



KAMEHAMEHA SCHOOLS®

LAND USE COMMISSION  
STATE OF HAWAII

May 31, 2017

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Daniel E. Orodener, Executive Officer  
Land Use Commission  
235 South Beretania Street, Suite 406  
Honolulu, Hawaii 96813

Subject: **Docket No. A87-610, Trustees of the Estate of Bernice Pauahi Bishop  
dba Kamehameha Schools, Successor Petitioner to Tom Gentry and Gentry-  
Pacific, Ltd.**

Dear Mr. Orodener:

On behalf of Successor Petitioner, Trustees of the Estate of Bernice Pauahi Bishop, dba Kamehameha Schools ("KS"), we hereby submit this 2017 annual report to the State of Hawaii Land Use Commission.

By Findings of Fact, Conclusions of Law and Decision and Order filed May 17, 1988, the State of Hawai'i Land Use Commission ("Commission") reclassified approximately 1,395 acres of land situate at Waiawa, Ewa, Oahu (the "KS Property"), from the State Land Use Agricultural District to the State Land Use Urban District, subject to 10 conditions of approval. By Order dated November 30, 1990, the Commission amended Condition No. 6, and reaffirmed all other conditions to the 1988 Decision and Order.<sup>1</sup> Then, on November 26, 2014, the Commission issued its Order Granting Motion for Order Amending Findings of Fact, Conclusions of Law and Decision and Order Dated May 17, 1988, subject to 16 conditions of approval (the "2014 Order").

KS sought the Commission's approval under the 2014 Order so that it could have time to reevaluate the development proposal that had originally been presented to the Commission, while at the same time, for an interim period, pursue a means of obtaining some financial return on the KS Property, in a manner consistent with KS' five values of: (1) culture; (2) environment; (3) education; (4) economics; and (5) community. To that end, KS sought Commission approval to utilize a portion of the KS Property (approximately 655 acres) for the development of a two-phase utility scale solar farm. Phase 1 of the solar farm project was planned to be within approximately 387-acres and could generate up to 50 MW of power. Phase 2 of the solar farm was planned to be within approximately 268-acres of

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<sup>1</sup> After the Commission approved the Urban District reclassification in 1988, rezoning approvals were sought from the Honolulu City Council. In 1998 the City Council passed Ordinance 98-55, amending a portion of the Development Plan Land Use Map to support the Waiawa project. Next, the City Council approved the rezoning of approximately 1,049 acres within the KS Property. Ordinance Nos. 98-01, effective January 15, 1998 (as amended by Ordinance 98-69, effective December 17, 1998) rezoned 874 acres within the KS Property from Restricted Agriculture (AG-1) to Neighborhood Business District (B1), Community Business District (B2), Low Density Apartment District (A1), Industrial-Commercial Mixed Use District (IMX1), Residential (RS) and General Preservation (P-2). Ordinance No. 03-01, effective February 12, 2003, rezoned 175.43 acres within the KS Property from AG-1 to R-5, A-1, Medium Density Apartment District (A-2) and P-2. Copies of these zoning ordinances were previously transmitted for your files.

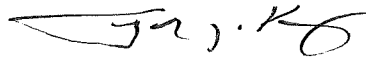
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the KS Property, and could generate up to 65 MW of power. The development of a renewable energy project was determined by KS to be consistent with the values, vision, mission, guiding principles and strategic goals set forth in the KS Strategic Plan 2000 - 2015, and the 2009 KS Strategic Agricultural Plan.

As reported last year, due to the difficulty of obtaining certain approvals from the Public Utilities Commission for the Waiawa solar farm project, SunEdison, the proposed solar farm developer, was unable to secure its agreements with the Hawaiian Electric Company for the Waiawa project on a portion of the KS Property. KS is aware of other potentially interested parties that may wish to pursue development of the solar farm, and will continue to explore acceptable alternatives for the development of a utility scale solar farm within a portion of the KS Property for the allowed interim period (35-years from the date of the 2014 Order). KS also continues to analyze master plan options for the entirety of the KS Property, as required under the 2014 Order.

A matrix of all of the Commission's conditions of approval in this Docket, and the status of those conditions, is enclosed. Please feel free to contact me at 534-8033 if you have any questions regarding this report.

Very truly yours,



Paul Kay  
KAMEHAMEHA SCHOOLS  
Development Director, Commercial Real Estate

Enclosure(s)

cc: w/o enclosures  
Mr. Leo Asuncion,  
Ms. Kathy Sokugawa, Acting Director  
Mr. Luis Salaveria

**State Land Use Commission Docket No.: A87-610**  
**2017 Report re Compliance with Conditions of Approval**

Conditions Nos. 1 - 10 of the 1988 Order, as amended by the 1990 Order as to Condition No. 6, and Conditions Nos. 1 - 16 of the 2014 Order.

<b>No.</b>	<b>Condition</b>	<b>Status</b>	<b>Comments</b>
1. (1988)	A study funded by the U.S. Department of the Navy to review the potential for groundwater contamination resulting from the urbanization of the Property shall be completed prior to any site development and construction unless the Department of Health after consultation with the United States Navy and after review of the proposed study scope makes a determination that development and construction within a specified area will not cause groundwater contamination to wells in the area. Petitioner shall not proceed with the project until the study shows to the satisfaction of the Department of Health that groundwater contamination will not occur as a result of the proposed project, or until the Department of Health makes a determination that development or partial development may be allowed.	On-going	Condition 1 has been satisfied. In compliance with Condition 1, the DOH prepared a study ("Report to the Office of State Planning by the Department of Health Safe Drinking Water Branch on the Delineation of the Hydrologic Zone of Contribution for the U.S. Navy Waiawa Shaft" (Revised Dec. 1990)) ("ZOC Study"). The ZOC Study was undertaken to identify the zone of contribution of the Waiawa Shaft. The Navy concurred with the methodology of the ZOC Study and the location of the zone of contribution, and the DOH sent a copy of the ZOC Study to the State Office of Planning on January 2, 1991.
2. (1988)	Any urban development within the Property shall be subject to further review and subsequent approval by the Department of Health. The Department of Health may require appropriate mitigative measures and conditions relating to the proposed development's impact on the groundwater resources in the area.	On-going	Successor Petitioner acknowledges this condition and will comply.
9. (1988)	Petitioner shall provide public access to the Conservation District land mauka of the Property.	Satisfied	There are no Conservation District lands adjacent to the KS Property. Furthermore, as determined by the State Department of Land and Natural Resources by letter dated June 21, 2000, the only feasible means of accessing any Conservation District lands is via the Waiawa Correctional Facility, and there are no public hiking trails or hunting areas that required public access over the KS Property.

2. (2014)	Access to the Waiawa Correctional Facility. Petitioner shall cause the solar farm operator to ensure that the construction and installation of the solar farm within the KS Property shall not prevent roadway access to the Waiawa Correctional Facility.	On-going	Successor Petitioner shall comply with this condition.
3. (1988)	For the first 1,000 dwelling units which may be constructed on the Property, Petitioner shall provide housing opportunities for low, low-moderate, and moderate income Hawaii residents by offering for sale at least thirty percent (30%) of the units at prices which families with an income range of 80 to 120 percent of Oahu's median income can afford and thirty percent (30%) of the units which families with an income range of 120 to 140 percent of Oahu's median income can afford. This condition may be fulfilled through projects, under such terms as may be mutually agreeable, between Petitioner and the Housing Finance and Development Corporation of the State, or other appropriate governmental agency. This condition may also be fulfilled, with the approval of the Housing Finance and Development Corporation, through the construction of rental units to be made available at rents which families in the specified income ranges can afford.	On-going	Successor Petitioner shall comply with this condition.
4. (1988)	For the balance of the Property, the affordable housing requirements shall be satisfied in a manner that meets with the approval of the City and County of Honolulu and the State Housing Finance and Development Corporation. Said requirements shall take into consideration affordable on-site or off-site housing units or cash payments that satisfy the then current housing needs, or other necessary or desirable community facilities as determined above.	On-going	Successor Petitioner shall comply with this condition.
7. (1988)	Petitioner shall participate in an air quality monitoring program as specified by the State Department of Health.	On-going	Successor Petitioner shall comply with this condition.

5. (1988)	Petitioner shall fund and construct the necessary improvements as determined by the State Department of Transportation which would mitigate impacts from the subject project. These improvements shall be implemented on a schedule acceptable to and approved by the Department of Transportation.	Partially satisfied	As stated in the July 1, 2013 annual report to the Commission, substantial steps have been taken toward satisfaction of this condition. As reported to the Commission, lands valued in excess of \$637,000 were dedicated for the construction of Waipio Interchange. Prior to 2012, \$1.4 million dollars were paid by the developer to the State of Hawaii for improvements to Ka Uka Boulevard and for the construction of HOV lanes between the Waiawa and Waipio Interchanges of the H-2 Freeway.
6. (1990)	Petitioner shall appoint and fund a transportation manager whose function is the formulation, use, and continuation of alternative transportation opportunities that would maximize the use of existing and proposed transportation systems. This will include construction and operation of a park and ride facility or other activities to encourage transit use or ridesharing. These activities and facilities shall be implemented on a schedule acceptable to and approved by the State Department of Transportation.  In the alternative, Petitioner may participate in a regional program for the transportation management with other developers and/or land owners. This program shall address the formulation, use and continuation of alternative transportation opportunities that would optimize the use of existing and proposed transportation systems.	Satisfied and on-going	As reported in the 2013 annual report, KS is an active participant in the Leeward Oahu Transportation Management Association, which is a regional program that seeks to promote alternative transportation opportunities and to optimize the capacity and use of existing and proposed transportation systems.
5. (2014)	Traffic Impacts. a. Phase 1. Prior to the start of construction of Phase 1 of the solar project, Petitioner shall cause the solar farm operator to address any comments that may be made by the DOT regarding the August 1, 2014, "Construction Traffic Assessment for the Proposed Waiawa Solar Farm" that was prepared for the solar farm project, and to implement the mitigations recommended in the Fehr & Peers Traffic Assessment. b. Phase 2. Petitioner shall cause the solar farm operator to prepare and submit to the DOT for review and to obtain	On-going	This condition will be satisfied prior to development of the applicable Phase of the solar farm.

	acceptance of a Traffic Assessment for Phase 2 of the solar project prior to the start of construction of Phase 2.		
4. (2014)	Aircraft Hazard. If glint or glare from the photovoltaic array creates a hazardous condition for pilots, Petitioner shall cause the solar farm facility operator to be prepared to immediately mitigate the hazard upon notification by the DOT, Airports Division, or the FAA.	On-going	Successor Petitioner shall comply with this condition.
1. (2014)	Revised Master Plan. Petitioner shall submit to the Commission a revised master plan and schedule for development for the approximately 1,395-acre KS Property within five (5) years from the date of the Commission's issuance of an order approving the Motion to Amend.	On-going	Successor Petitioner shall comply with this condition. A revised master plan and schedule for development of the Petition Area will be submitted to the LUC by November 26, 2019.
6. (2014)	Development Schedule. Phase 1 of the solar farm shall be substantially completed within five (5) years from the date of the Commission's issuance of an order approving the Motion to Amend. Phase 2 of the solar farm shall be substantially completed within ten (10) years from the date of the Commission's issuance of an order approving the Motion to Amend.	On-going	Should the solar farm project be developed, it will be developed in a manner substantially consistent with this condition. As a result of the changes faced by SunEd, the original solar farm developer, the start of Phase 1 has been delayed, which could result in a delay on the completion of Phase 1.
7. (2014)	Interim Use of the Petition Area. The interim use of the Petition Area shall be limited to a utility-scale solar energy development, or solar farm. No other use shall be permitted without the prior written approval of the Commission.	On-going	Successor Petitioner shall comply with this condition.
8. (2014)	Timeframe of Interim Use. The interim use of the Petition Area for the proposed solar farm, including any and all permitting, construction, operation, and decommissioning activities associated with the solar farm, shall not exceed a period of 35 years from the date of this Decision and Order without the prior written approval of the Commission.	On-going	Successor Petitioner shall comply with this condition.
8.	Petitioner shall immediately stop work and contact the State	On-going	Successor Petitioner will comply with this condition.

<p>(1988)</p> <p>Historic Preservation Office should any archaeological resources such as artifacts, shell, bone, or charcoal deposits, human burial, rock or coral alignments, pavings or walls be encountered during the project's development.</p>		
<p>3. (2014)</p> <p>Previously Unidentified Burials and Archaeological/Historic Sites. A supplemental AIS for the entire 1,395-acre Petition Area shall be prepared by a qualified archaeologist to determine potential impacts and to ensure that appropriate mitigation is implemented as needed. The supplemental AIS shall be submitted to the SHPD and accepted prior to the start of construction.</p> <p>In the event that historic resources, including human skeletal remains, are identified during construction activities, all work shall cease in the immediate vicinity of the find, the find shall be protected from additional disturbance, and the SHPD, Oahu Island Section, shall be contacted immediately. 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, paving, and walls not previously identified in studies referred to herein, are discovered during the course of construction of the solar farm project, all construction activity in the vicinity of the discovery shall stop until the issuance of an archaeological clearance from the SHPD that mitigative measures have been implemented to its satisfaction.</p>	<p>Satisfied and On-going</p>	<p>An Archaeological Inventory Survey of 1,395 Acres of Kanehameha Schools' Lands, Waiawa and Waipi'o Ahupua'a, Ewa District, Island of O'ahu was prepared by TCP Hawaii LLC, and accepted by SHPD by letter dated April 24, 2015.</p> <p>SHPD approved the Archaeological Site Preservation Plan for State Site No. 50-80-09-2273 by letter dated September 14, 2015.</p> <p>Successor Petitioner will comply with this condition.</p>
<p>9. (2014)</p> <p>Metes and Bounds of Map and Description. The proposed solar farm shall be limited to the acreage and boundaries identified in Petitioner's Phasing Plan shown in Petitioner's Exhibit 8 Errata (filed 6/20/14). Petitioner shall provide a metes and bounds map and description of both phases to the Commission within one year from the date of this Decision and Order.</p>	<p>Satisfied</p>	<p>A map and metes and bounds of the proposed solar farm areas were submitted to the Commission by letter dated October 2, 2015.</p>

10 (2014)	<p>Decommissioning of the Solar Farm. The solar farm shall be decommissioned following its operational timeframe. The decommissioning activities shall include, but not be limited to, the complete removal of the foundational piers and modules and all associated components. All metal components shall be recycled to the extent possible and no solar farm components shall be disposed of in any landfill in the State of Hawaii.</p> <p>Any future use of the Petition Area following the decommissioning of the solar farm shall be subject to the environmental review process promulgated under HRS chapter 343, as applicable, and shall require the filing of a motion to amend the Decision and Order with the Commission. Such motion to amend shall include a revised master development plan of the proposed use and shall further include, but not be limited to, a revised Traffic Impact Analysis Report, Engineering Report, Socio-Economic Analysis Report, Environmental Report, and AIS.</p>	On-going	Successor Petitioner shall comply with this condition.
11. (2014)	<p>Compliance with Representations. Petitioner shall cause the solar farm operator to develop and operate Phase 1 and Phase 2 of the solar farm, including the implementation of measures to mitigate potential impacts of the development, in substantial compliance with the representations made to the Commission as reflected in this Decision and Order. Such mitigation measures include, but are not limited to, the use of temporary and permanent BMPs to ensure that the development and operation of the solar farm do not result in an increase in stormwater runoff that adversely impacts downstream properties. Failure to do so may result in reversion of the Petition Area to its former classification, or change to a more appropriate classification.</p>	On-going	Should the solar farm project get developed, its development will be in substantial compliance with the representations that were made to the Commission.
12. (2014)	<p>Notice of Change of Ownership. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place</p>	On-going	Successor Petitioner acknowledges this condition.



	in trust, or otherwise voluntarily alter the ownership interests in the Petition Area, prior to development of the Petition Area.		
10. (1988)	Petitioner shall provide annual reports to the Land Use Commission, the Department of Business and Economic Development and the City and County of Honolulu Department of General Planning in connection with the status of the project and Petitioner's progress in complying with the conditions imposed.	On-going	Successor Petitioner acknowledges these conditions, and submits this 2017 LUC Annual Report in compliance with Condition No. 10 (1988) and Condition No. 13 (2014).  Successor Petition shall provide copies of this 2017 Annual Report to the State Office of Planning, the Department of Planning and Permitting of the City & County of Honolulu, and the Department of Business and Economic Development.
13. (2014)	Annual Reports. Petitioner shall timely provide without any prior notice, annual reports to the Commission, OP, and the DPP in connection with the status of the subject project and 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.		
14. (2014)	Release of Conditions. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Petition Area upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.	On-going	Successor Petitioner acknowledges this condition.
15. (2014)	Notice of Imposition of Conditions. Within seven (7) days of the issuance of the Commission's Decision and Order granting the Motion to Amend, Petitioner shall: (a) record with the Bureau of Conveyances of the State of Hawaii a statement that the Petition Area is subject to conditions imposed herein by the Commission in the granting of the Motion to Amend; and (b) shall file a copy of such recorded statement with the Commission.	Satisfied	The Notice of Imposition of Conditions by the Land Use Commission was recorded at the Bureau of Conveyances on December 9, 2014, as Document No. A-54560727.
16. (2014)	Recordation of Conditions. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to HAR section 15-15-92	Satisfied	A Declaration of Conditions was recorded at the Bureau against the Petition Area as Document No. A-54991338 on January 21, 2015. A certified copy of said Declaration filed with the Commission on

			January 22, 2015, by Jennifer A. Lim, attorney for Successor Petitioner.
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