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OUR REFERENCE NO.:
070102-00001

December 6, 2019

VIA HAND DELIVERY

Daniel E. Orodener, Executive Officer
State of Hawai'i Land Use Commission
235 South Beretania Street, Room 406
Honolulu, HI 96813

Re: A97-721 – ATC Makena Entities – Status of Agreement with State of Hawai'i
Department of Transportation Addressing Condition No. 11

Dear Executive Officer Orodener:

We are in receipt of your letter dated November 8, 2019, which we received via email on November 18, 2019 regarding the status of ATC Makena Entities¹ compliance with Condition No. 11 of the Findings of Fact, Conclusions of Law, and Decision and Order in Docket A-97-721, as amended.² The ATC Makena Entities own approximately 120 acres of land under Docket A97-721. This reclassified area is scattered throughout the fully urbanized Makena Resort area, and when reclassified, portions of the property were within existing golf courses.

As reported to the Commission at the September 26, 2019 status report meeting, the ATC Makena Entities met with the State of Hawai'i Department of Transportation (“DOT”) most recently in July 2019 to discuss satisfaction of D&O Condition No. 11. In fact, representatives of the ATC Makena Entities have met with DOT several times over the past few years in an effort to document an agreement in satisfaction of Condition No. 11. More recently, the ATC Makena Entities submitted a draft Memorandum of Agreement (the “Draft MOA”) to the DOT on September 23, 2019. Per the DOT's request, the Draft MOA was prepared as a

¹ ATC Makena N Golf LLC, ATC Makena Land AH1 LLC, ATC Makena Land B1 LLC, ATC Makena Land C1 LLC, ATC Makena Land MF1 LLC, ATC Makena Land MF2 LLC, ATC Makena Land MF3 LLC, ATC Makena Land MF4 LLC, ATC Makena Land SF1 LLC, ATC Makena Land SF2 LLC, ATC Makena Land U1 LLC, ATC Makena S Golf LLC.

² Your letter referred to D&O condition number 12. However, due to the D&O amendment approved by the Commission in 2012 deleting four conditions that had been fully satisfied, the relevant DOT condition is now Condition No. 11.

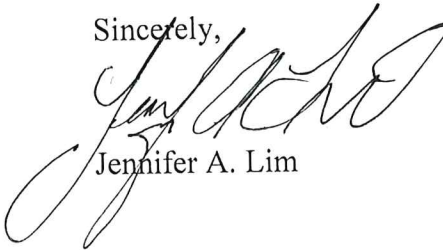
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comprehensive agreement intended to address all of the properties owned by the ATC Makena Entities within the Makena Resort area, and not just to address the limited areas subject to this Docket.

As of the date of this letter, the Draft MOA is still being reviewed by DOT. The ATC Makena Entities have emphasized to DOT the need to get an agreement in place to address Condition No. 11 and will continue working diligently towards securing an agreement with DOT. We will further update the Commission through the ATC Makena Entities next annual report, due in February 2020.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer A. Lim", written in a cursive style.

Jennifer A. Lim

JAB1/ljah

cc: Ka'imi Judd, ATC Makena Entities
H2R, LLC (c/o Randall F. Sakumoto)