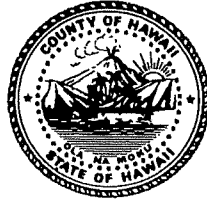


Harry Kim  
Mayor



Michael Yee  
Director

Daryn Arai  
Deputy Director

West Hawai'i Office  
74-5044 Ane Keohokālole Hwy  
Kailua-Kona, Hawai'i 96740  
Phone (808) 323-4770  
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**County of Hawai'i**  
**PLANNING DEPARTMENT**

East Hawai'i Office  
101 Pauahi Street, Suite 3  
Hilo, Hawai'i 96720  
Phone (808) 961-8288  
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March 19, 2018

Ms. Cheryl M. Palesh, P.E., LEED AP  
Vice-President / Director of Engineering  
Belt Collins Hawai'i LLC  
2153 North King Street, Suite 200  
Honolulu, HI 96819-4554

2018 MAR 21 A 6:59  
LAND USE COMMISSION  
STATE OF HAWAII

Dear Ms. Palesh:

**Subject: 2017 Annual Progress Reports**  
**Applicant: Newton Family Limited Partnership**  
**State Land Use Commission Docket No. A99-729 (SLU 1128)**  
**Change of Zone Ordinance No. 06 27 (REZ 05-000017)**  
**Tax Map Key: (3) 2-4-008: por. 033**

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This is to acknowledge receipt of your letters dated December 26, 2017, containing annual progress reports in compliance with Condition No. 20 of Docket No. A99-729 and with Condition N of Change of Zone Ordinance No. 06 27 (REZ 05-017). Thank you for complying with these requirements and please accept our condolences on the passing of Mr. George Newton.

It is our understanding that the water commitment payment required by Condition D of Ordinance No. 06 27 was paid in 2006 but then returned to the applicant. In 2013 the applicant again provided a water commitment payment to DWS, but it was also returned and the applicant was informed that the DWS is unable to issue a water commitment because any water system improvements complying with DWS standards, rules and regulations, and other requirements will cause water quality issues due to the small number of lots being served and the total storage volume required. Condition E required Final Subdivision Approval be secured by February 24, 2011. Final subdivision approval has not been granted to date because of the water system issues.

Based on the foregoing and pursuant to Condition P, the Director will shortly initiate rezoning of the area to its original or more appropriate designation due to the applicant's inability to comply with the concurrency standards of the Zoning Code and conditions of Ordinance No. 06 27.

Ms. Cheryl M. Palesh, P.E., LEED AP  
Vice-President / Director of Engineering  
Belt Collins Hawai'i LLC  
Page 2 of 2  
March 19, 2018

If you have any questions, please feel free to contact Jeff Darrow at (808) 961-8158 or Maija Jackson at (808) 961-8159.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Yee". The signature is fluid and cursive, with a large initial "M" and "Y".

MICHAEL YEE  
Planning Director

MJJ:mad  
P:\wpwin60\naija\letters\annual reports\palesh for newton rez05-17 2016 apr.doc

✓cc w/ltr: State Land Use Commission