

## Waiko Industrial Investment, LLC

LAND USE COMMISSION  
STATE OF HAWAII

April 17, 2020

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Daniel E. Orodenker, Executive Officer  
Land Use Commission  
Department of Business, Economic Development & Tourism  
State of Hawaii  
P.O. Box 2359  
Honolulu, HI 96804-2359

**Re: 2020 Annual Report - Docket No. A12-796 – Waiko Light Industrial**

Dear Mr. Orodenker:

Waiko Industrial Investment, LLC ("Waiko") submits this Annual Report in accordance with Condition 23 of the State Land Use Commission Findings of Fact, Conclusions of Law and Decision and Order, dated on May 3, 2013, in Docket No. A12-796, to report on the status of the development of the light industrial subdivision (the "Project"). The enclosed matrix outlines Waiko's compliance with each of the 26 conditions of approval under said Decision and Order.

Waiko has been diligently pursuing the development of the Project. Construction of the majority, approximately 22 acres of the 31 acres, of the Project is underway.

Please feel free to contact Leilani Pulmano at (808) 270-5936 or [leilanip@pacificrimland.com](mailto:leilanip@pacificrimland.com) should you have any questions or require any additional information.

Sincerely,  
Waiko Industrial Investment, LLC



Ryan Churchill  
Its Authorized Signer

c: Mary Alice Evans, Director, State Office of Planning  
Michele Chouteau McLean, Director, County of Maui, Planning Department

**WAIKO INDUSTRIAL INVESTMENT, LLC  
WAIKO LIGHT INDUSTRIAL  
DOCKET A12-796**

**State Land Use Commission Condition Status**

No.	Condition	Status	Comments
1	<p><b><u>Highway and Road Improvements.</u></b> The Petitioner shall abide by, complete and/or submit the following:</p> <p>a. The TIAR shall be revised and resubmitted to the DOT Highways Division for review and acceptance prior to zone change approval.</p> <p>b. Petitioner shall fund, construct and implement the Project's local/direct access improvements recommended in the TIAR accepted by the DOT for the Waiko Road intersections with Honoapiilani Highway and Kuihelani Highway.</p> <p>c. Petitioner shall provide its fair share contribution to the cost of regional improvements to State highways. These improvements could be on Honoapiilani Highway and/or on Kuihelani Highway.</p> <p>d. The revised TIAR shall be updated every three (3) years until build out. If the Project is delayed beyond 2015, trips generated by A&amp;B Properties, Inc.'s development and any other committed developments in the vicinity that are developed before the build out of the Project shall be included as background traffic in the updated TIAR.</p> <p>e. Petitioner shall include a provision in each of its sales, lease, and conveyance documents, whereby each person who may from time to time own the Petition Area, any portion thereof, or hold any other interest therein or occupy any improvements thereon, makes the same acknowledgement and the following agreements in favor of the State of Hawaii: (a) such person assumes complete risk of and forever releases the State of Hawaii from all claims for damages and nuisances occurring on the Petition Area and arising out of or related highway traffic noise from Kuihelani Highway and (b) such person waives any right to (i) require the State of Hawaii to take any action to eliminate or abate any highway traffic noise from Kuihelani Highway; and (ii) file any suit or claim against the State of Hawaii for injunction or abatement of any highway traffic noise from Kuihelani Highway and for any damages or other claims related to or arising therefrom. The provision shall be incorporated into the appropriate title documents and recorded at the Bureau of Conveyances.</p>	Will be satisfied with construction.	<p>a. A final TIAR was approved by DOT on June 13, 2014.</p> <p>b. Plans for the required improvements at Waiko/Kuihelani were approved by DOT on July 24, 2017.</p> <p>c. Regional improvements were included in the plans at the Waiko/Kuihelani intersection.</p> <p>d. The final TIAR was approved on June 13, 2014. An updated TIAR was submitted to DOT on April 17, 2018.</p> <p>e. Petitioner will include these provisions in its conveyance documents.</p>
2	<p><b><u>Notification of Proximity to Kahului Airport.</u></b> Petitioner and all subsequent owners shall notify and disclose to all prospective developers, purchasers, and/or lessees within the Project, as part of any conveyance document (deed, leases, etc.) required for the sale or transfer of real property or any interest in real property, of the potential adverse impacts of aircraft activity at and from Kahului Airport such as noise, right of flight, emissions, vibrations, and other incidences of aircraft operations.</p>	Satisfied	This language is included in the conveyance documents of the property.

	and walls not previously identified in studies referred to herein, are discovered during the course of construction of the Project, all construction activity in the vicinity of the discovery shall stop until the issuance of an archaeological clearance from the DLNR, SHPD, that mitigation measures have been implemented to its satisfaction.		
10	<b>Infrastructure Deadline.</b> Petitioner shall complete construction of the proposed backbone infrastructure, which consists of the primary roadways and access points, internal roadways, on- and offsite water and electrical system improvements, and stormwater/drainage and other utility system improvements, within ten (10) years from the date of the Decision and Order granting the requested reclassification.	Will be satisfied during construction.	Construction plans have been approved. Construction is underway.
11	<b>County Access to Waikapu Landfill Site.</b> Petitioner will provide continued access to the County of Maui Waikapu Landfill site as shown on the conceptual plan, page 2, of Petitioner’s Exhibit “53” (“Access Easement”). Acceptable alternatives for County access are: (a) over existing Easement “C”; (b) over the Project’s internal roadways in combination with the proposed temporary access over Lot 12-A; or (c) over permanent roads within A&B Properties, Inc.’s future Waiale master-planned community. With the consent of the County, Easement “C” may be released before the development of an alternate, permanent route provided the proposed temporary access easement is in place or Petitioner has provided alternate access to the County over Lot 1-C to the satisfaction of the DEM.	Satisfied	County of Maui has executed an access easement to their property.
12	<b>County Conditions Related to Access Easement.</b> Within the Access Easement area, Petitioner shall ensure that: (1) all turning radii in the Access Easement accommodate large vehicles accessing the landfill; (b) the replacement roadway surface in the Access Easement area is sufficient to handle the weight of the large vehicles that access the landfill; (c) the continuity of flow from Waiko Road to the remainder of the landfill Access Easement is preserved; and (d) there is a formal, written easement recorded against the Petition Area to document the Access Easement, the terms of which shall be reviewed and approved by the DEM, Solid Waste Division.	Satisfied	County of Maui has executed an access easement to their property.
13	<b>Condition Relating to Light Industrial and Commercial Uses.</b> The uses in the area shown on the conceptual plan referenced in the Commission’s proceedings as Petitioner’s Exhibit “55” will be limited to the uses described in Exhibit “55”. No residential or apartment uses are planned or will be built within the Petition Area. Uses within the 8.5-acre portion of the Petition Area fronting Kuihelani Highway as also shown on Petitioner’s Exhibit “55” are limited to B-1, B-2, and B-3 zoning district uses except that no apartment uses are allowed.	Satisfied	Encumbrance on the property restricting the uses have been recorded as part of the D&O.
14	<b>Water Service.</b> A private water system shall be developed for the Petition Area which shall be approved by the DOH, Safe Water Drinking Division, and the DLNR for well drilling and pump installation requirements. Petitioner shall	Will be satisfied during construction.	DOH and DLNR has approved the private water system and pump installation permits, respectively. County of Maui has approved the internal water lines.

21	<b>Compliance with Representations to the Commission.</b> Petitioner shall develop the Petition Area in substantial compliance with representations made to the Commission as reflected in this Decision and Order. Failure to so develop the Petition Area may result in reversion of the Petition to its former classification, or change to a more appropriate classification.	Satisfied – Ongoing	The subdivision and construction plans are consistent with what was represented to the Commission.
22	<b>Notice of Change of Ownership.</b> 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 Area at any time, prior to completion of development of the Petition Area.	Complied	The Petition area was subdivided into 21 saleable lots. One of the lots, Lot 10, was sold to SKBC Investments, LLC on July 24, 2019. This sales occurred prior to the completion of construction of the subdivision improvements.
23	<b>Annual Reports.</b> Petitioner shall timely provide without any prior notice, annual reports to the Commission, OP, and the DP, and their respective successors, in connection with the status of the development of the Petition Area and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be in a form prescribed by the Executive Officer of the Commission. The annual report shall be due on or before the anniversary date of the Decision and Order for the reclassification of the Petition Area.	Satisfied	Petitioner has submitted annual reports to comply.
24	<b>Release of Conditions.</b> 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 provision of adequate assurance of satisfaction of these conditions by Petitioner or its successors or assigns.	Ongoing	
25	<b>Notice of Imposition of Conditions.</b> Within seven days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances of the State of Hawai'i a statement that the Petition Area is subject to conditions imposed herein by the Commission in the reclassification of the Petition Area; and (b) file a copy of such recorded statement with the Commission.	Satisfied	The D&O was recorded on July 18, 2013 and filed with the commission.
26	<b>Recordation of Conditions.</b> Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92, HAR. The limitations, restrictions, covenants and conditions of this Declaration shall continue and remain in full force and effect at all times with respect to the Reclassified Area included in this Declaration until such time that the Commission removes or releases the conditions relating to the Reclassified Area established through its Decision and Order filed May 3, 2013, as amended, in Docket No. A 12-796.	Satisfied	The D&O was recorded on July 18, 2013 and filed with the commission.