



WAILUA - KAPA'A  
NEIGHBORHOOD  
ASSOCIATION

February 23, 2015

County of Kauai Planning Commission  
4444 Rice Street  
Lihu'e, HI 96766

RE: Repair & Reconstruction of Coco Palms Resort SMA(U)-2015-6; PDU-2015-7; and  
Z-IV-2015-8

Dear Chair Anderson and Commissioners,

Since Hurricane Iniki, the community has waited for the Coco Palms Resort to become viable again but instead, property ownership has changed several times and tax write-offs or land banking with the intention of selling at a profit in the future may have occurred.

When permits are granted, performance is expected. The Wailua-Kapa'a Neighborhood Association (W-KNA) asks that the County impose permit conditions that mandate action if these entitlements are granted. The conditions must include timeframes and expiration dates. Permit extensions should be prohibited unless 50% of all construction has been completed. And, if an applicant is still seeking additional investors to secure sufficient funds to proceed, then coming before this Commission is premature.

W-KNA recommends that permit approvals be subject to the following conditions. Conditions marked with an asterisk (\*) are excerpted from the 2005 Coco Palms permits.

- 1) Demolition and removal of the buildings fronting Kuhio Highway shall commence within 6 months and be completed within 3 months of commencement.
- 2) The Applicant shall provide a performance guarantee (bond) equal to the contract cost of project demolition as a condition of issuance of the demolition permits.
- 3) State Historic Preservation Division (SHPD) requirements shall be resolved prior to any ground disturbing activities or construction on the project site. If the project layout needs to change or be modified as a result of complying with SHPD requirements, the Applicant shall submit the revised plans to the Planning Commission for its review and approval.
- 4) The Applicant shall petition the National Historic Preservation Office to include Queen Debora Kapule's fishponds (Weuweu-Kawai-iki Fishpond) in the National Register of Historic Places.
- 5) Prior to any land alteration, the applicant shall present the project to the Kaua'i Island Burial Council for its recommendations.

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- 6) Lessee shall fully comply with the State Lease No. S-4878 to maintain the historic coconut grove for public benefit for aesthetic, recreation and park purposes. Landscaping maintenance shall be initiated within 30 days and completed by 60 days after initiation.
- 7) The Applicant (Lessee) and its successors shall permit reasonable public access to the historic Wailua Coconut Grove for such use and activities as are allowed under the terms of the State of Hawaii lease. Such access shall be the same as that afforded to the hotel guests, consistent with reasonable and customary resort operations, policies and procedures.
- 8) The Applicant and its successors shall make every effort to save all coconut trees within the property and particularly in the State leased historic grove. Any coconut tree that is proposed to be removed shall be transplanted or replaced on a "one for one" basis as part of the landscaping for the project. \*
- 9) The Applicant shall work with the State Department of Transportation to establish a work schedule for employees of the resort project which staggers the work hours to reduce traffic impacts to Kuamo`o Road, Haleilio Road, and Kuhio Highway during peak a.m. and p.m. traffic hours. \*
- 10) With State Department of Transportation guidance, the Applicant shall develop and implement safety enhancements for pedestrians using the Kuhio Highway crosswalks between the hotel, Wailua Beach and the Seashell Restaurant.
- 11) To ensure that the resort preserves the unique visual character and charm of the former hotel, the Applicant shall submit building design review, landscaping plans, and color scheme to the Planning Commission for review and approval prior to building permit application.
- 12) The Applicant shall adhere to the 2005 permit conditions (at minimum) for the Seashell Restaurant:
  - a. The hours of operation are limited to 8:00 a.m. to 10:00 p.m. and the restaurant will be cleared and staff ready to leave the restaurant at 10:00 p.m.;
  - b. There shall be no nightclub and/or cabaret use allowed on the Seashell Restaurant property;
  - c. No food service deliveries shall be made before 7:30 a.m.; and
  - d. Trash pickup shall not occur before 8:00 a.m.
- 13) As Open zone uses serve to preserve land that is of significant value to the public as scenic, for aesthetic purposes or as a recreational resource, the following are required:
  - a. The Applicant and its successors shall permit reasonable public use of the Open District luau facility and grounds when the hotel luau activities are not underway.
  - b. A Memorandum of Agreement (MOA) with policies and procedures affording the public reasonable use in perpetuity shall be drafted for Commission approval. The MOA will include a list of allowable uses compiled from community input gathered at the applicant-hosted public meetings, to help ensure that activities in the Open District will provide public benefit in perpetuity, and not serve solely as a resort amenity.

- 14) The Applicant shall provide annual status reports to the Planning Commission beginning from one year from the date of this approval. The reports shall provide project status and progress towards project completion and compliance with conditions of approval. Annual reports shall be provided until completion of the project and compliance with all conditions of approval. \*

Finally, we suggest that the permits “shall not run with the land” in order to discourage the sale or transfer of the Coco Palms property. The county’s bias for the principle that use permits “run with the land” is questionable since the CZO provides only three explicit circumstances for this.<sup>1</sup>

Planning Commissioners have the opportunity to reverse the dismal post-Iniki track record of the Coco Palms property by imposing conditions requiring that action is taken within specific timeframes once permit entitlements are granted. Thank you for your consideration.

Sincerely,



Rayne Regush, Chair  
On behalf of the W-KNA Board of Directors

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<sup>1</sup> CZO November 2012 Update: a) Sec. 8-10.6 Joint Development of Two or More Abutting Lot (page 98); b) new structure or activity permitted in the shoreline setback area (page 150); and c) requirements for substantial construction and completion for any non-minor structures or activities allowed within the shoreline setback area and any structures outside the shoreline setback area based on the shoreline setback line (page 152).