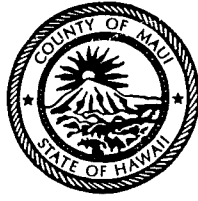


LINDA CROCKETT LINGLE  
Mayor



DAVID W. BLANE  
Director

GWEN OHASHI HIRAGA  
Deputy Director

**COUNTY OF MAUI  
PLANNING DEPARTMENT**  
250 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793

February 25, 1997

B. Martin Luna, Esq.  
Carlsmith Ball Wichman Case & Ichiki  
2200 Main Street, Suite 400  
Waituku, Maui, Hawaii 96793

MAR 13 9 37 AM '97  
LAND USE COMMISSION  
STATE OF HAWAII

Dear Mr. Luna:

**RE: Annual Report for LUC Docket No. A94-706/Kaonoulu Ranch**

Please be advised that we have reviewed the annual report for LUC Docket No. A94-706, dated February 10, 1997, and find that the annual report is satisfactory and hereby approved. The annual report accurately reflects the land use issues as it relates to permitting for the industrial subdivision project. The final subdivision approval is subject to a submittal of a final report.

If further clarification is necessary, please contact Mr. Charles Villalon of this office at 243-7735.

Very truly yours,

*Gwen Ohashi Hiraga*  
for DAVID W. BLANE  
Planning Director

DWB:CV:ghk  
Enclosures

cc: Gwen Hiraga - Planning Department Deputy Director  
Clayton Yoshida - Planning Program Manager  
Charles Villalon - Zoning Inspector  
LUCA (3 copies w/ enclosures)  
CZM File  
Project File  
General File  
G:\PLANNING\ALL\CHARLEY\KULURANH.WPD

1002  
BENJAMIN J. CAYETANO  
GOVERNOR



ESTHER UEDA  
EXECUTIVE OFFICER

'97 FEB 11 12:38

STATE OF HAWAII  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
LAND USE COMMISSION

P.O. Box 2359  
Honolulu, HI 96804-2359  
Telephone: 808-587-3822  
Fax: 808-587-3827

February 10, 1997

B. Martin Luna, Esq.  
Carlsmith Ball Wichman  
Case & Ichiki  
P. O. Box 1086  
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of 1997 Annual Report for LUC Docket No. A94-706/Kaonoulu Ranch

This letter is to acknowledge receipt of the 1997 annual report for the subject docket as transmitted by your letter dated February 5, 1997. The copies of the annual report that were provided have been forwarded to the Commission members for their information.

Please note that we have requested the Office of Planning and the County of Maui Planning Department to review and comment on the annual report. Any comments that they may have will be provided to you.

Thank you for your cooperation in this annual reporting requirement to the Commission.

If you have any questions in regards to this matter, please feel free to contact me or Leo Asuncion of my staff at 587-3822.

Sincerely,

ESTHER UEDA  
Executive Officer

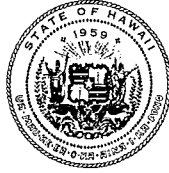
EU:th

cc: County of Maui Planning Dept.  
Office of Planning

MAR 13 9 38 AM '97  
LAND USE COMMISSION  
STATE OF HAWAII

1069

BENJAMIN J. CAYETANO  
GOVERNOR



ESTHER UEDA  
EXECUTIVE OFFICER

'97 FEB 11 P12:38

DEPT. OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
RECEIVED

STATE OF HAWAII  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LAND USE COMMISSION

P.O. Box 2359  
Honolulu, HI 96804-2359  
Telephone: 808-587-3822  
Fax: 808-587-3827

February 10, 1997

Mr. David W. Blane  
Director of Planning  
Planning Department  
County of Maui  
250 S. High Street  
Wailuku, Hawaii 96793

Dear Mr. Blane:

Subject: LUC Docket No. A94-706/Kaonoulu Ranch

On February 6, 1997, the Land Use Commission received Petitioner Kaonoulu Ranch's 1997 annual report filed pursuant to Condition No. 17 of the Findings of Fact, Conclusions of Law, and Decision and Order filed on February 10, 1995 for the above-referenced docket. As required by said conditions, we understand that the Office of Planning and the respective County Planning Department have been served with a copy of the annual report.

We request your assistance in reviewing the 1997 annual report and advise us whether the representations made by the Petitioner regarding the Petitioner's compliance with conditions affecting the County are accurate, and provide any comments in regards to concerns that the County may have on Petitioner's compliance with conditions.

The Office of Planning has been requested to review the annual report in regards to State agencies.

We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by April 11, 1997.

If you have any questions in regards to this matter, please feel free to contact me or Leo Asuncion of my staff at 587-3822. Thank you for your anticipated cooperation in this matter.

Sincerely,

ESTHER UEDA  
Executive Officer

EU:th

MAR 13 9 38 AM '97  
LAND USE COMMISSION  
STATE OF HAWAII

# Planning Department

Current Division

## Planner Routing Form

Printed: 07-Feb-97

---

Log Number:	XXXXXXXX	Applicant:	B. Martin Luna
Planner:	CXV Charlie Villalon	Project Name:	Kaonoulu Ranch
Tax Map Key:	2-2-002:015	Project Description:	Annual Report
Location:	WA Wailuku		

---

Retrieve File for Planner: NO

### Permits Required

Type		Number
a. LTR	Letter	NONE
b. XXX	None Assigned	NONE
c. XXX	None Assigned	NONE

### Schedule

Date Assigned 2/6/97  
Complete by:  
More Info Req.  
More Info Rec.  
Sent to Agency  
Due from Agency  
Application Complete  
To Planning Comm.  
To County Council  
Complete:

2/21/97  
The annual report accurately reflects  
the ~~county's~~ land use issues as it relates  
to permits for the industrial subdivision  
project - etc.

LAND USE COMMISSION  
STATE OF HAWAII  
MAR 13 9 38 AM '97

Comments: No. 3907

Of Counsel:  
CARLSMITH BALL WICHMAN  
CASE & ICHIKI

'97 FEB -5 P3:45

B. MARTIN LUNA 865  
GRANT Y. M. CHUN 4212  
2200 Main Street, Suite 400  
Wailuku, Maui, Hawaii 96793

DEPT OF LAND AND NATURAL RESOURCES  
OFFICE OF THE ATTORNEY GENERAL

Attorneys for Petitioner Kaonoulu Ranch

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

In the Matter of the Petition of )  
 )  
 KAONOULU RANCH )  
 )  
 To Amend the Agricultural Land Use )  
 District Boundary into the Urban )  
 Land Use District for )  
 approximately 88 acres at )  
 Kaonoulu, Makawao-Wailuku, )  
 Maui, Hawaii; Tax Map Key Nos. )  
 2-2-02:por. of 15 and 3-9-01:16 )  
 \_\_\_\_\_ )

Docket No. A94-706

MAR 13 9 38 AM '97  
LAND USE COMMISSION  
STATE OF HAWAII

SECOND ANNUAL REPORT OF KAONOULU RANCH

AND

CERTIFICATE OF SERVICE



STATE OF HAWAII  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

LAND USE COMMISSION

P.O. Box 2359  
Honolulu, HI 96804-2359  
Telephone: 808-587-3822  
Fax: 808-587-3827

February 10, 1997

B. Martin Luna, Esq.  
Carlsmith Ball Wichman  
Case & Ichiki  
P. O. Box 1086  
Wailuku, Hawaii 96793-1086

Dear Mr. Luna:

Subject: Filing of 1997 Annual Report for LUC Docket No.  
A94-706/Kaonoulu Ranch

This letter is to acknowledge receipt of the 1997 annual report for the subject docket as transmitted by your letter dated February 5, 1997. The copies of the annual report that were provided have been forwarded to the Commission members for their information.

Please note that we have requested the Office of Planning and the County of Maui Planning Department to review and comment on the annual report. Any comments that they may have will be provided to you.

Thank you for your cooperation in this annual reporting requirement to the Commission.

If you have any questions in regards to this matter, please feel free to contact me or Leo Asuncion of my staff at 587-3822.

Sincerely,

ESTHER UEDA  
Executive Officer

EU:th

cc: County of Maui Planning Dept.  
Office of Planning



STATE OF HAWAII  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
LAND USE COMMISSION

P.O. Box 2359  
Honolulu, HI 96804-2359  
Telephone: 808-587-3822  
Fax: 808-587-3827

February 10, 1997

Mr. Rick Egged, Director  
Office of Planning  
State Capitol, 4th Floor  
Honolulu, HI 96813

Dear Mr. Egged:

Subject: LUC Docket No. A94-706/Kaonoulu Ranch

On February 6, 1997, the Land Use Commission received Petitioner Kaonoulu Ranch's 1997 annual report filed pursuant to Condition No. 17 of the Findings of Fact, Conclusions of Law, and Decision and Order filed on February 10, 1995 for the above-referenced docket. As required by said conditions, we understand that the Office of Planning and the respective County Planning Department has been served with a copy of the annual report.

We request your assistance in reviewing the 1997 annual report and advise us whether the representations made by the Petitioner regarding the Petitioner's compliance with conditions affecting the State are accurate, and provide any comments in regards to concerns that the State may have on Petitioner's compliance with conditions.

The County of Maui Planning Department has been requested to review the annual report in regards to County agencies.

We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by April 11, 1997.

If you have any questions in regards to this matter, please feel free to contact me or Leo Asuncion of my staff at 587-3822. Thank you for your anticipated cooperation in this matter.

Sincerely,

ESTHER UEDA  
Executive Officer

EU:th



**STATE OF HAWAII**  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
**LAND USE COMMISSION**

P.O. Box 2359  
Honolulu, HI 96804-2359  
Telephone: 808-587-3822  
Fax: 808-587-3827

February 10, 1997

Mr. David W. Blane  
Director of Planning  
Planning Department  
County of Maui  
250 S. High Street  
Wailuku, Hawaii 96793

Dear Mr. Blane:

Subject: LUC Docket No. A94-706/Kaonoulu Ranch

On February 6, 1997, the Land Use Commission received Petitioner Kaonoulu Ranch's 1997 annual report filed pursuant to Condition No. 17 of the Findings of Fact, Conclusions of Law, and Decision and Order filed on February 10, 1995 for the above-referenced docket. As required by said conditions, we understand that the Office of Planning and the respective County Planning Department have been served with a copy of the annual report.

We request your assistance in reviewing the 1997 annual report and advise us whether the representations made by the Petitioner regarding the Petitioner's compliance with conditions affecting the County are accurate, and provide any comments in regards to concerns that the County may have on Petitioner's compliance with conditions.

The Office of Planning has been requested to review the annual report in regards to State agencies.

We request that any comments that your agency may have be submitted to our office with a copy to the Petitioner by April 11, 1997.

If you have any questions in regards to this matter, please feel free to contact me or Leo Asuncion of my staff at 587-3822. Thank you for your anticipated cooperation in this matter.

Sincerely,

ESTHER UEDA  
Executive Officer

EU:th



CARLSMITH BALL WICHMAN CASE & ICHIKI

ATTORNEYS AT LAW  
A PARTNERSHIP INCLUDING LAW CORPORATIONS  
ONE MAIN PLAZA  
SUITE 400, 2200 MAIN STREET  
POST OFFICE BOX 1086  
WAILUKU, MAUI, HAWAII 96793-1086

TELEPHONE (808) 242-4535  
FAX (808) 244-4974

February 5, 1997

Ms. Esther Ueda  
Executive Officer  
Land Use Commission  
State of Hawaii  
P. O. Box 2359  
Honolulu, Hawaii 96804

LAND USE COMMISSION  
STATE OF HAWAII  
FEB 6 9 35 AM '97

Re: Petition for Land Use Commission District Boundary Amendment  
for Property situated at Kaonoulu, Makawao-Wailuku, Maui,  
Hawaii; Tax Map Key Nos. 2-2-02:por. of 15 and 3-9-01:16; LUC  
Docket No. A94-706

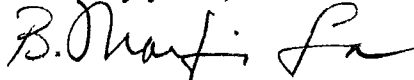
Dear Ms. Ueda:

On behalf of Kaonoulu Ranch, Petitioner in the above-referenced matter, we hereby submit its Second Annual Report (original and thirteen copies).

We would appreciate receiving a file stamped copy of the above for our files. Enclosed is a self-addressed envelope for your use.

Thank you for your consideration and assistance in this matter.

Sincerely yours,



B. Martin Luna

BML:mea  
5005167.1.013212-3

Enclosure

cc: Mr. Henry Rice

ORIGINAL

Of Counsel:  
CARLSMITH BALL WICHMAN  
CASE & ICHIKI

B. MARTIN LUNA            865  
GRANT Y. M. CHUN        4212  
2200 Main Street, Suite 400  
Wailuku, Maui, Hawaii 96793

Attorneys for Petitioner Kaonoulu Ranch

BEFORE THE LAND USE COMMISSION

OF THE STATE OF HAWAII

LAND USE COMMISSION  
STATE OF HAWAII  
FEB 6 9 36 AM '97

In the Matter of the Petition of	)	
	)	Docket No. A94-706
KAONOULU RANCH	)	
	)	
To Amend the Agricultural Land Use	)	
District Boundary into the Urban	)	
Land Use District for	)	
approximately 88 acres at	)	
Kaonoulu, Makawao-Wailuku,	)	
Maui, Hawaii; Tax Map Key Nos.	)	
2-2-02:por. of 15 and 3-9-01:16	)	
_____	)	

SECOND ANNUAL REPORT OF KAONOULU RANCH

AND

CERTIFICATE OF SERVICE

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
 ) Docket No. A94-706  
 KAONOULU RANCH )  
 )  
 To Amend the Agricultural Land Use )  
 District Boundary into the Urban )  
 Land Use District for )  
 approximately 88 acres at )  
 Kaonoulu, Makawao-Wailuku, )  
 Maui, Hawaii; Tax Map Key Nos. )  
 2-2-02:por. of 15 and 3-9-01:16 )  
 \_\_\_\_\_ )

SECOND ANNUAL REPORT OF KAONOULU RANCH

TO THE HONORABLE LAND USE COMMISSION OF THE STATE OF HAWAII:

COMES NOW KAONOULU RANCH, a Hawaii limited partnership,  
Petitioner herein, and pursuant to Condition No. 17 of the Findings of Fact,  
Conclusions of Law, and Decision and Order issued on February 10, 1995, hereby  
submits its second annual report of compliance with the conditions established by said  
approval as follows:

General Progress of the Project

On September 9, 1993, the Maui Planning Commission recommended to  
the Maui Council to designate 88 acres of the Petitioner's property as "Light Industrial"  
on the Kihei-Makena Community Plan. Based on information received on or about

May 1994 that the Maui County Council may be processing the Kihei-Makena Community Plan some time in August or September of 1994, Petitioner filed a request for Change in Zoning with the County of Maui on July 13, 1994. Thereafter, Petitioner was informed by the Maui County Planning Department that it would be unable to process the Change in Zoning until the Kihei-Makena Community Plan has been adopted by the Council or a Community Plan Amendment is filed by Petitioner to be considered concurrently with the Change in Zoning request. Petitioner, in reliance of information received, understood that the processing of the proposed Kihei-Makena Community Plan by the County Council was imminent and therefore decided not to submit a separate application for the Community Plan Amendment.

As stated in the first annual report, the Kihei-Makena Community Plan workshop was scheduled for April 10 and 11, 1996, later rescheduled to April 15 and 16, 1996, then canceled. The reason for the cancellation was in part due to the heavy schedule the Council was experiencing with other important matters. Another reason for the delay was that the Makawao-Pukalani-Kula Community Plan, which was still in committee, had not progressed as anticipated, and the Council members were reluctant to have two community plans in committee concurrently. A further workshop was scheduled to be held in May 1996, but it was postponed. As of June 1996, the Makawao-Pukalani-Kula Community Plan was close to receiving final approval by the Maui County Council.

Hence, the workshops on the Kihei-Makena Community Plan were held on June 20 and 27, 1996 to allow the Council Planning Committee to discuss the plan with the Kihei Citizens Advisory Committee. Thereafter, the Council Planning Committee scheduled a public hearing on August 8, 1996 to obtain comments from the community. This hearing was rescheduled to August 22. No action was taken at this hearing. A site inspection of the property was also conducted by the Council Planning Committee on August 22, 1996.

The Council Planning Committee scheduled another workshop on September 16, 1996, then postponed it to October 14, 1996. Said meeting was also postponed. The main reason for the postponement was due to the primary elections in September and then the general elections in November.

A scoping meeting of the Council Planning Committee was held on February 4, 1997, with a follow up informational meeting scheduled for February 14, 1997. The present timetable for any decision making by the committee is March 1997 at the earliest. Based on past experiences in adopting community plans, the estimated time for completion of the Kihei-Makena Community Plan at this stage is four to five months. Once the Community Plan is adopted by the Council, the Petitioner may thereafter apply for a Change in Zoning.

Petitioner intends to resubmit its application for Change in Zoning as soon as the Kihei-Makena Community Plan is adopted.

Report on Compliance with Conditions Imposed by Commission

Due to unforeseen circumstances, the Petitioner has been unable to progress in processing its Change in Zoning application. The following states whether the conditions in the approval have been met:

1. The Petitioner shall obtain a Community Plan Amendment and Change in Zoning from the County of Maui.

Petitioner was unable to obtain a Change in Zoning of its property because the Maui County Council has not yet adopted the Kihei-Makena Community Plan as recommended by the Planning Department to designate the property to "Light Industrial".

2. Petitioner shall cooperate with the State Department of Health and the County of Maui Department of Public Works and Waste Management to conform to the program goals and objectives of the Integrated Solid Waste Management Act, Chapter 342G, Hawaii Revised Statutes.

Petitioner intends to cooperate with the State Department of Health and the Department of Public Works and Waste Management.

3. Petitioner shall contribute its pro-rata share to fund and construct adequate wastewater treatment, transmission and disposal facilities, as determined by the State Department of Health and the County of Maui Department of Public Works and Waste Management.

Petitioner understands its obligation to contribute its pro-rata share to fund and construct adequate wastewater treatment, transmission and disposal facilities.

4. Petitioner shall fund and construct adequate civil defense measures as determined by the State and County Civil Defense agencies.

Petitioner understands its obligation to fund and construct adequate civil defense measures.

5. Petitioner shall fund, design and construct necessary local and regional roadway improvements necessitated by the proposed development in designs and schedules accepted by the State Department of Transportation and the County of Maui. Petitioner shall provide traffic signals at the intersection of Piilani Highway and Kaonoulu Street, and shall submit a warrant study in coordination with the Department of Transportation. Petitioner shall also install a fence and appropriate screening, i.e. landscaping, etc., along the highway right-of-way in coordination with the State Department of Transportation. Petitioner shall provide for a frontage road parallel to Piilani Highway and other connector roads within the Petition area, in coordination with other developments in the area with the review and approval of the State Department of Transportation and the County of Maui.

Petitioner understands its obligation to comply with this condition.

6. Petitioner shall fund and construct adequate potable and non-potable water source, storage, and transmission facilities and improvements to

accommodate the proposed project. Water transmission facilities and improvements shall be coordinated and approved by the appropriate State and County agencies.

Petitioner understands its obligation to fund and construct adequate potable and non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project.

7. Petitioner shall participate in an air quality monitoring program as determined by the State Department of Health.

Petitioner intends to participate in an air quality monitoring program if required by the Department of Health.

8. Petitioner shall fund the design and construction of its pro-rata share of drainage improvements required as a result of the development of the Property, including oil water separators and other filters as appropriate, and other best management practices as necessary to minimize non-point source pollution into Kulanihakoi Gulch, in coordination with appropriate state and county agencies, such as the following:

a. All cleaning, repairs and maintenance of equipment involving the use of industrial liquids, such as gasoline, diesel, solvent, motor oil, hydraulic oil, gear oil, brake fluid, acidic or caustic liquids, antifreeze, detergents, degreasers, etc., shall be conducted on a concrete floor, where roofed or unroofed. The concrete floor shall be constructed so as to be able to contain any drips or spills and to provide for the



recovery of any spilled liquid. Water drainage from these concrete floors, if necessary, shall pass through a separator sump before being discharged.

The Petitioner understands its obligation to comply with this condition.

b. All employees shall be instructed to immediately collect and contain any industrial liquid spills on the concrete floor and should be informed against discharging or spilling any industrial liquids. Employees shall be instructed to prevent any industrial liquid spills onto the bare ground.

The Petitioner understands its obligation to comply with this condition.

c. Barrels for the temporary storage of used oil or other industrial liquids shall be kept on a concrete surface. The surface shall be bermed to prevent the loss of liquid in the event of spills or leaks. The barrels shall be sealed and kept under shelter from the rain. (The Department of Labor and Industrial Relations' Occupational Safety and Health regulations, sections titled, "Housekeeping Standards" and "Storage of Flammable or Combustible Liquids," shall be followed, along with the local fire code.)

The Petitioner understands its obligation to comply with this condition.

9. Should any human burials or any historic artifacts, charcoal deposits, or stone platforms, pavings or walls be founds, the Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation District. The significance of these finds shall then be determined and approved by the Division, and

an acceptable mitigation plan shall be approved by the Division. The Division must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, Hawaii Revised Statutes.

The Petitioner understands its obligation to comply with this condition.

10. A long term preservation plan for the petroglyph stone (Site 50-10-3746) that was removed from the project area shall be reviewed and approved by the State Historic Preservation Division. Long term preservation measures shall be implemented within 60 days after final approval of the preservation plan.

The Petitioner understands its obligation to comply with this condition.

11. Petitioner shall contribute its pro-rata share to a nearshore water quality monitoring program as determined by the State Department of Health and the State Division of Aquatic Resources, Department of Land and Natural Resources.

Petitioner understands its obligation to contribute its pro-rata share to a nearshore water quality monitoring program as it is determined.

12. Petitioner shall implement effective soil erosion and dust control methods during construction in compliance with the rules and regulations of the State Department of Health and the County of Maui.

Petitioner understands its obligation to implement effective soil erosion and dust control methods during construction.

13. Petitioner shall create a buffer zone between lands designated as SF (Single-Family) by the County's Kihei-Makena Community Plan and industrial uses on the Property to mitigate impacts between future residential activities and the proposed industrial development.

The Petitioner understands its obligation to comply with this condition.

14. In the event Petitioner sells its interest in the Project, Petitioner shall subject the Property to deed restrictions to run with the land which shall require the successors and assigns to comply with the terms and conditions set forth in the Commission's Decision and Order.

Petitioner has not sold its interest in the Project, and understands its obligation to comply with this condition.

15. 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.

Petitioner understands its obligation to comply with this condition.

16. 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.

The Petitioner understands its obligation to comply with this condition.

17. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of State Planning, and the County of Maui Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall include written documentation from each State and County agency responsible, indicating that the terms of the condition(s) are progressing satisfactorily or have been completed to the satisfaction of the agency. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Petitioner understands its obligation to comply with this condition, and submits this annual report in compliance therewith.

18. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.

Petitioner has recorded a Notice of Imposition of Conditions with the Bureau of Conveyances of the State of Hawaii pursuant to Section 15-15-92 Hawaii Administrative Rules.

19. Within seven (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 that the Property is subject to conditions imposed

herein by the Land Use Commission in the reclassification of the Property; and (b) shall file a copy of such recorded statement with the Commission.

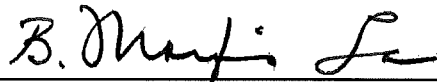
Petitioner has recorded a Document Listing Conditions to Reclassification of Land with the Bureau of Conveyances of the State of Hawaii and has filed a copy of the recorded document with the Commission.

20. The Commission may fully or partially release the conditions provided herein 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 Petitioner understands that the Commission may fully or partially release the conditions provided herein.

As stated above, the responses to Conditions 1 to 20 of the first annual report are still correct and remain unchanged. Efforts to comply with these conditions shall begin after the community plan amendment is approved.

Dated: Wailuku, Hawaii, February 5, 1997.



---

B. Martin Luna  
Attorney for KAONOULU RANCH

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, or by hand delivery, on February 5, 1997, addressed to:

RICK EGGED, Director  
Office of State Planning  
State of Hawaii  
P. O. Box 3540  
Honolulu, Hawaii 96811-3540

BY MAIL

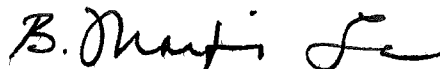
ABE MITSUDA, Administrator  
Land Use Division  
Office of State Planning  
State of Hawaii  
P. O. Box 3540  
Honolulu, Hawaii 96811-3540

BY MAIL

DAVID W. BLANE, Director  
Planning Department  
County of Maui  
250 South High Street  
Wailuku, Maui, Hawaii 96793

BY HAND DELIVERY

Dated: Wailuku, Hawaii, February 5, 1997.



---

B. Martin Luna  
Attorney for Petitioner KAONOULU  
RANCH