

SMOLENSKI & WOODDELL

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Attorney for Petitioner

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A89-643
)	
McCLEAN HONOKOHAU PROPERTIES, a)	ANNUAL REPORT PURSUANT TO
Hawaii Limited Partnership)	CONDITION NO. 15 OF THE
)	FINDINGS OF FACT,
To Amend the Land Use District)	CONCLUSIONS OF LAW, AND
Boundary to Reclassify Approxi-)	DECISION AND ORDER DATED
mately 89.527 acres of land in the)	APRIL 16, 1991; CERTIFICATE
Conservation and the Agricultural)	OF SERVICE
Districts to the Urban District)	
at Honokohau, North Kona, Hawaii,)	
Tax Map Key Nos.: 7-4-08: 26 and)	
49)	
)	

ANNUAL REPORT PURSUANT TO CONDITION NO. 15
OF FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND DECISION AND ORDER DATED APRIL 16, 1991

A. GENERAL PROGRESS OF THE PROJECT.

The development of the project is proceeding at a reasonable pace with progress on installation of water, drainage and sewer systems and construction of the access road to serve the project. The specific developments are discussed in more detail later in this report. On May 19, 1996 the Land Use Commission (the "Commission") entered its Order Granting Motion for Extension of Time to Substantially Complete Increment I, which extends Petitioner's time to substantially complete Increment I and to apply for redistricting of Increment II to April 16, 1999.

B. EFFORTS MADE/PLANNED TOWARD COMPLIANCE WITH THE FOLLOWING CONDITIONS.

1. Petitioner shall ensure that a buffer area along the boundary of the property be constructed to maintain the visual integrity from the Queen Kaahumanu Highway. Petitioner shall further ensure that the proposed light industrial uses be screened from passing motorists, the Kaloko-Honokohau National Historic Park, and the adjacent Kealakehe lands, by landscaping improvements along the petition area's western, northern and southern boundaries. Petitioner shall prepare a plan for a buffer along the southern boundary with the Kealakehe lands, which shall be submitted to and approved by the Housing Finance Development Corporation. Petitioner shall properly maintain the approved landscaping improvements.

EFFORTS MADE/PLANNED:

The County of Hawaii Planning Department has approved Petitioner's revised landscape plan which includes a permanent irrigation system as requested by the County. Petitioner submitted the plans to Housing Finance Development Corporation "HFDC" as required by the Commission, and HFDC approved the plans.

2. Petitioner shall participate in the funding and construction of local and regional transportation improvements on a pro rata basis as determined by the State Department of Transportation.

EFFORTS MADE/PLANNED:

Petitioner is currently building that portion of Road "G" on its property to connect with Road "G" on HFDC's property if and when constructed. The County of Hawaii and all other concerned agencies approved the plans for this construction. The construction of that part of Road "G" on the HFDC project has been delayed by the decision of HFDC to deny Petitioner permission to construct the proposed access road from Petitioner's project South across HFDC's villages of La'i'opua to the new Kealakehe Parkway.

Recent discussions have led to a preliminary agreement that, if Petitioner's engineers design for HFDC a subdivision of HFDC's property showing Road "G" as a "Street Lot", and if Petitioner will build HFDC an entry structure along the Parkway identifying the area as "Villages of La'i'opua," then HFDC will request the Governor to convey the street lot for Road "G" to the County of Hawaii by executive order. After such transfer, Petitioner will be able to improve Road "G" as a County road and thereby obtain permanent access to its project from Kealakehe Parkway.

3. Petitioner shall prepare a drainage and erosion control plan and shall fund and construct the necessary drainage improvements to control drainage within the property and to maintain ocean water quality to the satisfaction of the State Department of Health.

EFFORTS MADE/PLANNED:

Petitioner has completed construction of the four dry wells which are the primary elements of Petitioner's Road "A" drainage plan.

4. Petitioner shall contribute its pro rata share of the cost to develop and distribute water to Petitioner's proposed project, together with other public and private property owners in the area.

EFFORTS MADE/PLANNED:

The 12" water line to serve Petitioner's industrial development is now installed in that portion of Road "A" mauka of the West Hawaii Concrete plant. Road "A" provides access to the industrial lots. In addition, Petitioner obtained the right to an additional 12 water meters from the Department of Water Supply and installed the service lines to each lot adjacent to the improved Road "A". The water line will be conveyed to the Department of Water Supply as soon as the total system is completed.

5. Petitioner shall fund and construct the necessary waste-water disposal improvements on the subject property for eventual hook-up to a municipal sewer system as determined by the State Department of Health.

EFFORTS MADE/PLANNED:

The 8" sewer line to serve the industrial project is now installed, inspected and approved from the quarry cul de sac West to proposed Road "G". Construction of the balance of the sewer

system will be underway as soon as West Hawaii Concrete has moved its operations to the general industrial area of Petitioner's project.

6. Petitioner shall coordinate with the County of Hawaii and the State Department of Health to establish appropriate systems to contain spills and prevent material associated with light industrial uses, such as petroleum products, chemicals, solvents or other pollutants, from leaking into the storm drainage systems and adversely affecting the groundwater and coastal waters.

EFFORTS MADE/PLANNED:

Petitioner has not yet developed any additional uses that involve chemicals, solvents or other pollutants. West Hawaii Concrete is operating under permit and supervision of the State Department of Health and does control the discharge of any pollutant.

7. Petitioner shall fund its pro rata share for electrical facilities as determined by the Hawaii Electric Light Company (HELCO).

EFFORTS MADE/PLANNED:

Petitioner has deposited \$78,000 with HELCO to fund the construction of electrical facilities on the subject property. HELCO is waiting until the final grading is completed to install the poles and electrical lines. Petitioner has been advised that HELCO will begin construction of the overhead line "within two weeks."

8. Petitioner shall immediately stop work on the impacted area and contact the State Historic Preservation Office should any archaeological resources such as artifacts, shell, bone, or charcoal deposits, human burial, rock or coral alignments, paving or walls be encountered during the project's development.

EFFORTS MADE/PLANNED:

Petitioner funded a full archaeological inventory and data collection by Paul H. Rosendahl, Ph.D., Inc. No further archaeological resources have been found.

9. Petitioner shall provide its pro rata share for police, fire, park, and solid waste disposal as may be required by and to the satisfaction of the County of Hawaii.

EFFORTS MADE/PLANNED:

No request from the County of Hawaii for payment of Impact Fees. Hawaii County has not yet adopted an Impact Fee Ordinance.

10. The Petitioner shall participate in an air quality monitoring program as specified by the State Department of Health.

EFFORTS MADE/PLANNED:

No discussions with or request from the Department of Health for such a program.

11. The Petitioner shall implement effective soil erosion and dust control measures during all Increments of the development.

EFFORTS MADE/PLANNED:

Petitioner drilled a water well to provide an adequate supply of water for dust control, and the system is now in operation.

12. Petitioner shall develop and maintain on-site facilities to insure that the nearshore, offshore and deep ocean waters remain in pristine condition. Petitioner shall also participate in a water quality monitoring system as may be required by the State Department of Health.

EFFORTS MADE/PLANNED:

Petitioner has not developed any activity that will impact nearshore, offshore or deep ocean waters. Petitioner's operations on the property are substantially unchanged.

13. Petitioner shall develop the property in substantial compliance with representations made to the Commission in obtaining the reclassification of the property. Failure to so develop may result in reclassification of the property to its former land use classification.

EFFORTS MADE/PLANNED:

Petitioner has developed and will continue to develop the subject project in full compliance with the representations made to the Commission.

14. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interest in the subject property

covered by the approved petition, prior to development of the Property.

EFFORTS MADE/PLANNED:

No intent to sell, lease, assign, place in trust or otherwise alter ownership of the subject property.

15. Petitioner shall provide annual reports to the Commission, the Office of State Planning and 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.

EFFORTS MADE/PLANNED:

This report is to comply with condition no. 15.

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

EFFORTS MADE/PLANNED:

No request for full or partial release of conditions.

DATED: Kailua-Kona, Hawaii, March 17, 1997.

MCCLEAN HONOKOHAU PROPERTIES

By Robert S. McClean
Robert S. McClean, as Trustee of
the Robert S. McClean Trust
General Partner

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served upon the following by depositing the same in the U.S. Postal Service by certified mail, return receipt requested on the date hereof:

VIRGINIA GOLDSTEIN, Director
Planning Department
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

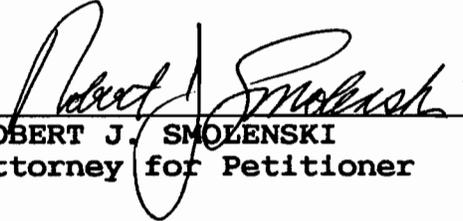
KEVIN BALOG, Chairman
Planning Commission
County of Hawaii
25 Aupuni Street
Hilo, Hawaii 96720

RICHARD EGGED, JR., Director
Office of Planning
Department of Business,
Economic Development & Tourism
State Office Tower, 6th Floor
Honolulu, Hawaii 96813

SANDRA PECHTER SCHUTTE, ESQ.
101 Aupuni Street, Suite 1014A
Hilo, Hawaii 96720

Attorney for Intervenors
Isemoto Contracting Co., Ltd.,
SJA Partnership, and March E. Taylor

DATED: Honolulu, Hawaii, April 7, 1997.



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Attorney for Petitioner

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DATED: Kailua-Kona, Hawaii, March 17, 1997.

MCCLEAN HONOKOHAU PROPERTIES

By Robert S. McClean
Robert S. McClean, as Trustee of
the Robert S. McClean Trust
General Partner

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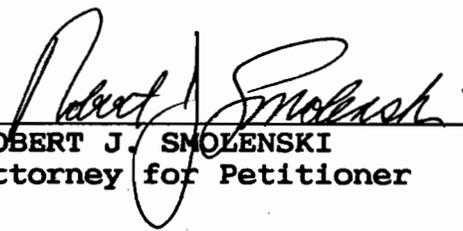
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DATED: Honolulu, Hawaii, April 7, 1997.



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