
)
KONA BEACH DEVELOPMENT VENTURE, L.P.)
)
To Reclassify Approximately 470.13)
Acres of Land, TMKs: 7-3-09: 3 and)
16 (Division 3), at Kohanaiki,)
North Kona District, Island of Hawaii,)
State of Hawaii, From the Conservation)
District to the Urban District)

CERTIFICATE OF SERVICE

I hereby certify that due service of a copy of the
Final Environmental Impact Statement dated August 1986 covering
the Kohanaiki Resort Community, Kohanaiki, North Kona, Hawaii,
Tax Map Keys: 3-7-3-09:03 and 16 was made by depositing the
same with the U.S. mail, postage prepaid, on September 10,
1986, addressed to:

KENT M. KEITH, Director
Department of Planning and Economic Development
250 South King Street
Honolulu, Hawaii 96813

ALBERT LONO LYMAN, Director
Department of Planning
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720


James T. Funaki



COUNTY OF
HAWAII

PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720
(808) 961-8288

DANTE K. CARPENTER
Mayor

ALBERT LONO LYMAN
Director

ILIMA A. PIIANAIA
Deputy Director

RECEIVED
SEP 8 1986

HELBER, HASTERT, VAN HORN
& KIMURA PLANNERS

September 5, 1986

Helber, Hastert, Van Horn and Kimura
Grosvenor Center, PRI Tower
733 Bishop Street, Suite 2590
Honolulu, HI 96813

Gentlemen:

Final EIS - Kohana-iki Resort Community

We have reviewed the Final EIS for the proposed Kohana-iki Resort Community.

Chapter 343, H.R.S., requirements were triggered by the filing of a petition to amend the county General Plan from Conservation and Open designations to Resort, Open, Medium and Low Density Urban designations.

We find that the Final EIS adequately addresses both the content and procedural requirements of Chapter 343, HRS, and thus determine the EIS to be acceptable.

In so accepting the EIS, we would note that a detailed analysis of the impacts which may occur as a result of the proposed marina will be addressed through a Supplemental EIS at the time when an application for a Corps of Engineer's permit to construct the marina is made. It is our understanding from the Environmental Quality Council that such a procedure is permissible.

Further, other issues which remain unresolved at this early conceptual planning stage, and as is outlined in the Final EIS (Pg I-5), will be resolved in the context of subsequent regulatory approvals.

SEP 10 9 22 AM '86
LAND USE COMMISSION
STATE OF HAWAII

Helber, Hastert, Van Horn and Kimura
September 5, 1986
Page 2

Should you have any questions, please do not hesitate to contact us.

Sincerely,

Virginia Madson
ALBERT LONO LYMAN
Planning Director

VKG:aeb

cc: OEQC
LUC

COPY

PLANNING DEPARTMENT
25 AUPUNI STREET

COUNTY OF HAWAII
HILO, HAWAII 96720

SEP 09 1986

September 5, 1986

Helber, Hastert, Van Horn and Kimura
Grosvenor Center, PRI Tower
733 Bishop Street, Suite 2590
Honolulu, HI 96813

Gentlemen:

Final EIS - Kohana-iki Resort Community

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Further, other issues which remain unresolved at this early conceptual planning stage, and as is outlined in the Final EIS (Pg 1-5), will be resolved in the context of subsequent regulatory approvals.

SEP 9 1 45 PM '86
LAND USE COMMISSION
STATE OF HAWAII

Helber, Fastert, Van Horn and Kimura
September 5, 1986
Page 2

Should you have any questions, please do not hesitate to contact us.

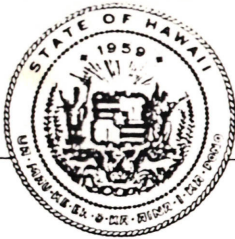
Sincerely,

Virginia Goldstein

for ALBERT LONG LYMAN
Planning Director

VKG:aeb

cc: OEOC
✓ LUC



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

September 8, 1986

Mr. Douglas L. Blake, President
Kona Conservation Group
73-4504 Kohanaiki Road
Kailua-Kona, HI 96745

Dear Mr. Blake:

Re: Docket No. A86-599 - KONA BEACH DEVELOPMENT
VENTURE, L.P.

This is to acknowledge receipt of the letter of
authorization to represent the Kona Conservation Group
by the officers and membership in the above-name petition.

Thank you for your cooperation in this matter.

Very truly yours,

ESTHER UEDA
Executive Officer

EU:dyk

KONA CONSERVATION GROUP

State Land Use Commission
Room 104, Old Federal Building
335 Merchant Street
Honolulu, Hi. 9613

July 21, 1986

Dear Commission members

Testimony given before the L.U.C. on July 8, 1986 in Kona relating to the conservation land classification redesignation applied for by Kona Beach Venture for the proposed 470 acre Kohana Iki development was provided by group president Douglas L. Blake on behalf of and with the full support of the officers and membership of the Kona Conservation Group.

Sincerely,

Elizabeth von Beck

Elizabeth Von Beck
Vice-President
Kona Conservation Group

Frances J. Schobel

Francis Schobel
Secretary-Treasurer
Kona Conservation Group

Douglas L. Blake

Douglas L. Blake
President
Kona Conservation Group

Aug 14 1 02 PM '86
LAND USE COMMISSION
STATE OF HAWAII

9/8/86 - Copies to LUC & Partners

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

Resolution Room, Kona Hilton Hotel
Kailua-Kona, Hawaii

July 8, 1986 - 10:30 a.m.

Adopted 9/3/86

COMMISSIONERS PRESENT: Teofilo Phil Tacbian, Chairman
Frederick Whittemore
Lawrence Chun
Richard Choy
Robert Tamaye

COMMISSIONERS ABESENT: Everett Cuskaden
Toru Suzuki
Winona Rubin
William Yuen

STAFF PRESENT: Esther Ueda, Executive Officer
Raymond Young, Staff Planner
Darlene Kinoshita, Chief Clerk
Annette Chock, Deputy Attorney General

Jean Marie McManus, Court Reporter

ACTION

Chairman Tacbian called the meeting to order.

A86-603 - HUEHUE RANCH (HAWAII)

Chairman Tacbian announced that the Commission will act to consider acceptance of the petitioner's Environmental Impact Statement which was prepared for the petition to reclassify approximately 675 acres of land from the Conservation District into the Urban District at Kukio, North Kona, Hawaii.

Commissioner Tamaye moved to accept the Environmental Impact Statement prepared on behalf of Huehue Ranch. It was seconded by Vice Chairman Whittemore and unanimously carried by voice votes.

A80-487 - LONE STAR HAWAII, INC. (OAHU)

Chairman Tacbian announced that the Commission will act to determine whether the anticipated effects to reclassify approximately 37.8 acres of land currently in the Conservation District into the Urban District at Kailua, Koolau-poko, Oahu for residential use constitute a significant effect pursuant to Chapter 343, HRS.

Vice-Chairman Whittemore moved that the Commission find the proposed petition constitutes no significant effect on the environment, and therefore, the Commission does not require the petitioner to prepare an environmental impact statement. The motion was seconded by Commissioner Chun and unanimously carried by voice votes.

HEARING

* A85-599 - KONA BEACH DEVELOPMENT VENTURE, L.P. (Hawaii)

Pursuant to a notice published in the Honolulu Advertiser and Hawaii Tribune Herald on June 6, 1986 and notices sent to all parties, a hearing was called by the Land Use Commission in the matter of the petition by Kona Beach Development Venture, L.P., Docket No. A86-599, to reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course and marina uses.

Appearances

James Funaki - Counsel representing the petitioner.

Norman Hayashi - representing the County of Hawaii, Planning Department

Abe Mitsuda - representing the Land Use Division, Department of Planning and Economic Development

Everett Kaneshige - Deputy Attorney General, representing Department of Planning and Economic Development

Chairman Tacbian reported that the Commission had received five untimely requests to appear as witnesses from the following:

1. Elizabeth Ann Stone
2. Owen Miyamoto
3. Tim Newstrom
4. Douglas Blake, Kona Conservation Group
5. H. Foster

Ms. Stone and Mr. Miyamoto were not present.

There being no objection by the Commissioners, Mr. Newstrom, Mr. Blake, and Mr. Foster were allowed to testify. The written testimony of Mr. Newstrom was received and admitted into evidence as Land Use Commission Exhibit #1 and the written testimony of Mr. Blake was received and admitted into evidence as Land Use Commission Exhibit #2. It was also pointed out by Chairman Tacbian that the Commission required written authority from the Kona Conservation Group.

At the start of the hearing and before the testimony of the public witnesses, Mr. Funaki had requested additional time to finish their EIS. Parties having no objections, Chairman Tacbian continued the hearing until the EIS was finished.

A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST (HAWAII)

Pursuant to a notice published in the Hawaii Tribune Herald and the Honolulu Advertiser on June 6, 1986 and notices sent to all parties, a hearing was called by the Land Use Commission in the matter of the petition by Richard Smart Revocable Personal Trust (Hawaii) to reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii for residential, commercial, and industrial uses.

Appearances

Tom Yamamoto and Roger Harris - representing
Richard Smart Revocable Personal Trust

David Ramos - Business Manager, Parker Ranch

Norman Hayashi - representing the County of Hawaii,
Planning Department

Abe Mitsuda - representing the Land Use Division,
Department of Planning and Economic Development

Everett Kaneshige - Deputy Attorney General,
representing Department of Planning and Economic
Development

Chairman Tacbian announced that the Commission
received one untimely request to appear as a public witness,
Elizabeth Ann Stone. At the time of the hearing, she did not
appear as a witness.

The representatives for Richard Smart Revocable
Personal Trust requested continuance of the hearing until after
the middle of September when all of their witnesses would be
available. Parties having no objections, Chairman Tacbian
continued the hearing until a later date.

CONTINUED HEARING

A85-597 - KAUPULEHU DEVELOPMENTS (HAWAII)

It was announced by Chairman Tacbian that the present
matter before the Commission was a continuation of the hearing
which had begun on January 31, 1986 and June 17, 1986.

Commissioner Yuen did not participate in these
proceedings due to a previously declared conflict of interest.

Appearances

R. Ben Tsukazaki - Attorney, representing Petitioner

Alexander Kinzler - Project Director, Kaupulehu Devs.

Norman Hayashi - representing the County of Hawaii,
Planning Department

Abe Mitsuda, representing the Land Use Division,
Department of Planning and Economic Development

Everett Kaneshige, Deputy Attorney General,
representing the Department of Planning and
Economic Development

EXHIBITS

Petitioner's Exhibits #1 through #23 were admitted
into evidence.

County of Hawaii's Exhibit #1 was admitted into
evidence.

State's Exhibit #1 was admitted into evidence.

Staff Planner, Ray Young, oriented the Commission to
the area being requested for reclassification on the USGS and
tax maps.

PUBLIC WITNESSES

Chairman Tacbian announced that there were five
untimely requests to be public witnesses. Since there were no
objections by the Commissioners, all five untimely requests to
be public witnesses were allowed to testify.

1. Ted Newstrom
2. Roland Higashi, Japanese Chamber of Commerce and
Industry of Hawaii
3. Alfie Fujitani, Kona - Kohala Chamber of Commerce
4. Douglas Blake, Kona Conservation Group
5. Clinton Taylor, Hawaii Island Economic Development
Board (did not appear)

Mr. Newstrom's written testimony was admitted into evidence as Land Use Commission Exhibit #1, The Japanese Chamber of Commerce and Industry of Hawaii's testimony was admitted into evidence as Land Use Commission Exhibit #2, and The Hawaii Island Chamber of Commerce's testimony was admitted into evidence as Land Use Commission Exhibit #3.

Chairman Tacbian requested authorization from the Japanese Chamber of Commerce and Industry of Hawaii and from the Kona-Kohala Chamber of Commerce.

A lunch recess was taken at 12:30 p.m. to reconvene at 1:30 p.m.

- 1:30 p.m. -

PETITIONER'S WITNESSES

1. Alexander Kinzler, Project Director
2. James R. Bell, President of Belt, Collins and Associates.
3. Joseph Vierra, Jr., Director of Engineering, Belt, Collins, and Associates
4. Dr. Paul Rosendahl, Archeologist
5. Dr. David Ziemann, The Oceanic Institute
6. Jurgen Moritz, Representative of Princess Hotels
7. Ming Chew
8. Fred Duerr, General Manager, Kona Village Resort
9. Bay K.C. Yee

Chairman Tacbian continued the hearing until July 9, 1986 at 9:00 a.m. The hearing was adjourned at 5:30 p.m.

Minutes - July 8, 1986
Page 7

MISCELLANEOUS

The Commission discussed whether or not a satellite dish would be considered a permitted use in the Agricultural District. It was decided that the satellite dish would come under the definition of a communication building.

STATE OF HAWAII
LAND USE COMMISSION
Old Federal Building
Room 104
335 Merchant Street
Honolulu, Hawaii 96813

June 26, 1986

REC'D. BY

1986 JUN 26 PM 3 45

L. GOVERNOR'S OFFICE

NOTICE OF CHANGE OF MEETING TIME

Please be advised that the TIME for the July 8, 1986 meeting in Kona of the LAND USE COMMISSION has been changed from 9:00 a.m. to 10:30 a.m., Resolution Room, Kona Hilton Hotel, Kailua-Kona, Hawaii.

6/26/86 - A copy of this Notice of Change of Meeting Time was mailed to all parties and also to all persons and organizations on the following mailing lists:

1. STATEWIDE
2. OAHU
3. HAWAII

STATE OF HAWAII
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME AND PLACE

July 8, 1986 - 9:00 a.m.
and July 9, 1986*

**Resolution Room, Kona Hilton Hotel
Kailua-Kona, Hawaii

A G E N D A

REC'D. BY

1986 JUN 24 AM 11 36

LI. GOVERNOR'S OFFICE

I. ACTION

1. A86-603 - Huehue Ranch (Hawaii)

To consider acceptance of Huehue Ranch's Environmental Impact Statement to reclassify approximately 675 acres of land currently in the Conservation District into the Urban District at Kukio 2nd, North Kona, Hawaii for resort, residential, commercial, and recreational uses.

2. A80-487 - Lone Star Hawaii, Inc. (Oahu)

To determine whether the anticipated effects to reclassify approximately 37.8 acres of land currently in the Conservation District into the Urban District at Kailua, Koolaupoko, Oahu for residential use constitute a "significant effect" pursuant to Chapter 343, HRS.

II. HEARING

✓ 1. A86-599 - Kona Beach Development Venture, L.P. (Hawaii)

To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii, for resort, residential, commercial, golf course and marina uses.

2. A86-601 - Richard Smart Revocable Personal Trust (Hawaii)

To reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii, for residential, commercial, and industrial uses.

III. CONTINUED HEARING

1. A85-597 - Kaupulehu Developments (Hawaii)

To reclassify approximately 123 acres of land currently in the Urban District into the Conservation District, and to reclassify approximately 575 acres of land currently in the Conservation District into the Urban District at Kaupulehu, North Kona, Hawaii, for intermediate resort and golf course uses.

IV. MISCELLANEOUS

1. Adoption of Minutes
2. Tentative Meeting Schedule

*Meeting will continue on July 9, 1986 only if not completed on July 8.

**The meeting room was changed from the Endeavor Room to the Resolution Room.

6/23/86 - A copy of this agenda was mailed to all persons and organizations on the following mailing lists:

1. STATEWIDE
2. OAHU
3. HAWAII

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Mr. Kent M. Keith, Director
Department of Planning and
Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

Attention: Mr. Abe Mitsuda, Acting Head, Land Use Division

Dear Mr. Keith:

Enclosed is a Land Use Commission meeting agenda.

Please note that petitions

1. A86-603 - HUEHUE RANCH (EIS) *
(Environmental)
2. A80-487 - LONE STAR HAWAII, INC. (Assessment) *
- ✓ 3. A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.**
4. A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST**
5. A85-597 - KAUPULEHU DEVELOPMENTS**

will be *considered
**heard at that time.

Should you have any questions on these matters, please contact this office.

Very truly yours,

Esther Ueda

ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Mr. Everett Kaneshige
Deputy Attorney General
State of Hawaii
465 South King Street, Room 200
Honolulu, Hawaii 96813

Dear Mr. Kaneshige:

Enclosed is a Land Use Commission meeting agenda.

Please note that petitions

1. A86-603 - HUEHUE RANCH (EIS)*
(Environmental)
2. A80-487 - LONE STAR HAWAII, INC. (Assessment)*
- ✓ 3. A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.**
4. A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST**
5. A85-597 - KAUPULEHU DEVELOPMENTS**

will be *considered
**heard at that time.

Should you have any questions on these matters, please contact this office.

Very truly yours,

Esther Ueda

ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Mr. Albert Lono Lyman
Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Lyman:

Enclosed is a Land Use Commission meeting agenda.

Please note that petition(s)

- ✓ A86-603 - HUEHUE RANCH (EIS)*
 - ✓ A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.**
 - A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST**
 - A85-597 - KAUPULEHU DEVELOPMENTS**
-

will be *considered
 **heard at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Mr. Ronald Ibarra
Corporation Counsel
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

Dear Mr. Ibarra:

Enclosed is a Land Use Commission meeting agenda.

Please note that petition(s)

A86-603 - HUEHUE RANCH (EIS)*
✓ A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.**
A86-601 - RICHARD SMART REVOCABLE PERSONAL TRUST**
A85-597 - KAUPULEHU DEVELOPMENTS**

will be *considered
 **heard at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,

Esther Ueda

ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Mr. James T. Funaki
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Funaki:

Enclosed is a Land Use Commission meeting agenda.

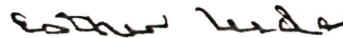
Please note that petition(s)

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

will be heard at that time. We request that you or your representative attend this meeting.

Should you have any questions on this matter, please contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

Messrs. Walter F. Weldon, Jr.,
Norman L. Kasparson,
E. J. Caldecott &
James G. Degnan, as Trustees
c/o E. John Caldecott, Esq.
Carter Hawley Hale Stores
550 South Flower Street
Los Angeles, California 90071

Dear Mr. Caldecott:

Enclosed is a Land Use Commission meeting agenda.

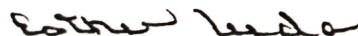
Please note that petition(s)

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

will be _____ heard _____ at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

STATE OF HAWAII
LAND USE COMMISSION
Room 104, Old Federal Bldg.
335 Merchant Street
Honolulu, Hawaii 96813

June 23, 1986

State Mutual Life Assurance
Company of America
440 Lincoln Street
Worcester, MA 01605

Attention: Mr. John W. Nunley, Second Vice President

Gentlemen:

Enclosed is a Land Use Commission meeting agenda.

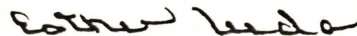
Please note that petition(s)

A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.

will be _____ heard _____ at that time.

Should you have any questions on this matter, please
contact this office.

Very truly yours,



ESTHER UEDA
Executive Officer

Enclosure: Agenda

AFFIDAVIT OF PUBLICATION

JUN 18 1 35 PM '86

State of Hawaii)
) SS:
County of Hawaii)

LEILANI K. R. HIGAKI

, being first

duly sworn, deposes and says:

1. That she is the BUSINESS MANAGER of
HAWAII TRIBUNE-HERALD, LTD., a

newspaper published in the City of HILO,
State of Hawaii.

2. That the "NOTICE OF HEARING - NOTICE IS HEREBY GIVEN of the hearings to
be held in the County of Hawaii by the Land Use Commission of the State of Hawaii to
consider petitions for change of district boundaries as provided for, etc.,

1. Docket Number & Petitioner: A86-599-KONA BEACH DEVELOPMENT VENTURE, L.P.

etc., of which a clipping from the newspaper
as published is attached hereto, was published in said newspaper on the following
date(s) June 6, 19 86 (etc.).

Leilani K.R. Higaki

Subscribed and sworn to before me

this 16th day of June, 19 86.

Amy J. N. Shirona

(Notary Public, Third Circuit,
State of Hawaii

My commission expires October 9, 1988

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN of the hearings to be held in the County of Hawaii by the Land Use Commission of the State of Hawaii to consider petitions for change of district boundaries as provided for in Section 205-4, Hawaii Revised Statutes, as amended.

DATE, TIME AND PLACE

July 8, 1986—10:30 a.m.

and July 9, 1986

Endeavor Room

Kona Hilton Hotel

Kailua-Kona, Hawaii

1. Docket Number & Petitioner: A86-599—KONA BEACH DEVELOPMENT VENTURE, L.P.

Tax Map Key: 7-3-09: 3 and 16 (County of Hawaii)

Change Requested: To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii for resort, residential, commercial, golf course, and marina uses.

2. Docket Number & Petitioner: A86-601—RICHARD SMART REVOCABLE PERSONAL TRUST

Tax Map Key: 6-7-02: 9, 38 and Portion of 17;

6-7-01: Portion of 25; 6-8-01:

Portion of 1 and Portion of 8;

6-2-01: Portion of 9

(County of Hawaii)

Change Requested: To reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii, for residential, commercial, and industrial uses.

Maps showing the proposed district boundaries and copies of the Rules and Regulations governing the above petitions may be inspected at the offices of the Hawaii Planning Department, County of Hawaii, 25 Aupuni Street, Hilo, Hawaii, 96720; and the Land Use Commission, Room 104, Old Federal Building, 335 Merchant Street, Honolulu, Hawaii, 96813, during office hours, 7:45 a.m. to 4:30 p.m., Monday through Friday.

All persons who have some property interest in the land, who lawfully reside on the land, or who otherwise can demonstrate that they will be so directly and immediately affected by the proposed changes that their interest in the proceeding is clearly distinguishable from that of the general public shall be admitted as parties upon timely application for intervention.

All other persons may apply to the commission for leave to intervene as parties. Leave to intervene shall be freely granted, provided that the commission or its hearing officer, if one is appointed, may deny an application to intervene when in the commission's or hearing officer's sound discretion it appears that: (1) the position of the applicant for intervention concerning the proposed change is substantially the same as the position of a party already admitted to the proceeding, and (2) the admission of additional parties will render the proceeding inefficient and unmanageable. A person whose application to intervene is denied may appeal such denial to the circuit court pursuant to Section 91-14, HRS.

Petitions to intervene shall be in conformity with Part VI, Section 6-7 of the Rules of Practice and Procedure. The petition for intervention with proof of service on all parties shall be filed with the commission by June 23, 1986.

A person or individual may present testimony to the commission as a public witness upon timely submittal of a written request. Together with other witnesses that the commission may desire to hear at the hearing, it shall allow a representative of a citizen or a community group to testify who indicates a desire to express the views of such citizen or community group concerning the proposed boundary changes. Such representative shall make written application to be a witness by June 26, 1986 and shall submit written evidence of authorization to represent the citizen or community group.

Any party to the proceeding may retain counsel.

LAND USE COMMISSION

TEOFILO PHIL TACBIAN, Chairman

By ESTHER UEDA, Executive Officer

0

LB.



WHOLE
**COOKED
TAKO**
\$2.99 LB. REG.

NOW **2¹⁹** LB.

2⁸⁹

JAPANESE
WHITE
CRAB

2⁷⁹ LB.

EQUADOR
FROZEN

SHRIMP
• \$41.09
REG.
• 26-30
COUNT
• 5 LB. BOX
33⁹⁹

AMANO

TEMPURA
• 3'S
9 OZ.
1²⁹



DUNGENESE
COOKED CRAB

• \$4.99
LB. REG.

2⁶⁹ LB.



FROZEN ABALONE LIKE
SHELLFISH

• \$5.85
REG.

• TASTY
PUPU!

5⁵⁹ LB.



SAVE
35^c

\$3.99 LB. REG.
FRESH OGO

CLUSTERS
SNOW CRAB

HAYASHI
WAKAME POKI

\$6.99 REG. 16 OZ. GOLDEN CROWN
ABALONE LIKE SHELLFISH

LB. **2³⁹**

LB. **2⁴⁹**

LB. **3⁴⁹**

LB. **3⁹⁹**



JUNE 7, 1986

KTA
SUPER STORES

SAVE!

JUN 17 11 18 AM '86

IN THE MATTER OF

NOTICE OF HEARING

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN of the hearings to be held in the County of Hawaii by the Land Use Commission of the State of Hawaii to consider petitions for change of district boundaries as provided for in Section 205-4, Hawaii Revised Statutes, as amended.

DATE, TIME AND PLACE

July 8, 1986 - 10:30 a.m.

and July 9, 1986

Endeavor Room

Kona Hilton Hotel

Kailua-Kona, Hawaii

1. Docket Number & Petitioner: A86-499

✓ KONA BEACH DEVELOPMENT

VENTURE, L.P.

Tax Map Key: 7-3-09: 3 and 16 (County of Hawaii)

Change Requested: To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii for resort, residential, commercial, golf course, and marina uses.

2. Docket Number & Petitioner: A86-601

— RICHARD SMART REVOCABLE

PERSONAL TRUST

Tax Map Key: 6-7-02: 9, 38 and Portion of 17; 6-7-01: Portion of 25; 6-8-01:

Portion of 1 and Portion of 8; 6-2-01:

Portion of 9 (County of Hawaii)

Change Requested: To reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii, for residential, commercial, and industrial uses.

Maps showing the proposed district boundaries and copies of the Rules and Regulations governing the above petitions may be inspected at the offices of the Hawaii Planning Department, County of Hawaii, 25 Aupuni Street, Hilo, Hawaii, 96720; and the Land Use Commission, Room 104, Old Federal Building, 335 Merchant Street, Honolulu, Hawaii, 96813, during office hours, 7:45 a.m. to 4:30 p.m., Monday through Friday.

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All other persons may apply to the commission for leave to intervene as parties. Leave to intervene shall be freely granted, provided that the commission or its hearing officer, if one is appointed, may deny an application to intervene when in the commission's or hearing officer's sound discretion it appears that: (1) the position of the applicant for intervention concerning the proposed change is substantially the same as the position of a party already admitted to the proceeding; and (2) the admission of additional parties will render the proceeding inefficient and unmanageable. A person whose application to intervene is denied may appeal such denial to the circuit court pursuant to Section 91-14, HRS.

Petitions to intervene shall be in conformity with Part VI, Section 6-7 of the Rules of Practice and Procedure. The petition for intervention with proof of service on all parties shall be filed with the commission by June 23, 1986.

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Any party to the proceeding may retain counsel.

LAND USE COMMISSION

TEOFILO PHIL TACBIAN,

Chairman

By ESTHER UEDA,

Executive Officer

(Hon. Adv.: June 6, 1986)

(A-62843)

AFFIDAVIT OF PUBLICATION

STATE OF HAWAII,
City and County of Honolulu.

ss.

.....Leatrice Yamane....., being duly sworn, deposes and says that she is a clerk, duly authorized to execute this affidavit, of the HAWAII NEWSPAPER AGENCY, INC., agent for HONOLULU ADVERTISER, INC., publisher of THE HONOLULU ADVERTISER and SUNDAY STAR-BULLETIN & ADVERTISER, and agent for GANNETT PACIFIC CORPORATION, publisher of HONOLULU STAR-BULLETIN; that said newspapers are newspapers of general circulation in the state of Hawaii; that the attached notice is a true notice as was published in the afore-referenced newspapers as follows: The Honolulu Advertiserone..... times, on June 6, 1986

Honolulu Star-Bulletin: times, on

Sunday Star-Bulletin & Advertiser: times, on

and that affiant is not a party to or in any way interested in the above entitled matter.

Leatrice Yamane

Subscribed and sworn to before me this 6th day of June....., A.D. 1986..

Jay Auer

Notary Public of the First Judicial Circuit,
State of Hawaii

March 27, 1987

My commission expires

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN of the hearings to be held in the County of Hawaii by the Land Use Commission of the State of Hawaii to consider petitions for change of district boundaries as provided for in Section 205-4, Hawaii Revised Statutes, as amended.

DATE, TIME AND PLACE

July 8, 1986 - 10:30 a.m.
and July 9, 1986
Endeavor Room
Kona Hilton Hotel
Kailua-Kona, Hawaii

REC'D. BY

1986 JUN 2 PM 3 36

LT. GOVERNOR'S OFFICE

- ✓ 1. Docket Number & Petitioner: A86-599 - KONA BEACH
DEVELOPMENT VENTURE, L.P.

Tax Map Key: 7-3-09: 3 and 16
(County of Hawaii)

Change Requested: To reclassify approximately 470.13 acres of land currently in the Conservation District into the Urban District at Kohanaiki, North Kona, Hawaii for resort, residential, commercial, golf course, and marina uses.

2. Docket Number & Petitioner: A86-601 - RICHARD SMART
REVOCABLE PERSONAL TRUST

Tax Map Key: 6-7-02: 9, 38 and Portion of 17;
6-7-01: Portion of 25; 6-8-01:
Portion of 1 and Portion of 8;
6-2-01: Portion of 9
(County of Hawaii)

Change Requested: To reclassify approximately 404.34 acres of land currently in the Agricultural District into the Urban District at Waimea, South Kohala, Hawaii, for residential, commercial, and industrial uses.

Maps showing the proposed district boundaries and

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Any party to the proceeding may retain counsel.

LAND USE COMMISSION

TEOFILO PHIL TACBIAN, Chairman

By ESTHER UEDA, Executive
Officer

(Legal Ad - 2 col w/border)
(to appear June 6, 1986)
(Hawaii Tribune Herald and)
(Honolulu Advertiser)

6/2/86 - A copy of this Notice of Hearing was mailed to all persons and organizations on the following mailing lists:

1. STATEWIDE
2. HAWAII

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	
KONA BEACH DEVELOPMENT VENTURE	)	DOCKET NO: A86-599
To amend the Conservation)	
Land Use District Boundary into)	
the Urban Land Use District for)	
approximately 470.13 acres at)	
Kohanaiki, North Kona, Hawaii,)	
Tax Map Key: 7-3-09: 3 and 16)	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Notice of Hearing was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

KENT M. KEITH, Director
Dept. of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

EVERETT KANESHIGE, Deputy Attorney General
465 South King Street, Room 200
Honolulu, Hawaii 96813

ALBERT LONO LYMAN, Planning Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

RONALD IBARRA, ESQ.
Deputy Corporation Counsel
Office of the Corporation Counsel
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

BARBARA A. KOI, Chairperson
Planning Commission
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

JAMES FUNAKI, ESQ.
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, HI 96813

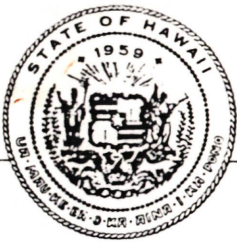
WALTER F. WELDON, JR., NORMAN L.
KASPARSON, E.J. CALDECOTT AND JAMES G.
DEGNAN, as Trustees under Declaration
of Trust dated April 2, 1968
c/o E. John Caldecott, Esq.
Carter Hawley Hale Stores
550 South Flower Street
Los Angeles, CA 90071

STATE MUTUAL LIFE ASSURANCE COMPANY
OF AMERICA
440 Lincoln Street
Worcester, MA 01605
Attn: John W. Nunley
Second Vice President

Dated: Honolulu, Hawaii, this 3rd day of June, 1986.



ESTHER UEDA, Executive Officer



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS:

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

May 30, 1986

HAWAII TRIBUNE-HERALD
Legal Advertising Department
P. O. Box 767
Hilo, HI 96720

ATTENTION: Mrs. Thelma Lee

Gentlemen:

We are enclosing herewith a copy of the Notice of Hearing which we wish to have published in the Hawaii Tribune-Herald on June 6, 1986. A purchase order will follow shortly.

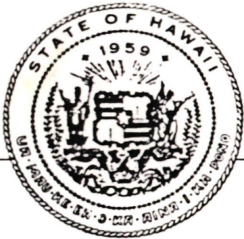
We would appreciate immediate confirmation of the receipt of this notice. Please call Darlene at 548-3039.

Very truly yours,

ESTHER UEDA
Executive Officer

EU:dk

Enc.



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
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FREDERICK P. WHITEMORE
Vice Chairman

COMMISSION MEMBERS:

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Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

May 30, 1986

Honolulu Advertiser
Legal Advertising
P. O. Box 3350
Honolulu, HI 96801

ATTENTION: Mrs. Thelma Mansfield

Gentlemen:

We are enclosing herewith a copy of the Notice of Hearing which we wish to have published in the Honolulu Advertiser on June 6, 1986. A purchase order will follow shortly.

We would appreciate immediate confirmation of the receipt of this notice. Please call Darlene at 548-3039.

Very truly yours,

ESTHER UEDA
Executive Officer

EU:dk

Enc.

OEQC BULLETIN



GEORGE R. ARIYOSHI
GOVERNOR

LETITIA N. UYEHARA
DIRECTOR

Volume III

March 8, 1986

Number 05

REGISTER OF CHAPTER 343, HRS DOCUMENTS

All Chapter 343, HRS documents submitted for publication in the OEQC Bulletin must be addressed to the Office of Environmental Quality Control, 465 South King Street, Room 115, Honolulu, Hawaii 96813. Documents addressed otherwise will not be considered for publication.

EIS PREPARATION NOTICES

The following proposed actions have been determined to require an environmental impact statement. Anyone can be consulted in the preparation of the EIS by writing to the listed contacts. 30 days are allowed for requests to be a consulted party.

WAIALUA-KAHUKU REGIONAL WATER SYSTEM IMPROVEMENTS, WAIALUA-KAHUKU, OAHU, City and County of Honolulu Board of Water Supply (BWS)

The group of projects proposed include 9 stations with one or more new wells including associated storage and transmission facilities, one major transmission main which is independent of source development, and one new reservoir. These proposed individual water facility projects are treated as a single action. The following consist of proposed individual project names: Hanakaoe Well, Kawaihapai Well, Kawailoa Well, Kawela Well, Mokuleia Well I, Opana Well, Ukoa Wells, Waialua Well II, Waimea Well, Mokuleia-Waianae Transmission Main and Mokuleia-Kaena Point Reservoir. Proposed water facility improvements are within 140 sq. mi. delineated by Waialua-Kahuku District in northwest

Oahu. Development of proposed water system improvements will generate short-term environmental impacts including those associated with noise, air and visual impacts to the local environment. Connection of proposed water system improvements to existing facilities may require temporary disruption of service. Affected users will be notified in advance of any disruption of service by contractor or BWS. Short-term economic impacts from construction include jobs to local construction personnel. Local material suppliers and retail businesses may also benefit from increased activities. Fewer adverse impacts are anticipated during operation of facilities. Transmission mains will have negligible impacts, once installed. Storage facilities may present aesthetic impacts. Operation of source facilities may conflict with existing land uses at some sites, hence alternate sites may be considered. A number of source projects could also affect nearby stream flows.

CONTACT: Lawrence Whang
Board of Water Supply
City & County of Honolulu
630 S. Beretania Street
Honolulu, HI 96813

DEADLINE: April 7, 1986

PROPOSED AIEA BAY STATE RECREATION AREA,
AIEA, OAHU, Dept. of Land and Natural
Resources

Proposed site for Aiea Bay State Recreation Area is along shoreline of Pearl Harbor's East Loch (TMK: 9-8-19: 2,3, 6; 9-9-3: 29, 30, 32, 35, 38; 9-9-4: 1, 2, 3, 4, 6, 24; 9-9-12: 4,5, 10, 11, 46, 47). Site has linear configuration and consists of approx. 29.2 acres, and offers approx. 5,590 ft. of shoreline. The objectives of the plan are to:

(1) Maximize public recreational use of waterfront lands consistent with theme of park facilities; (2) Maintain and enhance where possible, natural characteristics and scenic vistas which exist at site; and (3) Create an efficient circulation system which separates and defines modes and types of traffic. There is a high need for passive recreational opportunities in this region. Specific activity needs include (1) picnicking at a beach park, (2) walking, and (3) jogging. Equally significant are resident's attitudes towards recreational opportunities. A 1983 survey conducted for the City & County of Honolulu (Hawaii Opinion, 1983) indicated that a large majority of residents in the Moanalua-Pearl City region value passive recreational opportunities. This attitude suggests compatibility between resident needs and development objectives of proposed project. The proposed plan would include a footpath along the shoreline, comfort stations, picnic tables, a pedestrian/bicycle path, tot lots, view stations, a fishing area, a boathouse, a foot bridge to View Island, Hawaii Veterans' Hall, and parking.

CONTACT: Ernest M. Takahashi
Wilson Okamoto and Associates,
Inc.
P.O. Box 3530
Honolulu, HI 96811

DEADLINE: April 7, 1986.

KOHANAIKI RESORT COMMUNITY, NORTH KONA,
HAWAII, Kona Beach Development
Venture/County of Hawaii, Planning Dept.

Proposed 470-acre site is located on the west coast of the island of Hawaii, in district of North Kona, ahupua'a of Kohanaiki, TMK: 7-3-09:3 and 16. Site is approx. 2 mi. south of Keahole Airport and 5 mi. north of Kailua-Kona. General Plan amendment is being sought by applicants to change Land Use Pattern Allocation Guide Map designation from Conservation and Open to an Open, Resort, Medium and Low Density Urban designations, to accommodate proposed resort community. Applicant's master plan would include: resort hotel, resort condominiums, resort commercial village, marina village, golf course, clubhouse recreation center, single-family house lots and on-site resort staff housing. Proposed marina will alter shoreline, thus potential impacts to environment from construction of marina is likely to occur both to onshore resources as well as to offshore marine environment. Access to beaches at site will be enhanced with development of proposed project with a new road yielding access from Queen Ka'ahumanu Hwy. Public parking and beach access rights of way will be provided. Flora and fauna of anchialine ponds will inevitably experience some disturbance due to increased human activity in area. Drainage of foreign substances into ponds may negatively affect endemic shrimp. Some ponds have already been altered by both human and natural activities (such as introduction of fish species and exotic vegetation, and dumping of rubbish in them). There may be an effect on nearby, proposed Kaloko-Honokohau National Historic Park, which is also a National Register Historic District. Proposed development will lead to growth in regional employment of up to 1800 positions. Total regional resident population growth of approx. 3450 persons is estimated. Project may significantly alter the environment, thus, an EIS is warranted for the following: Proposed action may involve irrevocable commitment of resources; Proposed action may involve substantial secondary impacts such as

population changes or effects on public facilities; Proposed action may affect rare, threatened or endangered species of animal or plant or their habitat; and Proposed action is likely to affect coastal water quality.

CONTACT: Helber, Hastert, Van Horn
and Kimura
Grosvenor Center,
PRI Tower
733 Bishop St.,
Suite 2590
Honolulu, HI 96813

DEADLINE: April 7, 1986

GENERAL PALN AMENDMENT FOR DEVELOPMENT OF
LIGHT INDUSTRIAL PARK, KILAUEA, KAUAI,
Foster Petroleum Corp./County of Kauai,
Planning Dept.

Previously published on February 23, 1986.

CONTACT: Shiraishi and Yamada
Attorneys at Law
P.O. Box 1246
..Lihue, HI 96766

DEADLINE: March 25, 1986.

NEGATIVE DECLARATIONS

The following are Negative Declarations or determinations made by proposing or approving agencies that certain proposed actions will not have significant effects on the environment and therefore do not require EISs (EIS Rules 11-200-11). Publication in the Bulletin of a Negative Declaration initiates a 60-day period during which litigation measures may be instituted. Copies are available at 25 cents per page upon request to the Office. Parties wishing to comment may submit written comments to the agency responsible for the determination (indicated in project title). The Office would appreciate a copy of your comments.

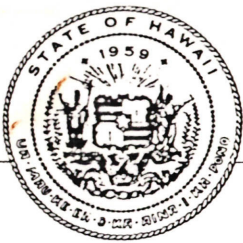
OAHU

SUBDIVIDING AND LEASING OF PARK LANDS,
BLOW HOLE LOOKOUT AREA, OAHU, AND
KAWAINUI REGIONAL PARK, KAILUA, OAHU,
City and County of Honolulu, Dept. of
Parks and Recreation

Proposed action includes subdivision of parcel identified as TMK: 4-2-16: portion of 1 for separating Blow Hole Lookout area from Koko Head Regional Park and subdividing Kawainui Neighborhood Park site (TMK: 4-3-82: portion of 25) from the larger Kawainui Marsh (TMK: 4-2-13: 22 and 4-2-16: 1). Both Blow Hole and Kawainui Marsh areas will then be leased to the State Dept. of Land and Natural Resources at a nominal fee. No physical improvements are required. Other than the \$1.00 annual lease fee, there will be no expenditure or State or City funds. State of Hawaii and City and County of Honolulu have been undertaking a joint effort to identify and implement the transfer (By Executive Order or lease) of certain park areas that would be more appropriately managed by each respective body. It is the intent of City and State to delineate and avoid overlapping of civic responsibilities and to provide residents with most efficient parks and recreation services. Kawainui Marsh area, consisting of approx. 740 acres, will be leased to the State. The 3.8-acre Kawainui Neighborhood Park site will be excluded from the lease and will remain under City and County management. The Blow Hole Lookout area, which extends from Kalaniana'ole Hwy. down to the water line, will also be leased to the State.

INSTALLATION OF DISH ANTENNA ON ROOF OF
H.I.G. BLDG. UNIVERSITY OF HAWAII AT
MANOA, HONOLULU, OAHU, University of
Hawaii (UH)

Proposed 4.5 meter Andrew Model aluminum dish antenna on Geophysics Bldg. roof will replace a communications beam antenna removed March, 1985. New antenna will stand 15 ft. above the roof (previously 35 ft. for old one) and approx. 65 ft. above ground level. It



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

GEORGE R. ARIYOSHI
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Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tamaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

May 22, 1986

James T. Funaki, Esq.
Okumura, Takushi, Funaki & Wee
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Funaki:

Subject: Land Use Commission Docket No. A86-599/
Kona Beach Development Venture, L.P.

This is to confirm your May 20, 1986 telephone discussion with Ray Young of our staff regarding the need to clarify and possibly amend the subject petition with respect to the matter of a portion of State property known as the King's Trail parcel.

According to petitioner's exhibits, the King's Trail parcel is part of the property proposed for reclassification to the Urban District. However, we understand that the Petitioner has not obtained the State's approval to reclassify said parcel nor have they obtained access over the parcel.

We understand that you have notified Petitioner of this discrepancy and are awaiting their reply. If the Petitioner proposes to include this parcel for reclassification into the Urban District, an amendment to the petition must be submitted to our office by May 30, 1986, in order that we can include it in our notice to be published.

Should the Petitioner decide not to include said parcel as part of the request, an amendment to the petition's exhibits to reflect the correct petition area should be submitted by May 30, 1986.

If you need further assistance on this matter, please contact myself or Ray Young at 548-3039.

Sincerely,

ESTHER UEDA
Executive Officer

EU:to



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone 548-4611

March 7, 1986

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS

Richard B. F. Choy
Lawrence P. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tawaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

NOTIFICATION OF RECEIPT OF BOUNDARY AMENDMENT PETITION

This is to advise you that a petition to amend the State Land Use Boundaries with the following general information has been received by the State Land Use Commission:

DOCKET NO./PETITIONER: A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.
OWNER: VARIOUS
TAX MAP KEY: 7-3-09: 3 AND 16
LOCATION: KOHANA'IKI, NORTH KONA, HAWAII
REQUESTED RECLASSIFICATION: CONSERVATION TO URBAN
ACREAGE: APPROXIMATELY 470.13
PROPOSED USE: RESORT, RESIDENTIAL, COMMERCIAL, GOLF COURSE, AND MARINA
RECEIVED: FEBRUARY 24, 1986

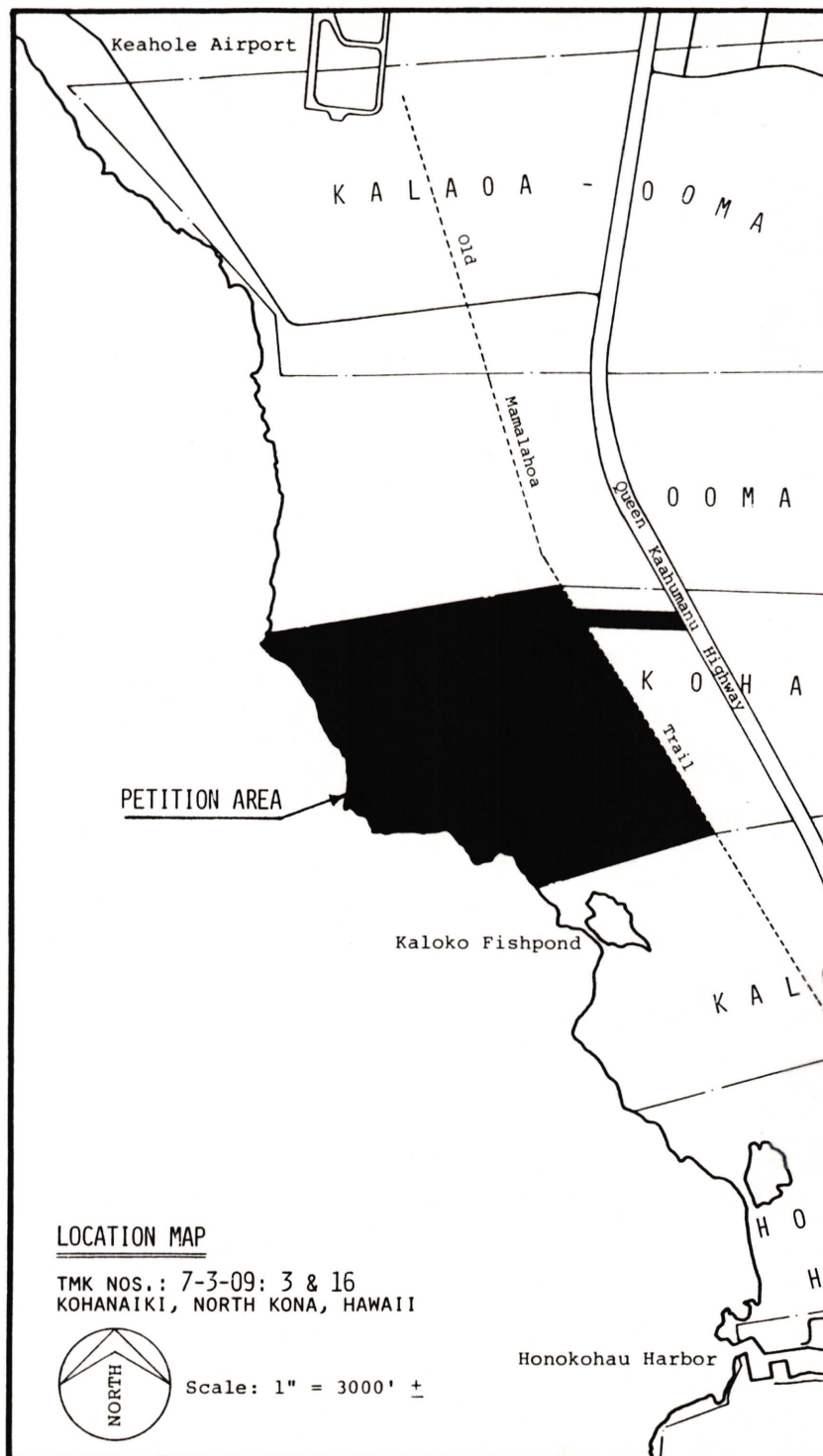
More detailed information on this request may be obtained by reviewing the petition and maps on file at the Land Use Commission office or the County of Hawaii Planning Department.

Land Use Commission office hours are from 7:45 a.m. to 4:30 p.m., Mondays through Fridays.

A hearing on this matter will be scheduled within not less than sixty (60) and not more than one hundred eighty (180) days after receipt of this petition. You will be notified of the time, date and place of the hearing on this matter at a later date.

If you are interested in participating in the hearing and require information on how to proceed, please write or call the Commission staff. The telephone number is 548-3039.


ESTHER UEDA
Executive Officer



3/7/86 - A copy of this Notification of Receipt of Boundary Amendment Petition was mailed to all persons and organizations on the attached mailing lists:

1. STATEWIDE
2. HAWAII



STATE OF HAWAII
DEPARTMENT OF PLANNING
AND ECONOMIC DEVELOPMENT

LAND USE COMMISSION

Room 104, Old Federal Bldg., 335 Merchant Street
Honolulu, Hawaii 96813 Telephone: 548-4611

March 7, 1986

GEORGE R. ARIYOSHI
Governor

TEOFILO PHIL TACBIAN
Chairman

FREDERICK P. WHITTEMORE
Vice Chairman

COMMISSION MEMBERS

Richard B. F. Choy
Lawrence F. Chun
Everett L. Cuskaden
Winona E. Rubin
Toru Suzuki
Robert S. Tawaye
William W. L. Yuen

ESTHER UEDA
Executive Officer

NOTIFICATION OF RECEIPT OF BOUNDARY AMENDMENT PETITION

This is to advise you that a petition to amend the State Land Use Boundaries with the following general information has been received by the State Land Use Commission:

DOCKET NO./PETITIONER: A86-599 - KONA BEACH DEVELOPMENT VENTURE, L.P.
OWNER: VARIOUS
TAX MAP KEY: 7-3-09: 3 AND 16
LOCATION: KOHANA'IKI, NORTH KONA, HAWAII
REQUESTED RECLASSIFICATION: CONSERVATION TO URBAN
ACREAGE: APPROXIMATELY 470.13
PROPOSED USE: RESORT, RESIDENTIAL, COMMERCIAL, GOLF COURSE, AND MARINA
RECEIVED: FEBRUARY 24, 1986

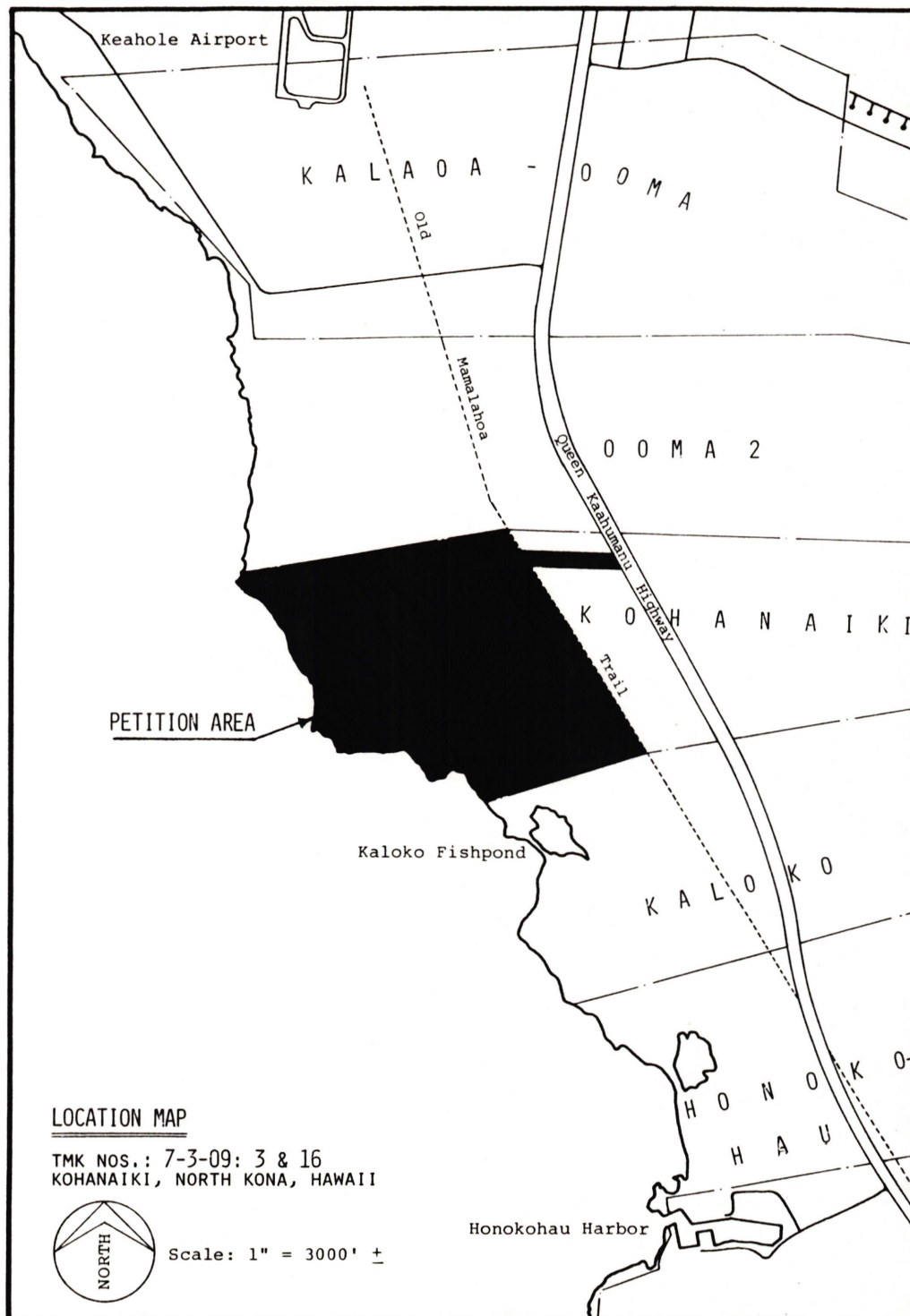
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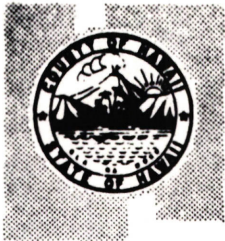
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A hearing on this matter will be scheduled within not less than sixty (60) and not more than one hundred eighty (180) days after receipt of this petition. You will be notified of the time, date and place of the hearing on this matter at a later date.

If you are interested in participating in the hearing and require information on how to proceed, please write or call the Commission staff. The telephone number is 548-3039.


ESTHER UEDA
Executive Officer





COUNTY OF
HAWAII

PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720
(808) 961-8288

DANTE K. CARPENTER
Mayor

ALBERT LONO LYMAN
Director

ILIMA A. PIANAIA
Deputy Director

February 10, 1986

Environmental Quality Commission
550 Halekauwila Street, Rm. 301
Honolulu, HI 96813

Gentlemen:

Notice of Preparation of an EIS

Enclosed please find 3 copies of an Environmental Assessment and Notice of Preparation of an EIS for the proposed Kohanaiki Resort Community at Kohanaiki, North Kona, Island of Hawaii (TMK 7-3-09:3 and 16).

Comments should be sent directly to:

Helber, Hastert, Van Horn and Kimura
Grosvenor Center, PRI Tower
733 Bishop Street, Suite 2590
Honolulu, HI 96813

We have also enclosed a copy of a more detailed description of the project and the environment which was prepared by the consultants.

Should you have any questions, please do not hesitate to contact us.

Sincerely,

A handwritten signature in dark ink, appearing to read "A. Lono Lyman".

ALBERT LONO LYMAN
Planning Director

VKG:aeb

enclosures

cc: Kona Beach Development Venture
562 California Avenue
Wahiawa, HI 96786

Mark Hastert - Helber, Hastert et al

LAND USE COMMISSION
STATE OF HAWAII
FEB 25 4 07 PM '86

ENVIRONMENTAL ASSESSMENT &
NOTICE OF PREPARATION OF AN ENVIRONMENTAL IMPACT STATEMENT
KOHANAIKI RESORT COMMUNITY
NORTH KONA, ISLAND OF HAWAII

LAND USE COMMISSION
STATE OF HAWAII
FEB 25 4 07 PM '86

I. APPLICANT

A. Kona Beach Development Venture

562 California Avenue
Wahiawa, Hi, 96786

B. Consultants

Helber, Hastert, Van Horn and Kimura, Planners
Grosvenor Center, PRI Tower
733 Bishop Street, Suite 2590
Honolulu, Hi, 96813

II. APPROVING AGENCY

Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii, 96720

III. AGENCIES CONSULTED IN PREPARING ASSESSMENT

A. County Agencies

Planning Department
Office of Housing and Community Development

IV. CLASS OF ACTION

General Plan Amendment Petition

V. PROJECT DESCRIPTION

A. Location and ownership

The project site, 470 acres in size, is located on the west coast of the island of Hawaii, in the district of North Kona, ahupua'a of Kohanaiki, TMK: 7-3-09:3 and 16. The site is approximately 2 miles south of the Keahole Airport and 5 miles north of Kailua-Kona. It is adjacent to a vacant parcel on the north (which is adjacent to the proposed HOST park), and the proposed Kaloko - Honokohau National Historical Park to the south. The larger parcel, (3), is bordered on the east by the historic Mamalahoa Trail. Parcel 16 serves as the access to Queen Ka'ahumanu Highway.

The parcels are held in trust by American Mutual Life Assurance Co. and is leased to the applicant, Kona Beach Development Venture.

B. Conceptual Plan

A General Plan amendment is being sought by the applicants to change the Land Use Pattern Allocation Guide Map designation from Conservation and Open to an Open, Resort, Medium and Low Density Urban designations, in order to accommodate a proposed resort community. The applicant's master plan would include:

1. Proposed Resort Facilities

- a) Resort Hotel (62 acres) -- Two hotel sites located several hundred feet inland from the shoreline. A total of approximately 700 units is being proposed.
- b) Resort Condominiums (50) acres) -- Approximately 500 units in two groupings at approximately 10 units/acre.
- c) Commercial (3 acres) -- A 3-acre Resort Commercial Village located between the two hotel sites.
- d) Marina Village (33 acres) -- Includes a man-made, 10 acre, 150 slip marina basin and 23 acres of mixed use (3 acres commercial and 20 acres resort condominium containing approximately 300 units) located at the southern edge of the property.
- e) Recreation (178 acres) -- A 170 acre, 18-hole golf course and an 8 acre Clubhouse Recreation Center, located inland from the beach, providing for indoor activities with spas, weight rooms and racket courts, and outdoor activities with tennis courts and swimming pool. A golf pro shop is included.
- f) Residential (73 acres) -- Approximately 200 single-family house lots, integrated within the golf course with an average density of 3 lots/acre.
- g) Support housing (10 acres) -- Approximately 150 units of on-site resort staff housing, adjacent to the Marina Village.

h) Other (61 acres) -- The balance of the project area will be used for roads, parking, a sewage treatment plant and utility easements.

2. Public Facilities

a) Water -- It is estimated that the fully developed project will require approximately 0.925 MGD of potable water, supplied via the municipal system.

b) Wastewater -- All wastewater will be treated and disposed of on-site via a private STP, the effluent from which will be used to irrigate the golf course and other landscaped areas.

c) Electrical -- Power is to be acquired from HELCO via the island-wide power grid.

d) Drainage -- a drainage system will be designed and constructed in accordance with County standards.

e) Transportation and public access -- Access to the proposed development will be via a road constructed within a narrow parcel at the northern, mauka corner of the property, which connects with Queen Ka'ahumanu Highway. All interior roadways will be built to County standards.

C. Phasing

The project development will be phased from the northern end of the property to the southern end, along with infrastructure improvements, including site access and installation of water, sewer, and electrical systems.

VI. DESCRIPTION OF THE AFFECTED ENVIRONMENT

A. Topography

The project site consists primarily of pahoehoe lava formations and slopes from the shoreline to an elevation of about 70 feet at the eastern or mauka boundary.. A berm of sand lies inland of and parallel to the rocky shoreline. No streams or natural drainage channels are defined on the project site.

B. Flora/Fauna

The site is mostly sparsely vegetated, with dry grasses and herbs growing inland. Strand vegetation occurs at the shoreline with larger trees such as kiawe growing immediately inland. There is also a large mangrove cluster growing in an anchialine pond.

Two species of endemic birds are known to exist in the Kona region; the endangered Hawaiian Stilt and the Hawaiian Owl. Other common indigenous and introduced birds have been observed there as well. It is not know whether other birds feed at or inhabit the anchialine ponds along the coast.

Introduced mammals (mongoose, mouse, rat, feral cats and goats) are believed to inhabit the site and the endangered Hawaiian hoary bat may feed along the shore area.

C. Anchialine ponds

A number of anchialine ponds along with the coastal fringe of the site. About two-thirds of all the ponds are less than 10 square meters in size and several are over 100

square meters. These latter are located in the southern portion of the project site. Surveys conducted in the early 1970s categorized a number of the southern ponds as having high natural value. The ponds contain crustaceans/mollusks, several rare species of shrimp and aquatic vegetation. They may also serve as feeding grounds for water birds.

D. Historic/Archaeological Resources

A recent preliminary archaeological reconnaissance survey located a number of previously identified pre-historic and historic sites as well as one newly identified site. Most occur within the shoreline area and the southern portion of the project area. The sites were evaluated as varying from low to high significance from the standpoint of research, interpretive and cultural values, with a possible heiau and/or shrine (not positively identified) located just south of Wawahiwaa Point. As previously noted, the proposed Kaloko - Honokahau National Historic Park is located immediately to the south of the project site.

E. Marine Environment

The nearshore waters off the subject property are classed as "AA" waters through the State Department of Health's water quality standards. Discharges into such areas are prohibited by the Department of Health. A 1968 study of beaches along part of the coast of North Kona identified the beach at

Wawahiwaa Point as the best beach and swimming area within the area surveyed. There is also a popular surfing spot off Wawahiwaa Point.

VII. SUMMARY OF MAJOR IMPACTS AND MITIGATION MEASURES

A. Coastal Resources

1. Shoreline -- Construction of permanent structures will be in conformance with the State/County shoreline setback regulations which will avoid possible tsunami inundation and provide unobstructed along-shore vistas and access.

The proposed marina will alter the shoreline, thus potential impacts to the environment resulting from the construction of the marina is likely to occur both to onshore resources as well as to the off shore marine environment, and will require further study as part of the preparation of an EIS.

2. Water Quality -- To minimize siltation into coastal waters, site drainage will be collected on-site and allowed to percolate slowly into the water table. Treated wastewater effluent will be used for irrigation. No nutrient enrichment or bacterial contamination of coast waters is likely to occur from subsurface seepage of the effluent due to nutrient uptake by plants and the distance inland at which irrigation would occur. The possible effects of increased runoff and/or sediment, pesticides will be further discussed in the EIS.

The EIS should also discuss the potential impacts to coastal water quality due to the construction of the proposed marina.

3. Public Access -- Access to the beaches at the site will be enhanced with the development of the proposed project, with a new road yielding access from Queen Ka'ahumanu Highway. Public parking and beach access rights of way will be provided.

B. Anchialine Ponds -- The flora and fauna of the ponds will inevitably experience some disturbance due to increased human activity in the area. Drainage of foreign substances into the ponds may affect the endemic shrimp negatively. Some of the ponds have been altered by both human and natural activities (such as the introduction of fish species and exotic vegetation, and the dumping of rubbish in them). It is felt that the ponds can be incorporated into and managed along with the proposed development in an attempt to preserve their unique qualities. The ponds will be further surveyed and studied within the context of the EIS.

C. Flora/Fauna -- To date, no endangered flora or fauna have been found to inhabit the site. Biological surveys will be conducted and findings described as part of the EIS.

D. Archaeological Sites -- Additional archaeological surveys are planned as part of the EIS to be prepared. Sites deemed significant will be incorporated into the project design where possible, or otherwise preserved. The EIS will also discuss the potential indirect impacts of the project on the proposed Kaloko-Honokohau National Historic Park, which is also a National Register Historic District.

E. Population and Employment -- Employment opportunities will result from the construction activities, hotel services, vacation rentals and retail facilities operations. The proposed support housing would provide for employees and an estimated 200 single-family residential units are planned. Directly and indirectly, the proposed development is estimated to lead to an overall growth in regional employment of up to some 1800 positions. Total regional resident population growth of approximately 3450 persons is estimated as a result of project development. The proposed development will also yield increases in State and County tax revenues via income and property taxes.

VIII. DETERMINATION OF SIGNIFICANCE

The proposed project has the potential of significantly altering the environment. Therefore, it is determined that the preparation of an Environmental Impact Statement is warranted. The reasons supporting this determination, which are based on the significance criteria in Section 1:31 of the Environmental Quality Commission EIS Regulations are as follows:

- A. The proposed action may involve the irrevocable commitment of resources;
- B. The proposed action may involve substantial secondary impacts such as population changes or effects on public facilities.
- C. The proposed action may affect rare, threatened or endangered species of animal or plant or their habitat;
- D. The proposed action is likely to affect coastal water quality.

A detailed discussion of the project and environmental considerations ("General Planning and Environmental Considerations - Kohanaiki Resort Community", January, 1986) is enclosed.

IX. AGENCIES TO BE CONSULTED IN THE PREPARATION OF THE EIS

A. Federal Agencies

1. U. S. Department of Agriculture
Soil Conservation Service
2. U. S. Department of Interior
Fish and Wildlife Service
National Parks Service
3. U. S. Army Corps of Engineers

B. State Agencies

1. Department of Planning and Economic Development
2. Department of Health
3. Department of Transportation

4. Department of Education
5. Department of Land and Natural Resources

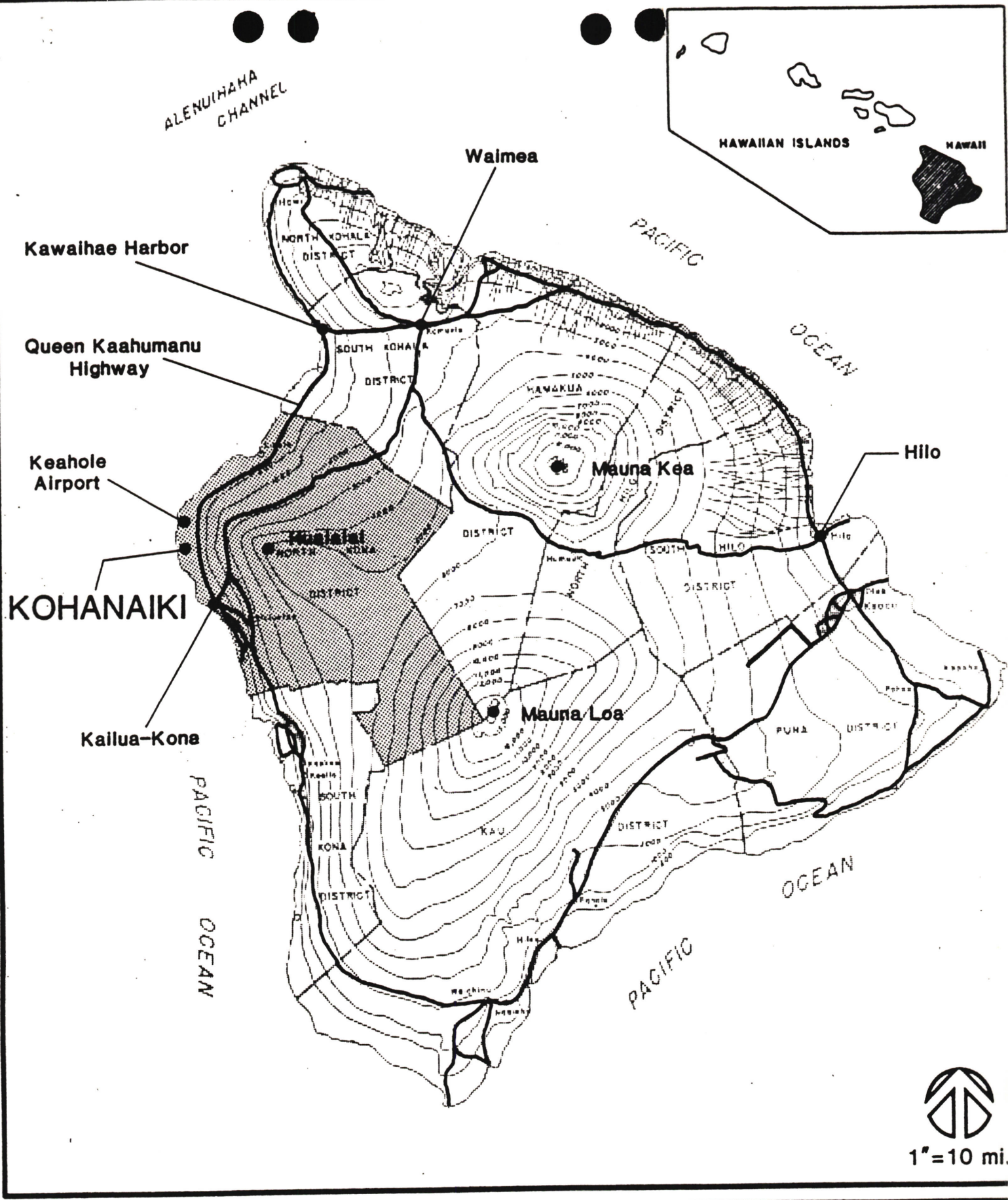
C. County Agencies

1. Mayor's Office
2. Planning Department
3. Department of Public Works
4. Department of Water Supply
5. Department of Parks and Recreation
6. Office of Housing and Community Development

D. Public Utilities

1. Hawaii Electric Light Company
2. Hawaiian Telephone Company

E. Community Organizations

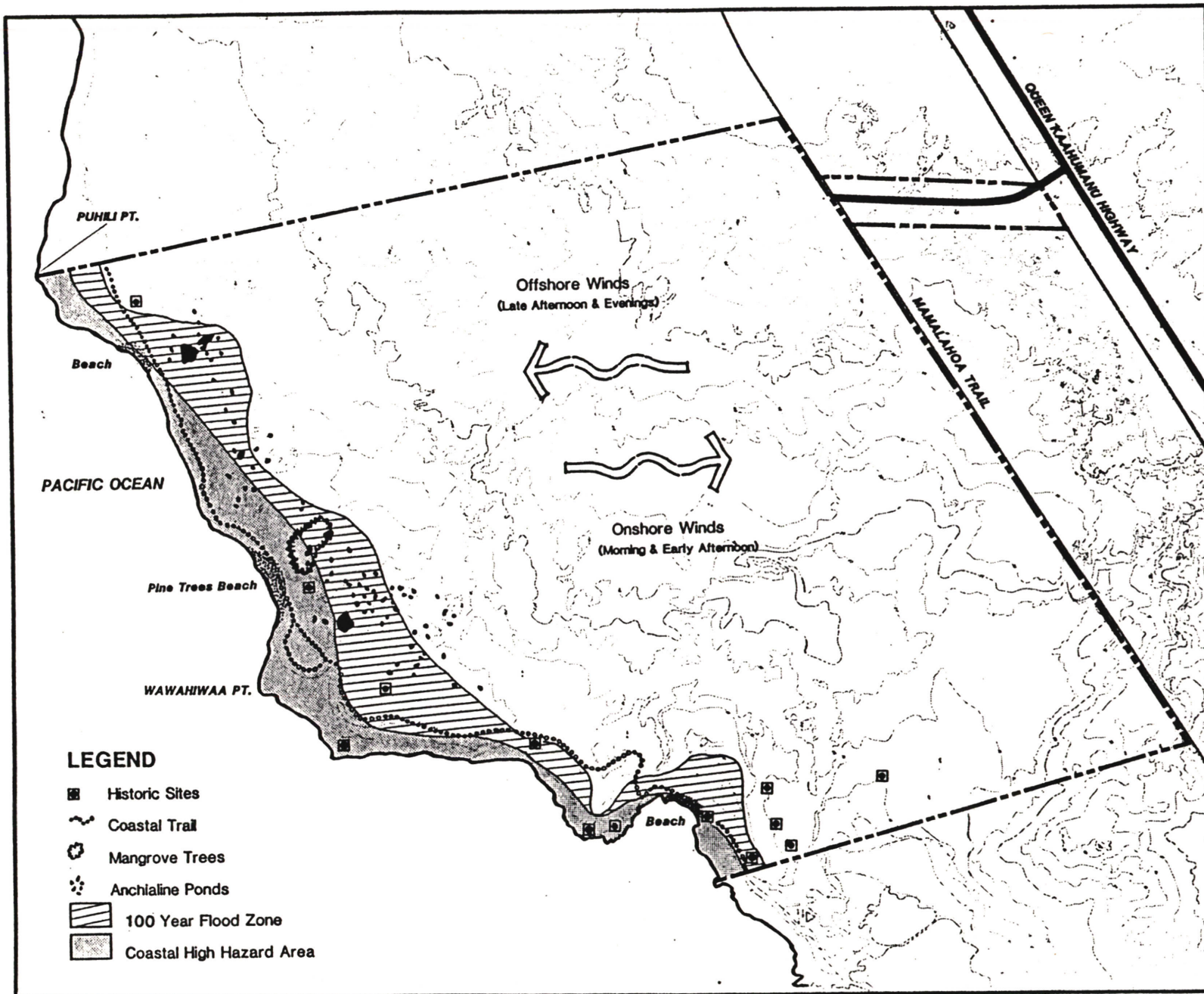


Project Location Map

KOHANAIKI

Kona Beach Development Venture

HELBER, HASTERT, VAN HORN & KIMURA PLANNERS
2222 KALAKAUA AVE. SUITE 1807 • HONOLULU, HAWAII 96815 • TELEPHONE (808) 922-4781



Constraints

REFERENCES

Historic Sites:
State of Hawaii Historic
Preservation Office; Cordy, 1978

Anchialine Ponds:
Maciolek and Brock, 1974

Flood Zones:
Flood Insurance Rate Map

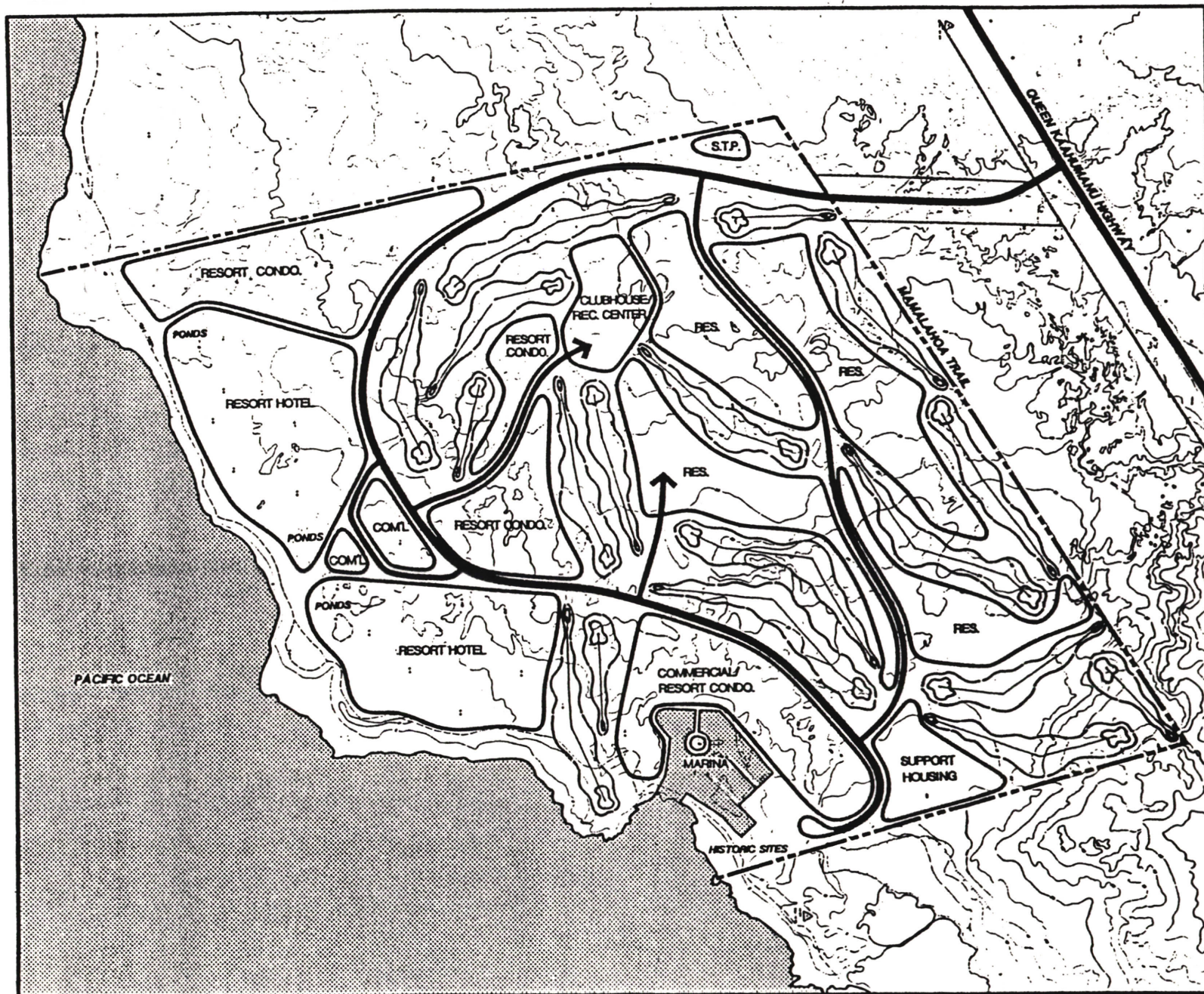
KOHANAIKI

Kona Beach Development Venture

HELBER, HASTERT, VAN HORN & KIMURA



0 600'



Preliminary Land Use Plan

KOHANAIKI

Kona Beach Development Venture

HELBER, HASTERT, VAN HORN & KIMURA



0 800'

February 24, 1986

Mr. James T. Funaki
Grosvenor Center, Suite 1400
733 Bishop Street
Honolulu, Hawaii 96813

Dear Mr. Funaki:

This is to acknowledge receipt of your \$50 for the following petition:

Docket No./Petition:	A86-599- Kona Beach Development Venture, L.P.
Tax Map Key:	7-3-09: 3 and 16 (Division 31)
Location:	Kohanaiki, North Kona, Island of Hawaii
Date Filed:	February 24, 1986

In accordance with Chapter 205, Hawaii Revised Statutes, this Commission must conduct a public hearing on your petition no sooner than 60 days and no more than 180 days after the filing date. Within 120 days following the public hearing, the Land Use Commission will render a decision on your petition.

With respect to compliance with Chapter 343, HRS, please be advised that we have been informed by the Office of Environmental Quality Control that inasmuch as the County of Hawaii Planning Department has made a determination that an Environmental Impact Statement will be required for the proposal, a determination by the Land Use Commission is not required. In this particular situation, the County is the accepting authority for the Environmental Impact Statement. The Land Use Commission, however, cannot take action on the petition until such time as the County accepts the final Environmental Impact Statement for the proposal. In view of this situation, the Commission will need to coordinate its scheduling of the hearing for the petition closely with the County action on

Mr. James T. Funaki
February 24, 1986
Page 2

this EIS. We would appreciate being kept apprised by you as to any further action the County may take on this matter.

If you should have any questions, please feel free to contact us.

Very truly yours,

ESTHER UEDA
Executive Officer

EU:yk
Encl.: Receipt

cc: DPED
County of Hawaii Planning Dept.

STATE OF HAWAII
OFFICIAL RECEIPT

Nº 3779

Department of Planning & Economic Development

Department or Agency

DATE:

February 25 1986

RECEIVED from

Land Use Commission

Fifty and no/100

DOLLARS

Filing fee for Land Use District Boundary Amendment and
Verification Petition re: Kona Beach Development Venture, L.P.
(Hawaii) A86-599 represented by Okumura, Takushi, Funaki & Wee

\$ 50⁰⁰

S. Higashi

Authorized Signature

State of Hawaii
LAND USE COMMISSION

STATE OF HAWAII
OFFICIAL RECEIPT

No. 3494

DEPT. OF PLANNING & ECONOMIC DEVELOPMENT

Department or Agency

DATE: February 24, 1986

RECEIVED from

Chumma Tokuichi Funaki & Co.

Fifty and no/100

DOLLARS

Fee for boundary amendment petition on
District No. A86-599 - from Beach Development Ventures,
L.P.

\$ 50.00

Authorized Signature