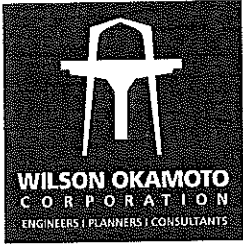


7210-03
February 21, 2012



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Artesian Plaza, Suite 400
Honolulu, Hawaii, 96826 USA
Phone: 808-946-2277
FAX: 808-946-2253
www.wilsonokamoto.com

Mr. Orlando "Dan" Davidson, Executive Officer
State Land Use Commission
Department of Business, Economic Development & Tourism
P.O. Box 2359
Honolulu, Hawaii 96804-2359

LAND USE COMMISSION
STATE OF HAWAII
2012 FEB 23 P 7:06

Subject: **2012 Annual Report**
Land Use Commission Docket A05-758
Pupukea Ridge Preservation Project
Tax Map Key: 5-9-23: 001; 5-9-24: 001, and 6-1-02: 022

Dear Mr. Davidson:

In accordance with Condition No. 8 of the "Findings of Fact, Conclusions of Law, and Decision and Order" for the subject project granted by the State Land Use Commission (LUC) on April 24, 2006, transmitted herewith is a report on the progress and status of the project and compliance with the conditions of the Stand Land Use Boundary Amendment. The status of the conditions imposed from the April 21, 2006 approval is as follows:

1. ***Conveyance of Lands for a State Park Reserve.*** *Petitioner shall, upon receiving all necessary entitlements and governmental approvals, proceed with the consolidation, re-subdivision, and conveyance of approximately 79.031 acres of land, which shall include Petition Area A and adjacent Conservation District land, to the DLNR for a State Park Reserve, to be kept in perpetuity for the public good in maintenance and preservation of the view planes, open space, recreational values, and the cultural, historical, and natural qualities of Pupukea Ridge.*

The Petitioner, A Charitable Foundation (ACF), is continuing to obtain the necessary approvals needed to consolidate and re-subdivide the subject lands to be conveyed.

A Conservation District Use Application for the consolidation and subdivision of property was accepted by the Office of Conservation and Coastal Lands (OCCL) on May 6, 2011 and approved on August 11, 2011 (CDUP OA-3591, see Attachment A).

A Subdivision Application was submitted to the City & County of Honolulu Department of Planning and Permitting (DPP) on December 19, 2011. The application (2011/SUB-161) was deferred pending submissions of additional information. ACF is in the process of obtaining additional information, which will be submitted to DPP.

7210-03

Letter to Mr. Orlando "Dan" Davidson, Executive Director

Page 2 of 4

February 21, 2012



2. ***Farm Dwelling.*** *Farm dwelling(s) on Petition Area B, if any, shall be consistent with the DOH's sewage disposal rules and regulations. Any single-family dwelling on the lot shall be a single-family dwelling located on and used in connection with a farm or where agricultural activity provides income to the family occupying the dwelling.*

The Petitioner will comply with this condition in the event that any farm dwellings are proposed for development.

3. ***Agricultural Uses.*** *Any future use of the retained 15.144 acres of land, which include Petition Area B, shall be consistent with City and County zoning, and Petitioner or any future owner shall not subdivide the retained 15.144 acres into more than two zoning or subdivided lots.*

The Petitioner intends to subdivide the agricultural land portion into two separate lots with road lot access to comply with this condition. Any future use of the retained 15.144 acres of land will be consistent with the City and County zoning and will not be subdivided into more than two lots.

4. ***Maintenance of Trail System.*** *With the approval of DLNR, Petitioner shall be responsible for maintaining the existing trail system as currently configured in Petition Area A and the adjacent Conservation District land at its own cost following the conveyance of Petition Area A and the adjacent Conservation District land to the DLNR until such time as the DLNR decides to accept responsibility for the maintenance, or ten years from the date of this Decision and Order, whichever occurs first.*

ACF is maintaining the existing trail system with assistance from Happy Trails, a horseback riding operation. ACF will continue to maintain the trails for ten years from the date of the Decision and Order or until such a time as the DLNR decides to accept responsibility for the maintenance.

5. ***Previously Unidentified Burial/Archaeological/Historic Sites.*** *Without any limitation to any other condition found herein, if any burials or archaeological or historic sites, such as artifacts, marine shell concentrations charcoal deposits, stone platforms, pavings, and walls not previously identified in studies referred to herein, are discovered during the course of development of the Petition Areas, then all development activity in the vicinity of the discovery shall stop until the issuance of an archaeological clearance from the SHPD that mitigation measures have been implemented to its satisfaction.*

7210-03

Letter to Mr. Orlando "Dan" Davidson, Executive Director

Page 3 of 4

February 21, 2012



This condition is acknowledged and will be complied with should such situations occur. If any burial, archaeological, or historic sites are discovered during the course of development of the area, all development activity will stop until the issuance of an archaeological clearance from the State Historic Preservation Division.

6. ***Compliance with Representations to the Commission.*** *Petitioner shall comply with the representations made to the Commission. Failure to so comply may result in reversion of the Petition Areas to their former classification, or change to a more appropriate classification.*

ACF will comply with the representations made to the Commission.

7. ***Notice of Change to Ownership Interest.*** *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 Petition Areas, prior to any development of the Petition Areas.*

The condition is acknowledged and will be complied with should this situation arise.

8. ***Annual Reports.*** *Petitioner shall timely provide without any prior notice, annual reports to the Commission, the OP, and the DPP in connection with the status of the Petition Areas and the Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.*

This report constitutes the annual report submittal for the year 2012. A copy of this annual report will be sent to the Office of Planning and the City and County of Honolulu Department of Planning & Permitting.

9. ***Release of Conditions Imposed by the Commission.*** *The Commission may fully or partially release the conditions provided herein as to all or any portion of the Petition Areas upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.*

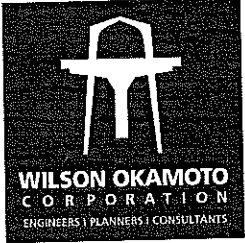
Acknowledged.

7210-03

Letter to Mr. Orlando "Dan" Davidson, Executive Director

Page 4 of 4

February 21, 2012



10. Recording of Conditions. Within seven days of the issuance of the Commissioner's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Petition Areas are subject to conditions imposed herein by the Commission in the reclassification of the Petition Areas, and (b) shall file a copy of such recorded statement with the Commission.

A statement that the Petition areas are subject to conditions imposed by the Commission, along with the Commission's Decision and Order, were recorded with the Bureau of Conveyances on June 7, 2006, and a copy of the recorded statement was filed with the Commission.

11. Recording of Conditions. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to section 15-15-92, HAR.

The Commission's Decision and Order was recorded with the Bureau of Conveyances on June 7, 2006.

Please feel free to call me if you should have any questions regarding the status of any of the items above.

Sincerely,



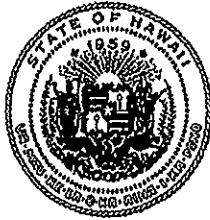
Tracy Fukuda
Project Manager

Attachment

cc: Mr. Dave Druz, A Charitable Foundation
Mr. Jesse K. Souki, Office of State Planning
Mr. David Tanoue, Department of Planning and Permitting
Mr. Curtis Tabata, Matsubara & Kotake Attorneys at Law

ATTACHMENT A
Conservation District Use Permit (CDUP OA-3591)
Approved on August 11, 2011

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



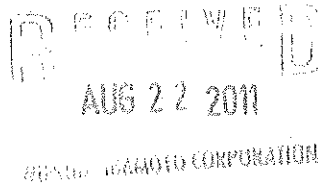
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
OFFICE OF CONSERVATION AND COASTAL LANDS
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

1110 03
WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT
GUY H. KAULUKOKUI
FIRST DEPUTY
WILLIAM M. TAM
DEPUTY DIRECTOR - WATER
AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONSERVATION
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIKOLA WAHAI ISLAND RESERVE COMMISSION
LAND
STATE PARKS

REF.:OCCL:TM

CDUP: OA-3591

Tracy Fukuda, Project Manager
Wilson Okamoto Corp.
1907 South Beretania St
Artesian Plaza, Suite 400
Honolulu, HI 96826



AUG 12 2011

SUBJECT: Conservation District Use Permit (CDUP) OA-3591

Dear Ms. Fukuda:

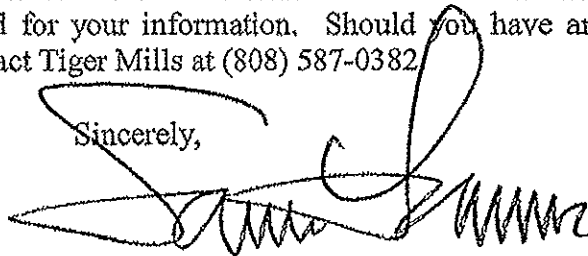
This is to inform you that on August 11, 2011, the Chairperson of the Board of Land and Natural Resources, approved Conservation District Use Application (CDUA) OA-3591 to consolidate three existing tax map key parcels: (1) 5-9-023:001, (1) 5-9-024:001 and (1) 6-1-002:002 and reconfigure and subdivide into three proposed tax map key parcels subject to the following conditions:

- 1) The applicant shall comply with all applicable statutes, ordinances, rules, regulations, and conditions of the Federal, State and County governments;
- 2) The applicant, its successors and assigns, shall indemnify and hold the State of Hawaii harmless from and against any loss, liability, claim or demand for property damage, personal injury or death arising out of any act or omission of the applicant, its successors, assigns, officers, employees, contractors and agents under this permit or relating to or connected with the granting of this permit;
- 3) The applicant shall provide documentation (e.g. book and page or document number) that this permit approval has been placed in recordable form as a part of each deed instrument;
- 4) In issuing this permit, the Department has relied on the information and data that the applicant has provided in connection with this permit application. If, subsequent to the issuance of this permit, such information and data prove to be false, incomplete or inaccurate, this permit may be modified, suspended or revoked, in whole or in part, and/or the Department may, in addition, institute appropriate legal proceedings;
- 5) The applicant understands and agrees that the permit does not convey any vested right(s) or exclusive privilege;

- 6) Where any interference, nuisance, or harm may be caused, or hazard established by the use, the applicant shall be required to take measures to minimize or eliminate the interference, nuisance, harm, or hazard;
- 7) The applicant shall obtain the approval of the City and County of Honolulu for the consolidation and subdivision and file the final consolidation and subdivision plan with OCCL;
- 8) Other terms and conditions as may be prescribed by the Chairperson; and
- 9) Failure to comply with any of these conditions shall render this Conservation District Use Permit null and void.

Please acknowledge receipt of this approval, with the above noted conditions, in the space provided below. Please sign two copies. Retain one and return the other within thirty (30) days. A copy of the staff report is included for your information. Should you have any questions regarding any of these conditions, contact Tiger Mills at (808) 587-0382.

Sincerely,



Samuel J. Lemmo, Administrator
Office of Conservation and Coastal Lands

Receipt acknowledged:

A Charitable Foundation Corp

y: David J. Dwyer, President Date 8/19/2011
Applicant's Signature

c: Land Div.
C&G DP&P