

REPORT TO STATE LAND USE COMMISSION ON DOCKET A83-549 FOCUSED

ON AFFORDABLE HOUSING AND RESIDENTIAL DENSITY

January 28, 2024

By: Kona Three LLC



Forward:

In 1940, the town of Kailua-Kona's two main Census Tracts Kailua and Holualoa had a total combined population of under 1,000 residents, and relied mainly on agriculture (Kona coffee), ranching and fishing for economic activities. After the war ended, the population declined, and it was difficult to keep locals in place as there were few opportunities or jobs available, and many youths moved to Oahu or the Mainland.

First the Territorial government committed resources to change this dynamic, and built infrastructure in the 50's, and the State and County government continued this trend with large-scale infrastructure projects in the '60's-'90's. Bishop Estate, which had large land-holdings in the district, got involved as well, and developed the Keauhou Resort in the '60's, which along with the Kaanapali Resort on Maui pioneered the concept of the outer-island resorts.

Timing was good, with the advent of jet travel starting in the '60's, and with a new airport, highways, and sewer system the hotels did well and were popular with the burgeoning tourist market, primarily from the well-performing economies of North America and Asia. More resorts with hotels and more infrastructure followed, and the population grew. This growth was not only organic, from the locals now staying in Kona, but also from new residents from Oahu and from the Mainland that were attracted to the life-style and weather.

Eventually the resorts found out they could appeal to residents, and did not even need a hotel for short-term visitors. The "residential resort" concept proved very popular with the world's wealthy, and many business tycoons, and powerful people from around the world became at least part-time residents of this former sleepy village.

Today there is a shortage of infrastructure, mainly roads and sewer systems. The subject property is one of few that has sufficient infrastructure. There is a housing shortage, particularly for the working class and economically challenged. The gentrification of Kailua and Holualoa continues apace, with the monied class competing (and usually winning) for the choicer building sites with the locals. Rents and prices have increased to a rate that has led to de-population of the locals again, this time not for lack of jobs but for affordability and quality of life issues. 1-2 hour commutes are not uncommon for the working class, and families struggle with overcrowded living facilities and more limited time spent with family members.

Project approvals take many years longer than they used to, frequently opposed both by the privileged class who don't want more residents with attendant traffic, and by locals who feel "enough is enough" and that any new project will simply attract more outsiders.

We hope that the following timeline, summaries and exhibits outline the continuing and diligent efforts of the Petitioner to comply with the requirements of the Commission's 1984 and 1993 orders while navigating the ever-changing economic, social, cultural, and regulatory landscapes in order to realize a promise that was made to the community about 40 years ago, to provide much-needed mid-market and affordable housing within the urban core of North Kona, will assist the reader's understanding of the status of the Project.

Against this backdrop, Japanese investor Takashi Gamo teamed up with experienced Hawaii developer Gregg Kashiwa to develop a residential project on Kona lands acquired from the Carlsmith and Dillingham groups in 1979 and 1980. Located mid-way between Kailua-Kona and Keauhou, in the Holualoa census tract, the 174± acres was in the path of growth in the Urban Expansion area as defined by the County, with access off of Kuakini Highway and the new Queen Kaʻahumanu Extension.

May 3, 1983, a LUDBA was submitted by Petitioner Gamlon in Docket No. A83-549 to the LUC requesting approval to reclassify these 174± acres of land from the State Land Use Agricultural to the Urban District. Gamlon, on page 4 of the application describes their intent to subdivide the property for single- and multi-family development, with approximately 500 residential unit of which 215 would be single-family and 285 would be multi-family units (Par. 3). The application also states that “The multi-family residential dwellings would encompass approximately 69 acres at a planned density of RM-8.0 (1 units per 8,000sf of land area.)” [*This yields a unit count of $69 \times 43,560/8,000 = 376$ units*]. The application then states that the “Multi-family density is estimated as approximately 4.4 units per acre —”. [*This yields a unit count of $68 \times 4.4 = 300$ units*].

Page 5, par. 2 of the application addresses Affordable Housing (“AH”) by stating that “—in order to assist the County in achieving its housing goals, Petitioner has agreed in principal to work jointly with the Office of housing and Community Development of the County of Hawaii to develop 50 multi-family units as affordable housing.”

Section IX of the application addresses Environmental Effects, and Part E on Page 10 addresses Water Resources, reading in part “—no water commitment can be issued until additional water resources are developed. However, in May of 1982, Petitioner and other developers entered into a water development agreement with the County of Hawaii. See X, Sec. D, below.” This Section D describes in some detail the Kona water situation, its limits, needs, and plans to address same. On Page 13, Par. 2 of the Petition, it describes the water development agreement (Kona Source Agreement) between Petitioner (and other developers) and the County, designed to drill and test new water sources (Part 1) and then develop the transmission and storage systems for same (Part 2) once proven. Petitioner’s pro-rata share as a participant in the Kona Source Agreement is described as 500 water units, each of which will support one residential unit. Therefore, the 500 residential units planned for the Property is limited at this point by water units.

Page 13 also states “In addition to water sources developed pursuant to the Kona water agreement, another water source may soon be available.” This suggests Petitioner and/or the County were working on additional water unit allocation and acquisition.

Section XIV on Page 18, par. 2 describes the Kona Regional Plan recommending that this Property be developed for low-density residential (4 units per acre) and moderate density residential (10 units per acre). This would indicate that the 68 acres for multi-family could accommodate up to 680 units if it had additional water units.

Section XVI (C) 1. describing community benefits of the Project on Page 23, par. 3 talks about the Petitioner providing an estimated \$1,500,000 for community water benefits; whereas Part 5 of the same Section on Page 24, par. 2 describes the Petitioner’s contribution of 50 AH units as a benefit.

In July of 1983, the County of Hawaii Planning Department submitted testimony in support of the LUDBA, describing the planned Project as having 216 SFD and 285 MFD units for a total of 500

residential units. (Page 4, #20). The testimony also states 50 units within the multiple-family residential development area would be made available for affordable housing purposes. The Petitioner would be working in conjunction with the County Housing Agency in this aspect of the development. (Page 4, #24).

Regarding Water Service, the County testimony states that if the exploratory drilling planned under the Kona Source Agreement is successful, then the DWS will sign an Agreement and issue water units (Page 7, #44). It also states "Final approval and occupancy of the development, however, must await the completion of improvements to the water system. (See County Exhibit G)." (Page 7, #45).

County Exhibit G is a document called the "REZONING/WATER REQUIREMENT POLICY" dated July, 1983 which lays out the rules for County re-zoning (and is applicable as well to LUDBA actions). These rules are quite strict, effectively limiting rezoning and development to those projects that are able to obtain water units per a funded, bonded Agreement with the County DWS.

On December 13, 1983, the LUC issues its Findings of Fact, Conclusions of Law; and Decision and Order ("D&O") re Docket No. A83-549. Finding of Fact #13 on Page 5 notes that "Petitioner intends to develop approximately 500 residential units of which 215 would be single-family residential units and 285 would be multi-family residential units. Finding of Fact #15 talks about Petitioner proposing multi-family townhouse residential units on approx. 65 acres at an estimated density of 1 unit per 8,000sf land area [$65ac \times 43,560sf/8,000sf = 354 \text{ units}$] or 4.4 units per acre [$65 \times 4.4 = 286 \text{ units}$]. Finding of Fact #19 notes Petitioner has agreed to cooperate with State and County housing agencies to offer ten percent of the lots and house and lot packages as AH as determined by the County and HHA.

Finding of Fact #28 points out the Kona Regional Plan recommends the Property be developed for low-density residential (4 units per acre) and moderate density residential (10 units per acre). Finding of Fact #48 acknowledges that the Petitioner is a participant in the Kona Source Agreement with DWS and other developers, and its pro-rata share of water units from the water development project (if successful) is 500 water units.

Finding of Fact #68 (Page 17) discusses the Petitioner will substantially complete development of the 124.660 acres of Urban Increment I, consisting of the makai portion of the SFD and all of the MFD, together with all infrastructure systems, within 5 years of the first Increment's Urban designation. This fact goes on to state the Petitioner can't start development on the second Increment until development on all on-site and off-site improvements within Increment I have been substantially completed. (Page 18, par. 1).

The Order on Page 20 affirms that Increment II's redistricting will be approved upon Petitioner's application for same together with prima facie showing that Petitioner has substantially completed the on-site and off-site improvements within Increment I, **including but not limited to partial satisfaction of the Condition A below, to the extent of the number of lots to be developed in Increment I and full satisfaction of Condition B below. [Increment I includes about 128 SFD plus proposed 285 MFD = 413 residential units in Increment I.] This would require at least 41 AH units to be provided before Increment II can be designated Urban.**

Condition A addresses AH, requiring Petitioner to offer for sale, on a preferential basis, on its own or in cooperation with either or both the HHA or the County 10 percent of the lots or house and lots to be developed on the subject property as AH to residents of Hawaii, as determined by the HHA or the County from time to time.

Condition B requires Petitioner to accept SHPD's decision as to the significance of any archeological features on the Property.

Condition C requires annual Progress Reports to LUC; DPED (now Office of Planning and Sustainable Development); and County Planning Department.

Condition D affirms any of these conditions may be fully or partially released by the Commission by process.

There is no Condition addressing Density, per se.

About this same time, Gamlon entered into an Agreement to purchase 195 water units from another developer (Red Hill Joint Venture) from a different water development agreement, being the Kealakekua Source Agreement. These units were already committed, or vested, as they were part of a system that had already been tested and completed. This would provide Gamlon with an additional 195 water units, for a total of 695 units.

In January, 1984, about one month after the D&O had been approved, Gamlon provided a preliminary subdivision plan for the MFD lands which involved 8 lots being subdivided in two Phases. Lot 1 in Phase I was proposed by Gamlon to be conveyed to the County as fulfillment of the AH requirement. Lot 1 was approximately 5.8 acres and was planned for 50.52 MFD units. The County took it under consideration.

In February of 1984, two months after the D&O, Gamlon submitted a Change of Zone request to the County Planning Department, which issued a background report on February 29, 1984. These documents were copied to the LUC. The Zoning Amendment Request was for 103.4 acres to be rezoned as RS-15 (SFD; one home per 15,000sf land area) plus 70.2 acres to be rezoned as RM-5 (MFD; one unit per 5,000sf land area). See #4 of Planning Department Background Report.

#4 on Page 2 of said Report states applicants' intent to construct 215 SFD/lots plus 475 MFD units, for a total of 690 residential units [increased density due to additional water units from Kealakekua Source Agreement]. It states that approximately 50 units of the MFD units will be AH. [10% of 690 = 69 AH requirement].

#39 on Page 11 discusses the applicants' involvement in the Kona Source Agreement and having a pro-rata share equal to 500 water units subject to success of the drilling, testing and completion of the system.

The Planning Department's Findings, issued February 29, 1984, found on Page 2, par. 3, that the applicant's Kona Source Agreement pending 500 water commitments accounted for only 500 of the planned 690 residential units, the applicant would be required to comply with DWS requirements, thereby assuring sufficient water for the planned 690 units. There are two Conditions in the Zoning ordinance related to water units being required by Applicant.

Section J on Page 7 of the Findings addresses AH, and states the applicant shall provide AH in accordance with D&O Condition A. It further states the number of units and manner in which they are to be provided shall meet with the approval of the County Housing Agency.

After the rezoning process and numerous public hearings were completed, Ordinance 84-23 was approved by the County Council with an effective date of May 15, 1984. It classified 68.837 acres MFD and 103.293 acres RS-15, subject to being developed in two Increments as well as numerous other Conditions. Condition A addressed the water requirements, and basically reiterate the County policy on

rezoning as outlined in the REZONING/WATER REQUIREMENT POLICY. If water was not provided in accordance with this Condition, the rezoning would NOT BE EFFECTIVE.

Condition J of Ordinance 84-23 addressed AH, and stated the D&O Condition A would be met by the developer, with the number of units and manner of provision to be approved by the County Housing Agency.

Gamlon's Annual Report to LUC in 1986 affirmed to LUC that the rezoning had occurred, and that copies of the application, Ordinance etc. were provided to DPED and LUC as they were filed and received. This included "proper water commitments and supporting data". This Annual Report was acknowledged on May 16, 1986 by the LUC.

On June 30, 1986, the DWS issued 500 water commitments to Gamlon from the Kona Source Agreement. These commitments were subject to the annual payment of an extension fee. On July 22, 1986 the DWS approved the transfer of 196 water commitments to Gamlon from Red Hill Joint Venture from the Kealakekua Source Agreement. These commitments were fully paid for. Gamlon now had Urban designation on Increment 1; Incremental Urban designation on Increment 2; RS-15 and RM-5 zoning covering the entire Property; and 695 water commitments for their planned 690 residential units, and State and County agencies were all aware of these facts.

On October 16, 1986, the LUC issues a letter to Petitioner thanking them for providing a copy of the approved water master plan and noted LUC discussions with County regarding same. The LUC then stated that if needed significant water improvement infrastructure to service Increment I necessitates crossing through Agricultural lands within Increment II that have yet to be redistricted, then it would be appropriate for Petitioner to seek urban reclassification for Increment II.

In 1987, Gamlon submitted a request to the County for an extension of time to Condition 1 of Ordinance Nos. 84-23 and 84-42, which included a chronology referencing 215 SFD and 475 MFD units planned (total 690), with 50 of the RM units being used for AH. [50 is less than 10% of 690]. This time extension request was approved.

On November 16, 1988, the Petitioner filed with the LUC a Motion To Extend Time To Complete Substantial Development of Increment I And To Apply For Incremental Redistricting of Increment II. Par. 3 on Page 2 of same references Gamlon as having agreed to dedicate certain undesignated lands in the RM zoned lands for use as AH.

Also on November 16, 1988, the Petitioner filed a Memorandum In Support Of Motion To Extend Time To Complete Substantial Development Of Increment I And To Apply For Incremental Redistricting Of Increment II. This Memo explained that Gamlon had spent the last few years working on access easements, roadway design, intersection design, and adjacent landowner approvals for main roadway/access to Kuakini Highway. Due to State DOT-H and County DPW issues regarding ROW sizing and intersection design, approvals were not obtained and would not by completion deadline, thus the request to extend. Memo described the "Proper water commitments and supporting data" having been submitted to LUC on Page 3, Par. 4. On Page 5, Par. 3 of Memo, Gamlon confirms it is prepared to give an RM-5 zoned parcel of land to OHCD "in compliance with the affordable housing requirement" of Condition A of D&O.

In the County's Memorandum In Support Of Gamlon Corporation's Motion To Extend Time To Complete Substantial Development Of Increment I Amend To Apply For Incremental Redistricting Of Increment II dated December 1, 1988, Page 3, Par. 1 of same states "petitioner has also secured from the County ---

in 1986 a water commitment (sic) for 695 units---". Page 3, Par. 2 describes the AH Condition A status as "the petitioner has held discussions with [OHCD] regarding the possibility of providing 5 acres of RM lands for an elderly housing project."

On February 10, 1989, the LUC issued an Order Approving Motion To Extend Time To Complete Substantial Development Of Increment I Amend To Apply For Incremental Redistricting Of Increment II, noting on Page 3, #8. a. that the Petitioner filed an application for Change of Zone. Note this Application included the property unit count of 690 units. # 8. e. on Page 4 notes LUC knowledge that Petitioner has acquired the water commitments (sufficient for 690 units). And #9 a. notes Petitioner is prepared to give an RM-5 zoned parcel of land with density exceeding 50 units to OHCD. The Order gives Petitioner an extension of time until December 13, 1993 to apply for redistricting of Increment II.

Gamlon moved forward with the intersection and roadway approvals and construction, and then started subdividing RS-zoned lands for the single-family residential component of their project. The approximately 70-acres of RM-zoned lands, located in Increment I of the D&O, ran into complications due to County DPW wanting to implement a 1978 drainage plan that involved merging the Holualoa ditch and the Horseshoe Bend ditch (both owned by the County) on the 70-acres mauka of Queen Ka'ahumanu Highway (aka Kuakini Extension). State DOT-Highways did not support this plan, and as the drainage system from the 70-acres drained under State owned Queen Ka'ahumanu Highway thru State-owned culverts, this project was held up until someone was able to satisfy DOT-Highways, who required changes to the ditch/stream system downstream of Queen Ka'ahumanu Highway on approximately 12 acres of land NOT OWNED by either Gamlon or the County. This problem was referenced in the County Planning Department letter to Gamlon dated January 25, 1989, which was copied to LUC by Gamlon. This letter also reiterates plans to develop 475 MFD on the 70 acres.

On March 10, 1989, Gamlon informed LUC that the 12 acres had gone on the auction block through foreclosure, and that Gamlon had bid on the 12 acres but came in second place in the bidding. The winning bidder was apparently unable to perform, the Gamlon successfully acquired the 12-acre parcel (TMK 3/7-6-24:25) via Quitclaim Deed on June 30, 1989. They commenced working with State, County, and Federal agencies on drainage matters involving this property. Due to the continuing and on-going drainage problems involving the mauka RM-zoned lands, the possibility of using this Parcel 25 for AH was raised.

On July 13, 1990, Gamlon transmitted a letter to the LUC that disclosed on-going communications with the County to provide AH land to the County, and Par. 2 of cover page of letter references said land being in the RM-zoned lands. Par. 2 also discloses that Parcel 25 (less channel land and waste land) has been offered to the County for AH.

On October 16, 1990. Gamlon transmitted a letter to the LUC that discussed in Par. 2 on cover page that disclosed discussions with the County regarding TWO different sites to provide AH fulfillment. Pr. 4 on cover page discloses the second site as being Parcel 25.

The March 20, 1991 Annual Report to the LUC from Gamlon covered events that occurred in 1990 and discusses the acquisition of Parcel 25 in 1989 to satisfy State and County requirements for drainage in Par. 1 on Page 3. Par. 3 & 4 on Page 4 details the offering of two sites (1 in RM-zoned land and Parcel 25) to County to satisfy AH requirements. Notes the decision of which parcel is up to the County.

On August 14, 1991, the County Committee on Planning reported on a time extension request by Gamlon for a Zoning Ordinance Condition, which Report in Par. 4 on cover page described as 690 total

units. Par. 5 on same page detailed that Gamlon planned to provide 50 AH units in the RM-zoned land to fulfill AH requirements. Par. 6 on Page 4 disclosed that Gamlon was working with the County on Parcel 25.

An October 21, 1991 letter from Gamlon to County Planning Director discussed Parcel 25 a being offered to OHCD to fulfill AH requirements, and said Parcel 25 was acquired per DOT-Highways requirement.

The December 30, 1991 Annual Report to LUC reported on AH status on Page 5, referencing the 10% AH requirement and having numerous meetings with OHCD. The Report explained that after subdividing Parcel :25, carving out the channel and waste land, there would be about 9 acres net land area for AH. Gamrex (fka Gamlon) would construct the channel improvements if this site were to be chosen by OHCD for AH and convey the 9 acres of usable land to OHCD. Gamrex awaited the decision of OHCD.

On June 4, 1992, Gamrex filed Motion To Approve Redistricting Of Increment II of their project. On same date, Gamrex filed Memorandum In Support Of filed Motion To Approve Redistricting Of Increment II, which reiterates requirements for Incremental Redistricting: “(1) it has substantially completed the on- and off-site improvements within Increment 1; (2) it has partially satisfied, to the extent of the number of lots to be developed in Increment I, Condition A of said Decision and Order relating to the provision of low and moderate income housing opportunities, and (3) it has fully satisfied Condition B of said Order pertaining to historic preservation.” It then describes problems in meeting requirements for drainage improvements needed by Federal, State and County agencies, which was beyond Petitioner’s control.

On Page 6, Section B. Satisfaction of Conditions, this memo goes into detail about the fulfillment of Condition A (10% of lots or house and lots to be developed on property must be for low and moderate income housing). The Memo state the County and Petitioner have been working together to satisfy Condition A, and that the LUC should be receiving a letter from OHCD prior to the LUC hearing on this matter.

6-12-92 letter from OHCD to LUC is delivered affirming that the County is interested in acquiring Parcel :25, below Kuakini Highway, in satisfaction of the 10% affordable housing requirement on their project.

8-12-92 letter from OHCD to Gamrex details County Proposal to use “in-lieu” fees value of \$15,000 per AH unit, and that the 10% requirement of Condition A would be applied to 690 market units (215 SFD and 475 MFD) for a total AH requirement of the project equal to 69 AH units, or \$1,035,000. The letter says that once the appraisal on Parcel :25 is received, the County and Gamrex can discuss the contribution and satisfaction of the AH requirement. This letter transmitted to LUC and Deputy AG.

8-12-92 letter response to County Proposal approves the Proposal and expresses Agreement with same. This letter also details approval by Gamrex of the obligation to build much of the drainage system, including the improvements on Parcel :25.

8-19-92 Gamrex filed a Supplemental Memorandum In Support Of Motion To Approve Redistricting Of Increment II at LUC. On Page 5, Section B of said Memorandum, this Memo points out “as evidenced by County of Hawaii Ordinance 91-96, shows that all of the Conditions imposed by the LUC in it’s original D&O are also contained on the County Ordinance. More specifically, the conditions of the County of Hawaii’s incremental zoning cover the three conditions imposed by the LUC D&O pertaining to on- and off-site improvements; affordable housing; and historic preservation. These and other numerous conditions place pressure on and assures compliance by the Petitioner with not only the conditions imposed by the LUC in its original D&O but also the County rezoning conditions. Based on this, the Petitioner requests LUC approve the redistricting of Increment II.

8-27-92 County Of Hawaii Planning Department Testimony In Favor Of Support Of The Motion recommends approval of the Petitioner's motion. On Page 4, Section 4 this Testimony defines the project as 215 SFD plus 475 MFD (690 units), and notes that approximately 50 units were originally to be set aside for AH. Page 6, Section 9 discusses the AH on-going discussions with OHCD: "Gamlon is offering two (2) alternative sites. The abovementioned one (Parcel :25) or a site located above the Queen Ka'ahumanu Highway extension in the RM zoned lands. Final selection of the site will be the decision of OHCD." Page 7, Section 12 further emphasizes "The County has expressed its desire to acquire an 11 acre parcel (Parcel :25) owned by the Petitioner and located makai of the Kuakini Highway in the immediate vicinity of the proposed development." The County testimony closes with this Conclusion: "As demonstrated in the Changed Of Zone ordinance granter for the project, there are adequate mitigative conditions which ensure that development will occur in a responsible manner. The complexities of coordinating infrastructure and the policy of its zoning ordinance should remain with the County through implementation of its zoning ordinance and other regulatory requirements."

9-15-92 Request for Zoning Extension from Gamrex to County PD details Gamrex's the acquisition of 500 water credits from Kona Source Agreement and an additional 195 water credits from the Kealakekua Source Agreement (Red Hill Agreement), stating that Condition A and B of the Zoning Ordinance related to water has been satisfied. This Request on Page 4 concerning Condition J (AH) also references OHCD being close to reaching an Agreement with Gamrex on regards to its housing requirements as stated by the LUC and County, and references the 8-12-92 OHCD letter re terms of fulfillment.

12-7-92 Gamrex and the County execute a Housing Agreement, which references Condition A in the D&O as well as Condition J in the zoning ordinance, both of which apply to the 10% AH requirement. The Agreement notes that the number of units and manner of provision shall meet with the approval of the Hawaii CHA. The Agreement values Parcel :25 at appraised value of \$1,450,000 and adds \$345,372 in additional expenditures by Gamrex on Parcel :25 for a total contribution of \$1,795,372. At then prevailing "in-lieu" rate of \$26,700, this contribution equated to 67.24 AH Credits, allowing Gamrex to develop 672 market units. The Agreement dictated that the credits would not be awarded until Gamrex had completed the drainage improvements from the mauka boundary of parcel :25 to Kupuna Street. This Agreement was then recorded.

1-21-93 Gamrex filed Second Supplemental Memorandum In Support Of Motion To Approve Redistricting Of Increment II. This Memo stated the Petitioner could not proceed any further with development unless Increment II was reclassified to urban. It noted the D&O dated 12-13-83 had Conditions for such a Redistricting, including (2) it has partially satisfied, to the extent of the number of lots to be developed in Increment I, Condition A (AH) of the D&O relating to the provision of low and moderate income opportunity (Page 2 of Memo). Regarding satisfaction of Condition A, Petitioner's memo on Page 5, Section C describes the 12-7-92 Housing Agreement with the County and states aid agreement covers the entire project, 672 units. It further states that although this agreement is conditioned upon certain actions by Petitioner, the Petitioner believes it has substantially satisfied Condition A since the agreement covers all affordable housing units required by both Increment I and II. Attached to this Second Memorandum is Exhibit A, titled Land Use Commission Historical Narrative that appears to have been prepared by Gamrex. It is worth reading. On Page 18, Section E 1, AH is discussed. This section references the 10% AH requirement memorialized in the D&O and zoning Ordinance, and states: In satisfaction of the affordable housing requirement, the County desired to obtain the 12-acre parcel of land located below Kuakini Highway which Gamrex bought in 1989. (Parcel :25). An agreement

with the County for acquisition of the 12-acre parcel and satisfaction of the affordable housing requirement was executed on December 7, 1992.

4-29-93 LUC Commissioners (six in attendance) voted unanimously to approve the reclassification of the second increment to Urban, subject to six additional Conditions. Minutes of the meeting show attendance at said meeting by numerous LUC staff as well as Director and Deputy Director of Hawaii Planning Department; Deputy Corporation Counsel for County of Hawaii; Deputy Attorney General for State of Hawaii; and Office of State Planning staff.

5-10-93 the LUC issued Findings Of Fact, Conclusions Of Law, and Decision And Order pertaining to the redistricting of Increment II. Finding of Fact #29 on Page 10 states "Petitioner has addressed Condition A by entering into an agreement with the OHCD providing for conveyance of the 12-acre parcel, TMK 3/7-6-24:25, to the County of Hawaii, in satisfaction of the affordable housing requirement."

The D&O goes on to Order the redistricting of Increment II to Urban, subject to six Conditions:

1. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission ("Property" is defined elsewhere as the entire 174 acres including Increment I).
2. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the property, prior to development of the Property.
3. Petitioner shall provide annual reports to the LUC; OSP; and County.
4. The LUC may fully or partially release these conditions as to all or any part of the Property.
5. Petitioner shall record the conditions imposed by the LUC.
6. Within 7 days of the issuance of the Commission's D&O for the subject classification, Petitioner shall a) record a Statement to the effect that the property is subject to the LUC conditions, and b) file a copy of recorded Statement with the LUC.

May, 1993 County of Hawaii Background Report on Applicant's Request To Amend Conditions F and H of Ordinance references 215 SFD lots plus 475 MFD units, total 680 units on cover page, whereas on Page 3, Item 16, the Water Department affirms that the property has 662 remaining water units (many had been used for SFD already) remaining.

12-7-93 Annual Report by Gamrex on the Project and Conditions discusses the Affordable Housing Agreement with the County regarding Parcel :25, and states "Dedication of the twelve acre parcel of land to the County hinges on construction of the drainage improvements below Kuakini Highway."

12-21-93 County Report Of The Committee On Planning references 215 SFD plus 475-units of MFD (total 690 units) within two increments on the cover page, par. 3. On Page 2, Par. 2, Item 2 states "The applicant has satisfactorily complied with the State Land Use Commission's requirements."

12-24-93 letter from Gamrex to OHCD discusses the Parcel :25 project in Par. 2 on Page 1: "Gamrex must construct all drainage improvements within the 12 acre affordable housing parcel prior to dedication." In Par. 3 on same page, "To date the Department of Public Works (DPW) has reviewed the plans for the drainage system within the 12 acre site. The plans meet with its approval. We are jointly seeking FEMA approval of the system so that the FIRM maps can be revised." On Page 2 it states "Gamrex is prepared

to construct all drainage improvements within the 12 acre site when permits are granted. The application process is underway.”

11-2-94 letter to OHCD discloses that the “final” FEMA Application for the County in regards to LOMR Application has been completed.

12-7-94 Annual Report to LUC details on Page 3, Par. 4, that Gamrex must convey Parcel :25 to the County once all drainage systems are complete and a LOMR has been obtained. This FEMA process was to take years, as noted in following sections.

10-15-96 Annual Report details on Page 4, Par. 1 that a CLOMR was issued by FEMA in 1995 to the County of Hawaii, covering both the MFD zoned lands as well as the Parcel :25. However, since portions of the flood control was to be built on County lands, an EA was required. In January 1996 a DEA was filed by the County, being paid for by Gamrex. A FONSI was obtained in June of 1996. However, shortly after the FEA was issued, SHPD informed Gamrex and the County that the old railroad ROW at the mauka portion of the MFD zoned property (planned as the site of an interceptor channel) was potentially a historic site, and use of this site required clearance from SHPD. Studies and investigations into the RR ROW ensued in 1996. Also, the Report notes (Page 5, Par. 1) that the Parcel :25 will require an SMA Permit as it is in the SMA zone, and Gamrex will file an SMA Application once the SHPD RR ROW matter is resolved. Finally, Page 5, Par. 5 notes that Gamrex must convey Parcel :25 with drainage improvements in place, and can't do so until the SHPD matter and SMA matter are resolved, and the improvements subsequently built.

9-21-98 Request For Time Extension Housing Agreement to OHCD, Gamrex informed OHCD on Page 3, Par. 2 that the SHPD concern about the RR ROW was resolved 7-6-98, over two years from the time of initial concern. During that time, letters to the County from area residents questioned ownership of a key part of the existing flood control system owned by the County, into which the Parcel :25 drainage improvements were to empty. It turned out that the Developer of Kupuna Street and its attendant drainage facilities had not dedicated these improvements to the County, although that was a Condition of Final Subdivision Approval, and therefore the County did not own these drainage improvements and Gamrex could not develop their required drainage improvements. This was quite problematical. Also, it was discovered in 1998 that a portion of the planned drainage improvements below parcel :25 crossed two properties owned by private families/individuals, and that their approval would be required to complete the drainage improvements. The Principal of Gamrex, Gamo-san, moved to Kona to personally take charge of the Project. He died shortly after arrival.

2-25-00 Annual Report informs LUC that the Developer of Kupuna Street (and other streets) and the key culvert for the drainageway still owned Kupuna Street and the culvert, and is not cooperative. In fact, this owner opposes the connection of the improvements through their property. The County has been working on solving the matter but no progress has been made through 1999. Gamrex is unable to develop the drainage facilities required in order to dedicate Parcel :25 to the County and fulfill its AH requirement obligations. The County continues to extend the AH Agreement two years at a time until this is resolved.

11-9-00 County passes Resolution No. 329-00, taking over the Kupuna Street (and other) roads and culvert due to no person having exercised any acts of ownership over this road for more than five years. The County now asserts ownership.

10-10-02 the Sixth Amendment to the Affordable Housing Agreement is signed, extending it for another two years, while the County, Gamrex and two private property owners continue discussions and eventual negotiations.

12-23-02 a Drainage Improvement Agreement was recorded affecting the two privately owned lots after years of negotiations between Gamrex; the County; and the two private owners. This Agreement allowed the County to build its preferred plan for drainage improvements; provided access for maintenance to its planned channel; provided construction access to Gamrex to build the channel; and obligated Gamrex to repair the two properties' backyards which had been (and continue to be) eaten away by the floodwaters. The Agreement resulted in a slight reduction of usable land area on Parcel :25, and the Housing Agreement was amended to reflect same.

4-4-03 SMA 430 is issued allowing the drainage improvements to be built in Parcel :25. However, this does not alleviate the problems of building the flood improvements mauka of Queen Ka'ahumanu Highway.

9-15-03 Annual Report to LUC details status of AH by reaffirming that the Parcel :25 cannot be dedicated to the County until the flood control system is completed and dedicated to the County. Gamrex is current on all affordable housing requirements to date, and remains committed to satisfying all its affordable housing requirements.

4-5-04 Subdivision No. 7781 is finalized, turning Parcel :25 into three lots: usable land of approximately 9 acres; the channel lot; and a waste lot.

2-10-05 Gamrex turns over development obligations of the Project to Kona Vistas LLC, a Joint Venture entity formed with Faulkner USA, a Texas based development firm. Most of the existing local team of Gamrex is released from service.

6-20-05 the Seventh Amendment to the Affordable Housing Agreement is executed by OHCD; the Corporation Counsel; the Mayor; and Kona Vistas LLC. This Amendment requires conveyance of parcel :25 by 12-31-06.

1-9-06 Annual Report notes the Affordable Housing Agreement extension; and states the Petitioner is developing the project as originally proposed. It notes water is available for the MFD land. Regarding LUC Condition A, it states "In compliance with this requirement, the former developer entered into an affordable housing agreement with the County of Hawaii. "

6-9-14 Annual Report regarding Condition A states: "In compliance with this requirement, the former developer and its successors entered into an affordable housing agreement with the County of Hawaii. This agreement called for the dedication of 12 acres of land to the County for affordable housing. Its conveyance, however, was subject to the completion of a flood control system that bisects the planned multi-family project area, as well s the site to be dedicated to the County. To date, because the flood control project has not been completed, the conveyance has not occurred." As to Increment II, Condition 1, the Report opines "The concept of the project has not changed, which is to develop a series of single-family and multiple-family residential units. Essentially, the single-family residential component has been completed, and only the multiple-family residential component remains."

7-10-15 OHCD letter to Gamrex (now Kona Vistas LLC) requests performance in accordance with the Affordable Housing Agreement, and to turn over Parcel :25 to the County. However, the drainage

improvements have not been completed due to inability to obtain permits for planned drainage improvements under existing CLOMR.

9-30-15 letter from Kona Vistas LLC to OHCD disclosing the pending sale of the MFD lands plus Parcel :25 to a group led by Roland Higashi and including Bob Williams and Richard Wheelock (now known as Kona Three). This letter requests written confirmation to Kona Vistas LLC and Kona Three that the conveyance of Parcel :25 will satisfy in full the AH obligations under Condition A of the D&O as well as under Condition J of Ordinance 84-23 and Condition K of Ordinance 02-131.

10-7-15 letter from OHCD to Kona Vistas confirms the conveyance of Parcel :25 to the County or its designated non-profit will fully satisfy Condition A of the D&O; Condition J of Ordinance 84-23; and Condition K of Ordinance 02-131.

12-29-15 Kona Vistas LLC deeds numerous lots to Kona Three and related entities.

9-29-17 FEMA adopts revised FIRM Maps substantially changing the volume of water flowing in the Holualoa Ditch, which is part of drainage improvements in parcel :25.

11-17 Kona Three LLC submits new CLOMR Application solely for drainage improvements within Parcel :25 based on revised FIRM data. If approved, then an SMA can be obtained and the required drainage improvements can be built regardless of the planned flood control improvements status mauka of Queen Ka'ahumanu Highway.

3-11-19 Kona Three presented an Eighth Amendment To Affordable Housing Agreement to move forward in anticipation of receiving the CLOMR on the Parcel :25.

10-31-19 OHCD letter to Kona Three concluding no Affordable Housing Agreement exists, and a new agreement must be developed and signed by Kona Three and the County. OHCD no longer believes the Parcel :25 agreement is in the best interest of the taxpayers as such an arrangement would allow Kona Three to build without any guaranty the third party (the 501-C-3 entity chosen by the County) will be able to develop affordable housing. This letter goes on to state Kona Three needs to fulfill AH obligations based on 10% of the completed 210 SFD (equal to 21 AH units) plus 20% of the planned MFD (90 AH units based on plans for 450 MFD). It also allows Kona Three to satisfy in whole or in part the AH obligations by purchasing excess affordable housing credits under HCC Chapter 11.

2020- Working with another Kona landowner and affordable housing developer Makani Maeva, Kona Three principals arranged a donation of 10 acres of land above Lowes HIW in Kona to Makani in return for payment from the Kona Three principals to the landowner. Makani Maeva agreed to convey 67 Affordable Housing Credits to Kona Three for use at Royal Vistas and Kona Vistas, and is moving forward with her new 100-unit affordable rental project "Kuakini Heights" on the 10 acres.

12-20-21 Makani Maeva submitted Assignment of 67 AH Credits to OHCD, which are designated to fulfill the AH obligations of Royal Vistas and Kona Vistas' 665 units.

1-25-22 AH Agreement recorded between County and Kona Three regarding existing AH Excess Credits fulfilling AH obligations for all 665 units.

3-22 County Councilperson for district raised objections to using AH Credits from Makani Maeva to fulfill AH obligations for Project. Makani Maeva and other landowner got nervous, as they needed 201h involving Councilperson vote.

5-9-22 OHCD sends new form of AH Assignment document to Makani Maeva, which has added requirements for Assignment. OHCD lost the Form already signed and submitted. Makani Maeva declines to sign, wanting to wait until Kuakini Heights 201-h obtained, Kuakini Heights built and Kuakini Heights AH Credits are issued, then use those credits for Kona Three. Kona Three continues to work with Makani Maeva.

7-26-23 Planning Department calls meeting with Kona Three regarding claim raised by project opponents that the D&O Condition A wording requires any affordable housing built per Condition A to be built on the Project lands themselves, precluding the use of off-site locations or AH credits to fulfill this obligation: "Petitioner shall provide housing opportunities for low and moderate income Hawaii residents prior to assigning or transferring) except by way of mortgage or assignment as security) its interest in the property, by offering for sale, on a preferential basis, on its own or in cooperation with either or both the Hawaii Housing Authority or the County of Hawaii ten percent (10%) of the lots or house and lots **to be developed on the subject property**, to residents of the State of Hawaii of low and moderate income as determined by the Hawaii Housing Authority or County of Hawaii from time to time." (Emphasis added). The County Planning Department and Office of Corporation Council feel that either the affordable housing has to be built on the MFD lands, or the D&O has to be changed. Counsellor Michael Matsukawa, Esq. for Kona Three LLC, disagrees with this opinion by Planning Department staff and Corporation Council, opining that a plain reading of this language applies to the total number of units planned for both Increment I and Increment II as the basis to which the ten percent (10%) factor is to be applied. Mr. Matsukawa also points out that the LUC has already endorsed the Gamlon/Gamrex AH as being built on Parcel :25, **which is off-site**, in its D&O for Increment II in 1993, an approval that remains in place by the LUC to this day, more than 30 years later. This matter will require clarification from the LUC.

9-18-23 Kuakini Heights, Makani Maeva's planned AH rental project for which Kona Three LLC has already tendered consideration, has their required public meeting in Kailua-Kona. This meeting is attended by a group of opponents to the Royal Vistas project, mainly residents of high-end neighborhoods near Royal Vistas project (Kuakini Heights is about two miles north of Royal Vistas and in a different District) . The opponents voice their strong opposition to the use of any Kuakini Heights AH credits for the Royal Vistas project.

11-14-23 LUC letter to Kona Three ordering Kona Three and the County of Hawaii to appear at the LUC hearing on February 7, 2024 to discuss the AH matter, the number of units thereof, and the overall unit density of the planned Project.

Summary re: Project Density.

May 3, 1983, LUDBA was submitted by Petitioner Gamlon in Docket No. A83-549 to LUC requesting approval to urbanize approximately 174 acres of land. Gamlon on page 4 of the application describes their intent to subdivide the property for single- and multi-family development, with approximately 500 residential unit of which 215 would be single-family and 285 would be multi-family units (Par. 3). The application also states "The multi-family residential dwellings would encompass approximately 69 acres at a planned density of RM-8.0 (1 units per 8,000sf of land area.)" [*This yields a unit count of $69 \times 43,560/8,000 = 376$ units*]. The application then states "multi-family density is estimated at approximately 4.4 units per acre – ". [*This yields a unit count of $68 \times 4.4 = 300$ units*].

It appears that the 500 total unit density was dictated by the availability of water from the Kona Source Agreement, and not by planning concerns or density issues relating to the 174 acres. Reference was made in the proceedings to another possible water source the Petitioner was working on. The LUDBA D&O was issued December 13, 1983, and two months later Petitioner submitted a Zoning Change request (copied to LUC) for zoning for a project with 215 SFD, but increasing the MFD unit count to 475, for a total of 690 units. This was made possible by Petitioner's acquisition of an additional 195 water credits from the Kealakekua Source Agreement (Red Hill JV), giving Petitioner a total of 695 water credits. Note that 690 units was still well within the Kona General Plan and Kona Regional Plan's density recommendations for this land at the time. The 690 figure of total units was sued in correspondence and Reports for many years thereafter, and no challenges were made to that number.

The 215 SFD was developed over the ensuing years, and Kona Three plans 450 MFD, for a total planned unit count on the project of 665 units, a slight reduction from the previous Gamlon plans. Kona Three has sufficient water credits, which are fully paid for.

Increment I - Four D&O Conditions, 1983:

- A. Petitioner shall provide housing opportunities for low and moderate income Hawaii residents prior to assigning or transferring (except by way of mortgage or assignment as security) its interest in the subject property, by offering for sale, on a preferential basis, on its own or in cooperation with either or both the Hawaii Housing Authority or the County of Hawaii, ten percent (10%) of the lots or house and lots to be developed on the subject property, to residents of the State of Hawaii of low and moderate family income as determined by the Hawaii Housing Authority or County of Hawaii from time to time. The preferential lots or houses and lots shall be offered for sale at prices not exceeding prices that enable such purchasers to qualify for and obtain state-assisted financing (i.e., Act 105 or Hula Mae) or federally-insured or assisted financing (i.e., FHA Section 245 program) intended to encourage home ownership by low- and moderate-income families; and
- B. In making the ultimate decision as to whether a historical or archaeological site is significant enough to warrant preservation, the Petitioner shall consult with and accept the decision of the Historic Preservation Officer of the Department of Land and Natural Resources; and
- C. Petitioner shall submit annual progress reports to the Commission, Department of Planning and Economic Development, and Hawaii County Planning Department as to its progress in satisfying these conditions; and
- D. These conditions may be fully or partially released by the Commission as to all or any portion of the subject properties upon timely motion and provision of adequate assurance of satisfaction of these conditions by the Petitioner.

Increment II - Six D&O Conditions, 1993:

1. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification.
2. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property.
3. Petitioner shall provide annual reports to the County of Hawaii Planning Department in connection with the status of the subject project and the Petitioner's progress in complying with the conditions imposed.

4. The Land Use Commission may fully or partially release these conditions as to all or any portions of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.
5. Petitioner shall record the conditions imposed by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92, Hawaii Administrative Rules.
6. Within 7 days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a Statement to the effect that the Property is subject to conditions imposed by the Land Use Commission in the reclassification of the Property, and (b) shall file a copy of such recorded statement with the Commission.

Note that in the 1993 D&O for Increment II, "Property" is defined as the entire 174 acres, so it is presumed that the six Conditions in Increment II D&O also apply to Increment I land.

Note also that there is no Condition in Increment II's D&O relating to Affordable Housing. It is presumed that the language in Condition A of Increment I "ten percent (10%) of the lots or house and lots to be developed on the subject property" covered both Increment I and II lands, and that since the obligation to provide AH was conditionally fulfilled at the time of the second Increment's redistricting, there was no need to add any AH Condition in the second D&O.

Finally, note that Condition 1 of the second D&O calls for Petitioner to develop the Property in substantial compliance with the representations made to the Commission. In the initial LUDBA submitted in mid-1983, the Petitioner represented that there would be 500 housing units (215 SFD plus 285MFD) and intimated there would be an HPA school campus. Starting in February of 1984 (and continuously since) the Petitioner has represented there would be between 665 units to 690 units total (215 SFD, balance MFD). Also, as noted several years ago in the Annual Report, HPA terminated their interest in the Project, and there will NOT be a school. This has freed up some additional acreage for the MFD, but does NOT increase the MFD unit count.

Summary re: Affordable Housing Density.

D&O Condition A calls for 10% of the total units to be built in the Project (Increment I + Increment II) to be built for low- and moderate-income users ("affordable housing") as determined by the Hawaii Housing Authority or County of Hawaii from time to time." In practice, this determination has been by the Office of Housing and Community Development ("OHCD"), the successor agency to the County Housing Agency.

Initially, the Petitioner proposed 50 units on about five acres of the MFD land (500 units x 10% requirement = 50 units). As various issues delayed the development of the MFD land (primarily drainage issues that remain to this day, as well as opposition to MFD by nearby homeowners), the Petitioner and the County agreed to the fulfillment of the AH obligation by the contribution of 12 acres of land (Parcel 25/TMK: 7-6-24:025) to the County, or the County designated 501-C-3 entity, in full satisfaction of LUC Condition A as well as the County zoning ordinance conditions. This Agreement was memorialized in an Affordable Housing Agreement dated December 7, 1992, which was formally accepted by the LUC as a specific finding in their D&O that resulted in the Urban Redistricting of Increment II.

This Housing Agreement gave credit for 67.24 Affordable Housing credits, allowing the Petitioner to develop up to 672 market units on the Petitioner's 174 acres. The fulfillment and satisfaction of this agreement was contingent on obtaining a Federal CLOMR and LOMR Permit from FEMA, and the

development of an on-site drainage channel on Parcel 25. The usable land area after completion of this channel was estimated at 9 acres.

Kona Three has obtained the CLOMR Permit, but has not developed the drainage channel as the County unilaterally terminated the Housing Agreement on October 31, 2019. Kona Three recently received a Proposal from well-known and respected affordable housing developer Gary Furuta to develop a high-density affordable rental project on the 9 acres, with a density exceeding 67 units, but Kona Three is unable to commit this site until the current affordable housing obligation is understood and agreed upon.

When the OHCD concluded there was no longer an affordable housing agreement between the County and Kona Three, and that Kona Three would need to negotiate a new Agreement with the County, they stated that Kona Three would need to satisfy 10% AH units for the 215 SFD already developed (in spite of the fact that Kona Three did NOT develop these properties); plus, would need to satisfy the MFD AH obligation with **20%** AH units. So based on Kona Three plans to build 450 MFD, the AH requirements would be $10\% \times 215 = 22$ units (rounded up) + $20\% \times 450 = 90$ units for a total of **112 AH units**.

The OHCD letter also allowed the use of AH Credits to fulfill the AH obligations of Increment I and Increment II. Working with another Kona landowner and affordable housing developer Makani Maeva, Kona Three principals arranged a donation of 10 acres of land above Lowes HIW in Kona to Makani Maeva's affordable housing development entity in return for payment from the Kona Three principals to the landowner. Makani Maeva agreed to convey 67 Affordable Housing Credits to Kona Three for use at Royal Vistas and Kona Vistas, and is moving forward with her new 100-unit affordable rental project "Kuakini Heights" on the 10 acres. The County and Kona Three signed a new Housing Agreement confirming that 67 Affordable Housing Credits would fulfill the AH obligations of the Kona Vistas/Royal Vistas project, and recorded said Agreement. However, a group of Royal Vistas opponents have objected to the use of Affordable Housing Credits from Makani Maeva to satisfy the AH obligations of Kona Vistas/Royal Vistas, placing this Agreement in jeopardy, since the Council needs to approve the Royal Vistas request for an extension of time for conditions in the zoning Ordinance, and it is anticipated the opponents will voice their objections.

As part of the zoning condition extension request, the Royal Vistas project is heading for a County Leeward Planning Commission hearing, and then will need to go to the County Council later this year for Approval. It is not uncommon for Councilmembers to change or add Conditions during the hearing process, and this could affect the density of AH. There is also the distinct possibility that the Councilmembers will not approve the zoning extension request, in which case there will not be any AH.

The question as to the density of AH required to fulfill Condition A is and remains fluid for now.

Summary re: Affordable Housing location

From 1983 until 1992 the planned location for the AH appears to have been Lot 1, a five-acre portion of the MFD land. In 1992, the Petitioner and the County agreed it would be off-site, on a 9-acre parcel of land (Parcel 25) off-site but nearby the Project. This location was approved by LUC in 1993. In 2019 the OHCD took the position the 1992 Agreement was null, and increased the AH density requirements from 67 to 112. It allowed for the increased unit count to be built on the Project lands; on Parcel :25, or Kona Three could utilize AH Credits. As discussed above, Kona Three utilized 67 Credits and signed and recorded an Agreement with the County as to that satisfaction, and negotiated an Agreement with the landowners of a 10-acre parcel above Lowes HIW that Makani Maeva is proceeding to plan and then develop 100 units of AH rentals on. However, this plan may be in jeopardy due to Royal Vistas opponents' objections to this solution.

In addition to the above problem, the County Planning Department staff and Corporation Counsel has responded to claims by Project opponents that the wording of Condition A requires the AH to be built on Royal Vistas MFD zoned land, and does not allow Credits to be used to satisfy the Condition, by asking Kona Three to either build the AH on the MFD land, or revise the LUBDA D&O.

The question as to the location of AH to fulfill Condition A is and remains fluid for now.

Richard Wheelock, Member of Kona Three LLC

1-28-24

POPULATION OF KAILUA AND HOLUALOA TRACTS THROUGH 9 DECADES

	<u>KAILUA</u>	<u>HOLUALOA</u>	<u>NOTABLE EVENTS</u>
1940	381	541	WWII ends in 1945. Recession starts.
1950	326	475	Kuakini Highway; 1st Kahalu'u well; Kawaihae deep draft harbor Kona Inn (Kailua) & Kona Hotel (Holualoa). Statehood.
1960	433	631	New airport; 3 add'l Kahalu'u wells; Keauhou Resort; sewer system for Kailua. LUC created. Hukilau; Seaside; King Kam; Keauhou Beach; Mauna Kea Beach Hotels. Kam III Rd.; commercial jets fly to Hawaii.
1970	365	531	Queen K Highway Kailua-Kawaihae; expansion of Kawaihae Harbor. Sewer system expanded. Kona Surf Hotel and Kona Lagoon Hotel at Keauhou.
1980	4,763	1,242	Queek K extended Kailua to Kuakini in lower Holualoa. Numerous high level wells developed. Ironman moves to Kona. Mauna Lani & Waikoloa Resorts started. Mauna Kea Resort expands.
1990	9,126	3,834	New sewer plant Honokohau, sewer lines extended down Alii Drive and up to Queen K at Kuakini Highway. High-level groundwater encountered in Keauhou, leading to 10 muni + 11 irrigation wells added. Kukio and Hualalai Resorts started.
2000	9,870	6,107	Kona Lagoon Hotel demolished; Kona Surf Hotel renovated and re-opened. Big Box stores and large retailers arrive.
2010	11,975	8,538	Queen Ka'ahumanu Highway widened airport to Kailua. Keauhou Beach Hotel demolished. Ane Keohokalole Highway built. Kohanaiki Resort started.
2020	11,975	9,688	Covid 19 arrived.

Notes: 1) Numbers for 1940 & 1950 from Territorial Census of Population, Vol. 1; Number of Inhabitants

2) 1960 & 1970 numbers for Holualoa extrapolated from Kailua population trendline.

3) All other numbers from State of Hawaii Data Book.



1-18-65

EKL- 7CC-160







 Boundary  Boundary



PROJECT INFORMATION

TMK (3) 7-6-021: 016	37.936 ACRES
TMK (3) 7-6-021: 017	29.760 ACRES

PROJECT UNIT COUNT MAKAI

TWO BEDROOM TWO BATH	122 UNITS
THREE BEDROOM TWO BATH	52 UNITS
RESIDENT MANAGER UNIT	1 UNIT
TOTAL UNITS MAKAI	175 UNITS

PROJECT UNIT COUNT MAUKA

TWO STORY BUILDINGS	10 BLDGS
THREE STORY BUILDINGS	39 BLDGS
RESIDENT MANAGER UNIT	1 UNIT
TOTAL UNITS MAUKA	275 UN

TOTAL UNITS MAUKA MAKAI 450 UN

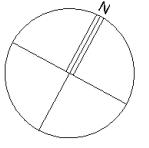
LEGEND

	FLOOD CHANNEL
	PARK
	TWO STORY BLDG TWO BEDROOM TWO BATH 2 UNITS IN EACH BUILDING
	TWO STORY BLDG THREE BEDROOM TWO BATH 2 UNITS IN EACH BUILDING
	TWO STORY BLDG 4 UNITS IN EACH BUILDING
	THREE STORY BLDG 6 UNITS IN EACH BUILDING

LEGEND

	PHASE 1 DEDICATED ROAD
	PHASE 2 DEDICATED ROAD

Master Plan



Scale 1" = 100' - 0"
9.30.20

"Conceptual"

Master Plan for Royal Vista

Kailua-Kona, North Kona, Island & County of Hawai'i



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A83-549 - GAMLON CORP.

Increment I 59,358 ac SFD
65,259 ac MFD

Increment II 43,893 ac SFD
5 ac MFD

