

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM, DATED March 30, 1993, BY AND BETWEEN THE DEPARTMENT OF AGRICULTURE, STATE OF HAWAII (HEREINAFTER REFERRED TO AS THE "DOA"), AND HALEKUA DEVELOPMENT CORPORATION (HEREINAFTER REFERRED TO AS "HALEKUA"), IS BEING EXECUTED TO MEMORIALIZE THE PARTIES' UNDERSTANDING REGARDING THE CONVEYANCE AND DEVELOPMENT OF APPROXIMATELY 150 ACRES OF LAND WITHIN THE ROYAL KUNIA PHASE II SUBDIVISION FOR A STATE AGRICULTURAL PARK, LOCATED AT WAIKELE AND HOAEAE, EWA, OAHU, CITY AND COUNTY OF HONOLULU, STATE OF HAWAII, TAX MAP KEY NO. 9-4-02: Portion of 1 and Portion of 52.

Whereas, pursuant to Sections 166-1 and 171-112, Hawaii Revised Statutes, as amended, the Legislature of the State of Hawaii has found that there is a need for agricultural land use planning in the State and that the acquisition of private property for agricultural purposes is a public purpose or use necessary to facilitate sound agricultural land use planning;

Whereas, the DOA has jurisdiction for the development of agricultural parks for the purpose of assisting and perpetuating the small diversified farmer in the State of Hawaii;

Whereas, Halekua is developing the Royal Kunia Phase II subdivision in Central Oahu as a continuation of the Royal Kunia Phase I and Village Park planned communities;

Whereas, Halekua is committed to working with the DOA to integrate a State agricultural park into its master plan for Royal Kunia Phase II;

Now therefore, the DOA and Halekua agree to the following to promote the development of the agricultural park:

A. Halekua shall convey approximately one hundred fifty (150) acres of land within Royal Kunia Phase II, in the approximate location identified on Exhibit A, attached hereto and incorporated herein, to the State of Hawaii for the purpose of establishing a State agricultural park (hereinafter referred to as the "agricultural park").

B. The agricultural park is intended to benefit the small diversified farmer and use of the park shall be intended for diversified agricultural production including crop, floriculture, foliage and orchard production. In addition, up to a maximum of fifty (50) related agricultural farm dwellings or farm employee housing units may be constructed within the agricultural park. These dwellings shall not be offered for sale by the DOA.

C. As this agricultural park will be located adjacent to an urban community, commercial livestock and aquaculture production or other related activities shall be prohibited.

D. Halekua shall incorporate the agricultural park into its land plan for the Royal Kunia Phase II subdivision and jointly with the DOA shall prepare a preliminary site plan for the agricultural park reflecting the locations of the agricultural lots, agricultural farm dwellings, and roadway and infrastructure connections to the boundary of the agricultural park parcel. The DOA shall determine the final layout of the agricultural park's interior configuration, subject to review and concurrence by Halekua, and shall provide funding for construction of the improvements within the interior boundaries of the agricultural park. The DOA may elect as part of its subsequent agreement with Halekua to have Halekua construct the infrastructure improvements as part of the Royal Kunia development.

~~E. Halekua shall convey the fee title to the agricultural~~
park to the State of Hawaii at no cost to the State within six (6) months of receipt of all necessary land use approvals from the State of Hawaii and the City and County of Honolulu for the Royal Kunia Phase II project or, in the alternative, by December 31, 1997, whichever event shall occur sooner.

F. Halekua shall design and construct off-site infrastructure improvements for the agricultural park including

roadway, potable and irrigation water lines (exclusive of water commitment), and sewer lines and utility connections, up to the property boundary of the agricultural park at no cost to the DOA. The DOA shall review and concur with the design of the off-site infrastructure improvements that would service the agricultural park. These infrastructure improvements shall be sufficient to service agricultural uses anticipated by this Agreement, and shall be sufficient to service a maximum of fifty (50) agricultural farm dwellings. Halekua shall initiate these infrastructure improvements within one (1) year of conveyance of the property to the State of Hawaii and shall complete the improvements within thirty (30) months thereafter.

G. The DOA shall assume responsibility for the development of and all costs (other than those set forth in this Agreement as being assumed by Halekua) associated with the agricultural park and the agricultural farm dwellings therein.

~~H. Halekua and the DOA shall use their best efforts to work~~
jointly to coordinate the development of their respective portions of Royal Kunia Phase II project.

I. The DOA, to the extent permitted by law or regulation, shall involve the Hawaii Farm Bureau Federation in the utilization, operation, and management of the agricultural park with the intent of maximizing the efficiency and success of diversified farming efforts at the agricultural park.

J. The DOA shall assist and support Halekua in its efforts to obtain necessary land use approvals for the Royal Kunia Phase II project, as well as in its efforts to obtain necessary infrastructure permit approvals. Any assistance and support by the DOA shall be limited to the extent permitted by statute or rules.

K. The DOA shall initiate development of the on-site improvements for the agricultural park within five (5) years of the conveyance date, subject to legislative authorization and funding, and shall achieve utilization of the site for its intended purposes within ten (10) years of the conveyance date. If the agricultural park is not developed and utilized within this time frame, ownership of the agricultural park shall revert to Halekua or its successors in interest, subject to any extension of time which may be mutually agreed to by the parties.

~~L. The DOA agrees to use its best efforts to minimize the impact of the agricultural park on adjacent residential, industrial, and other urban uses.~~

M. The DOA shall assist Halekua, to the extent allowable by law and subject to the availability of funds, in obtaining and developing a non-potable water system to service its Royal Kunia Phase I and Phase II projects, including the agricultural park.

N. The parties agree that this Memorandum of Understanding is being executed to evidence their mutual understanding regarding the terms of the conveyance of the agricultural park. It is further agreed that a more detailed agreement covering the conveyance of the agricultural park and the provision of off-site infrastructure shall be executed within eighteen (18) months of the Land Use Commission action approving the reclassification of the Royal Kunia Phase II project.

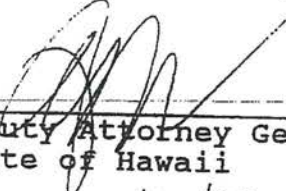
DEPARTMENT OF AGRICULTURE

HALEKUA DEVELOPMENT
CORPORATION


By _____
Its: Chairperson

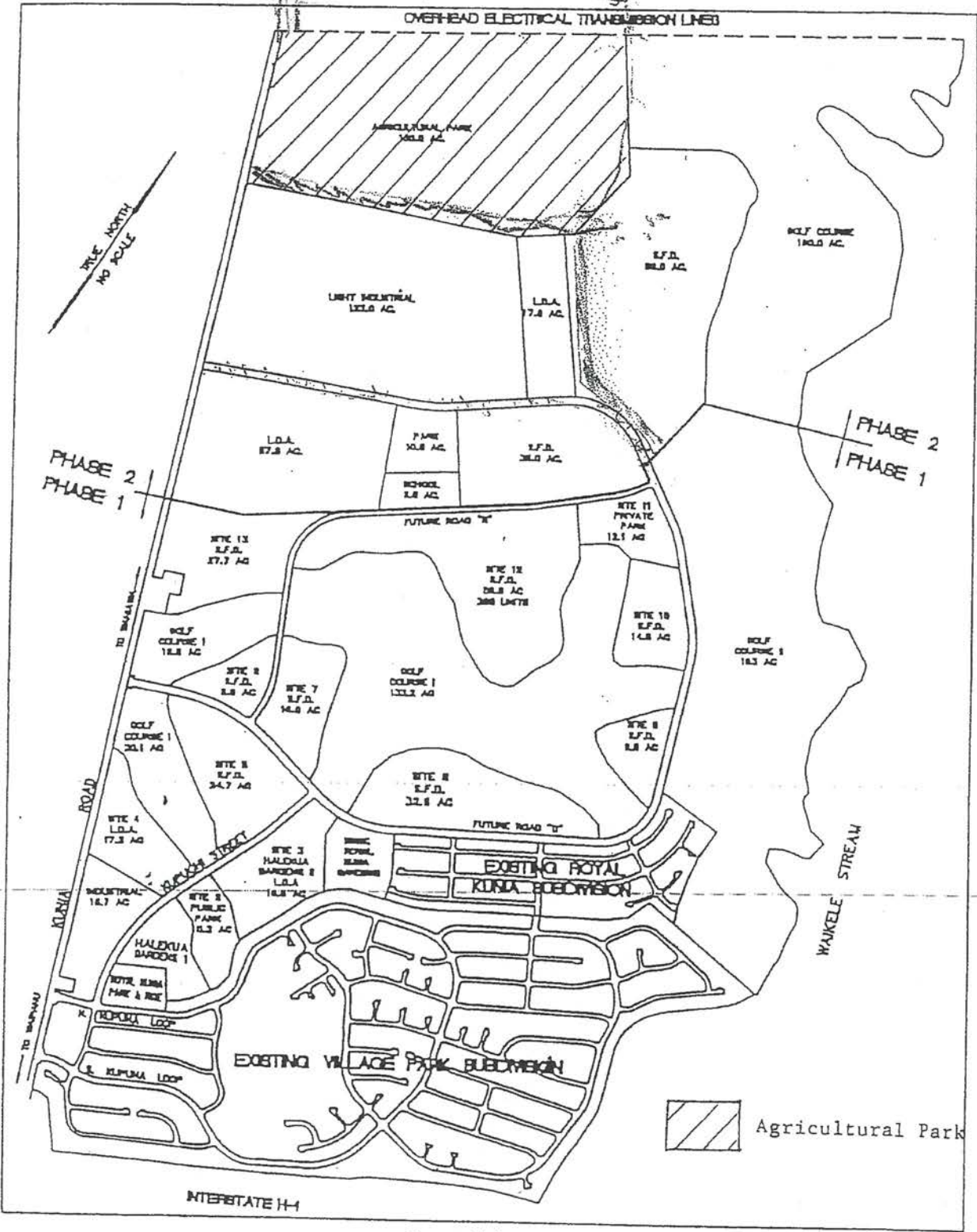

By _____
Its: PRESIDENT

Approved as to legality and form:



Deputy Attorney General
State of Hawaii

Date: 3/29/93



Location Map

EXHIBIT A

AMENDMENT AND RESTATEMENT
OF
MEMORANDUM OF UNDERSTANDING

THIS AMENDMENT AND RESTATEMENT OF MEMORANDUM OF UNDERSTANDING (the "*Amended and Restated MOU*") is made this 2nd day of March, 2007, by and between HALEKUA DEVELOPMENT CORPORATION, a Hawaii corporation ("*Halekua*") and the DEPARTMENT OF AGRICULTURE, STATE OF HAWAII ("*DOA*").

RECITALS:

1. Halekua and DOA entered into that certain Memorandum of Understanding (the "*Original MOU*") dated as of March 30, 1993, for the purpose of setting forth the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.
2. Under the terms of the Original MOU, Halekua was to arrange for the conveyance of approximately 150 acres of land within Royal Kunia Phase II to DOA for its development of a state agricultural park and to accomplish such conveyance by no later than December 31, 1997.
3. Under the Original MOU, Halekua was to also design and construct off-site infrastructure improvements for the state agricultural park, including roadway, potable and irrigation water lines (exclusive of water commitment), and sewer lines and utility connections up to the boundary of the agricultural park at no cost to DOA. These off-site infrastructure improvements were to be initiated within one (1) year of the conveyance of the agricultural park to DOA and were to be completed within thirty (30) months thereafter.
4. Under the Original MOU the DOA was to assume responsibility for the development of and all other costs associated with the state agricultural park. DOA was to initiate development of the on-site improvements within five (5) years of the conveyance date and to achieve utilization of the conveyed lands for its intended purpose as a state agricultural park within ten (10) years of the conveyance date.
5. Pursuant to the Original MOU if the state agricultural park is not developed and utilized for its intended purpose within such 10-year time frame then and in such event ownership of the subject lands for the agricultural park are to revert to Halekua or its successors in interest, subject to any extension in time which may be mutually agreed to by the parties.
6. As a result of a variety of factors (economic and otherwise) the time frames set forth in the Original MOU for transfer of the agricultural park site to DOA, design and construction of the off-site infrastructure were not met.
7. However, by Warranty Deed with Reversion dated February 23, 2004, recorded on February 27, 2004, in the Bureau of Conveyances of the State of Hawaii as Document No.

2004-040601 the 150 acre parcel within Royal Kunia Phase II on which the state agricultural park is to be developed was conveyed by Halekua to the State of Hawaii.

8. Halekua and DOA now desire to amend and restate the Original MOU to (a) acknowledge the conveyance of the 150 acre agricultural park site to the DOA and the acceptance thereof by the DOA in partial satisfaction of the agreements in the MOU notwithstanding the delay in actual conveyance of the subject land, (b) to restate and modify the agreements between Halekua and the DOA with respect to the timing for design and construction of the off-site infrastructure to the state agricultural park, (c) to delete the provisions within the MOU providing for the DOA to initiate and complete its development and commence active use of the state agricultural park within a period of time measured from the date of initial conveyance of the 150 acre parcel comprising the state agricultural park to the DOA, and (d) to delete the right of reverter if the state agricultural park is not developed and utilized for those purposes within 10-years from the date of the initial conveyance of the 150 acre parcel to the DOA, and replace with a restrictive use covenant and reversion if the use covenant is breached.

NOW, THEREFORE, in consideration of the Recitals set forth above and other consideration the receipt and sufficiency of which is hereby acknowledged, Halekua and DOA do hereby amend and restate Paragraphs A through N of the original MOU in their entirety as follows:

A. Confirmation of Conveyance of 150-Acre Parcel. DOA does hereby acknowledge and confirm that by Warranty Deed with Reversion dated February 23, 2004, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2004-040601 (the "*State Ag Park Deed*"), the agreed upon 150 acres of land within the Royal Kunia Phase II development was conveyed by Halekua to the State of Hawaii, by and through its Board of Land and Natural Resources, for the DOA's use as and to establish a state agriculture park thereon (herein the "*state agricultural park*"). The DOA further confirms that it has accepted the conveyance of the lands comprising the state agricultural park by the State Ag Park Deed as being in full and complete satisfaction of the land conveyance component of its agreements with Halekua notwithstanding the fact that the actual conveyance occurred beyond the original December 31, 1997 deadline date.

B. Use of State Agricultural Park. The state agricultural park is intended to benefit the small diversified farmer and use of the state agricultural park shall be intended for diversified agricultural production, including, without limitation, floriculture, foliage and orchard production. In addition, the DOA shall have right and option (but is not required) to develop and construct up to a maximum of fifty (50) related agricultural farm dwellings or farm employee housing units with the state agricultural park. If any of these agricultural farm dwellings or farm employee housing units are developed by the DOA on the state agricultural park the same shall not at any time be offered for sale by the DOA.

C. Certain Use Prohibitions within State Agricultural Park. Since the state agricultural park will be located adjacent to an urban residential community, commercial livestock and aquaculture production or other activities associated with or related thereto shall be prohibited within the state agricultural park.

D. Halekua to Include State Agricultural Park in Land Plan. Halekua shall incorporate the state agricultural park into its land plan for the Royal Kunia Phase II subdivision and jointly with the DOA shall prepare a preliminary site plan for the state agricultural park reflecting the locations of the roadway and infrastructure connections to be provided to the boundary of the state agricultural park parcel. Halekua and the DOA will diligently and in good faith work together to conclude the planning work necessary to prepare and reach agreement on a preliminary site plan for the state agricultural park no later than December 31, 2007 (or such later date to which Halekua and the DOA shall mutually agree). The DOA shall determine the final layout of the state agricultural park's interior configuration, subject to review and concurrence by Halekua, and shall arrange for and provide funding for construction of the improvements within the interior of the state agricultural park.

E. Halekua to Design and Construct Certain Off-Site Infrastructure to the State Agricultural Park. Halekua shall design and construct off-site infrastructure improvements for the state agricultural park including roadway, potable and irrigation water lines (exclusive of water commitment), and sewer lines and utility connections, up to the property boundary of the state agricultural park at no cost to the DOA. These off-site infrastructure improvements shall be sufficient to service the agricultural uses contemplated by the DOA for the state agricultural park and shall be sufficient to service the maximum of fifty (50) agricultural farm dwellings or farm employee housing units (if the DOA determines that the same shall be a part of the state agricultural park). In connection therewith Halekua and the DOA agree as follows:

a. Following approval of the preliminary site plan in accordance with Paragraph D above, Halekua shall arrange for and cause the preparation of design plans for the off-site infrastructure necessary to provide the agreed upon roadway access, water, sewer and other appropriate utility connections to the boundary of the state agriculture park to service the contemplated improvements on the state agricultural park in accord with the preliminary site plan and submit the same to the DOA for approval no later than December 31, 2008 (or such later date to which Halekua and the DOA shall mutually agree), which approval by the DOA shall not be unreasonably withheld or delayed. It is understood and accepted that HDC shall be entitled to make such changes and modifications to the approved design plans as may be required to address and satisfy any comments made or issues raised by appropriate governmental agencies of the State of Hawaii and/or City and County of Hawaii, with the further consent or approval of DOA, which consent or approval shall not be unreasonably withheld or delayed.

b. After the DOA approves the offsite infrastructure plans, HDC shall, at its sole cost and expense, (i) obtain all necessary governmental permits and approvals for construction of such off-site infrastructure, and (ii) arrange for and substantially complete the construction and installation of the off-site infrastructure to service the state agricultural park no later than January 1, 2011 (or such later date to which Halekua and the DOA shall mutually agree), subject to extension in such substantial completion date for construction industry recognized force majeure events.

F. DOA Responsible for All Other Costs of State Agricultural Park. The DOA shall assume responsibility for the development of and payment of all costs (other than those set forth

in this Agreement as being assumed by Halekua) associated with the state agricultural park and the agricultural farm dwellings and/or farm employee housing units to be developed thereon.

G. Coordinate Developments. Halekua and the DOA shall use their best efforts to work jointly to coordinate the development of their respective portions of the Royal Kunia Phase II project.

H. Hawaii Farm Bureau Federation. The DOA, to the extent permitted by law or regulation, shall involve the Hawaii Farm Bureau Federation in the utilization, operation and management of the state agricultural park with the intent of maximizing the efficiency and success of the diversified farming efforts at the state agricultural park.

I. DOA Support of Land Use Approvals. The DOA shall assist and support Halekua in its efforts to obtain and maintain the necessary land use approvals for the Royal Kunia Phase II project, as well as in Halekua's efforts to obtain the necessary off-site infrastructure permit approvals. Any assistance and support by the DOA shall be limited to the extent permitted by the applicable statutes and rules.

J. Restrictive Use Covenant on State Agricultural Park. The time periods for initiation of development of on-site improvements for the state agricultural park and for the DOA to achieve active utilization of the state agricultural park set forth in Paragraph K of the Original MOU are hereby deleted in their entirety. Instead the state agricultural park shall be subject to a restrictive use covenant providing that the state agricultural park shall only be used as an agricultural park or for the current or similar agricultural purposes, including diversified agriculture. If at any time in the future the DOA ceases to use or abandons the use of the state agricultural park as an agricultural park or for the current or similar agricultural purposes, including diversified agriculture, then, and in such event, the 150 acre parcel comprising the state agricultural park shall be subject to a reversion in favor of certain "Robinson Owners" as more particularly defined in the State Ag Park Deed. It is understood that the fact that any portion of the state agricultural park may lie vacant or fallow shall not constitute the cessation or abandonment of the agricultural use.

K. No Adverse Impact on Lands Adjoining State Agricultural Park. The DOA agrees to use its best efforts to minimize the impact of the state agricultural park on the adjacent lands being developed for residential, industrial and other urban uses.

L. Assistance with Non-Potable Water System. The DOA shall assist Halekua, to the extent allowable by law and subject to the availability of funds, in obtaining and developing a non-potable water system to service irrigation and other non-potable water needs of the Royal Kunia Phase I and Phase II projects, including the state agricultural park.

M. Purpose of Amended and Restated MOU. The parties hereto agree that this Amended and Restated MOU is being executed to evidence their mutual understandings and agreements regarding the conveyance of the 150-acre parcel comprising the state agricultural park to the DOA, the design and development by Halekua of certain off-site infrastructure to service the state agricultural park, and certain use restrictions and limitations applicable to the

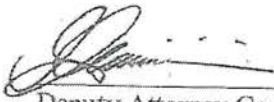
DOA's use of the state agricultural park. This Amended and Restated MOU replaces the Original MOU in its entirety.


N. Amendment. This Amended and Restated MOU may be amended from time to time by an instrument in writing signed by both HDC and the DOA.

IN WITNESS WHEREOF, this Amendment and Restatement of Memorandum of Understanding is made and executed by Halekua and the DOA as of the day and year first above written.

DEPARTMENT OF AGRICULTURE,
STATE OF HAWAII

Approved as to Legality and Form:


Deputy Attorney General
Dated: March 2, 2007


Name: Sandra Lee Kunimoto
Title: Chairperson

HALEKUA DEVELOPMENT CORPORATION

By 
Name: Herbert K. Horita
Title: President

**FIRST AMENDMENT
TO
AMENDMENT AND RESTATEMENT
OF
MEMORANDUM OF UNDERSTANDING**

THIS FIRST AMENDMENT to the AMENDMENT AND RESTATEMENT OF MEMORANDUM OF UNDERSTANDING (the "*First Amendment*") is made this ___ day of February 19, 2009, by and between HALEKUA-KUNIA, LLC, a Delaware limited liability company, successor in interest to HALEKUA DEVELOPMENT CORPORATION, a Hawaii corporation ("*Halekua*") and the DEPARTMENT OF AGRICULTURE, STATE OF HAWAII ("*DOA*").

RECITALS:

1. Halekua and DOA entered into that certain Amendment and Restatement of Memorandum of Understanding (the "*MOU*") dated as of March 2, 2007, for the purpose of restating the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.

2. Paragraph E. a. of the MOU states:

"a. Following approval of the preliminary site plan in accordance with Paragraph D above, Halekua shall arrange for and cause the preparation of design plans for the off-site infrastructure necessary to provide the agreed upon roadway access, water, sewer and other appropriate utility connections to the boundary of the state agricultural park to service the contemplated improvements on the state agricultural park in accordance with the preliminary site plan and submit the same to the DOA for approval no later than December 31, 2008 (or such later date to which Halekua and the DOA shall mutually agree), which approval by the DOA shall not be unreasonably withheld or delayed. It is understood and accepted that HDC shall be entitled to make such changes and modifications to the approved design plans as may be required to address and satisfy any comments made or issues raised by appropriate governmental agencies of the State of Hawaii and/or City and County of Honolulu, without the further consent or approval of DOA, which consent or approval shall not be unreasonably withheld or delayed."

3. Paragraph N. of the MOU states that the Amended and Restated MOU may be amended from time to time by an instrument in writing signed by both Halekua and DOA.

4. Halekua and DOA now desire to amend said Paragraph E. a. of the MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2008 to December 31, 2009.

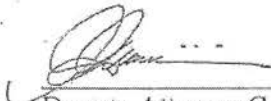
NOW, THEREFORE, in consideration of the Recitals set forth above and other consideration the receipt and sufficiency of which is hereby acknowledged, Halekua and DOA do hereby amend Paragraph E. a. in the MOU as follows:

A. Extension of December 31, 2008 Deadline. The designated deadline for completion and submittal of the preliminary site plan to the DOA in Paragraph E. a. is hereby amended by deleting "December 31, 2008" and substituting therefore, "December 31, 2009."

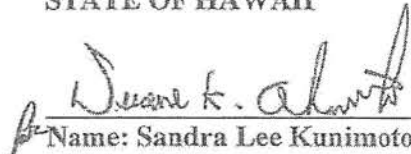
IN WITNESS WHEREOF, this First Amendment to Amendment and Restatement of Memorandum of Understanding is made and executed by Halekua and the DOA as of the day and year first above written.

**DEPARTMENT OF AGRICULTURE,
STATE OF HAWAII**

Approved as to Legality and Form:



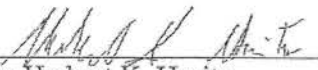
Deputy Attorney General



Name: Sandra Lee Kunimoto
Title: Chairperson

**HALEKUA-KUNIA, LLC,
a Delaware limited liability company**

**By HALEKUA DEVELOPMENT CORPORATION,
a Hawaii corporation, its sole member**

By 

Name: Herbert K. Horita
Title: President

**SECOND AMENDMENT
TO
AMENDMENT AND RESTATEMENT
OF
MEMORANDUM OF UNDERSTANDING**

THIS SECOND AMENDMENT to the AMENDMENT AND RESTATEMENT OF MEMORANDUM OF UNDERSTANDING (the "*Second Amendment*") is made this 20th day of September, 2012, by and between CANPARTNERS IV ROYAL KUNIA PROPERTY LLC, a Delaware limited liability company, successor in interest to HALEKUA-KUNIA, LLC, a Delaware limited liability company, by virtue of foreclosure of the property pursuant to Hawaii Revised Statutes, Sections 667-5 through 667-10, as amended, dated June 10, 2009 ("*Canpartners*") and the DEPARTMENT OF AGRICULTURE, STATE OF HAWAII ("*DOA*").

RECITALS:

1. Canpartners and DOA entered into that certain Amendment and Restatement of Memorandum of Understanding (the "*MOU*") dated as of March 2, 2007, for the purpose of restating the agreements and understanding by and between Canpartners and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Canpartners of a state agricultural park.

2. Paragraph E. a. of the MOU states:

"a. Following approval of the preliminary site plan in accordance with Paragraph D above, Canpartners shall arrange for and cause the preparation of design plans for the off-site infrastructure necessary to provide the agreed upon roadway access, water, sewer and other appropriate utility connections to the boundary of the state agriculture park to service the contemplated improvements on the state agriculture park in accord with the preliminary site plan and submit the same to the DOA for approval no later than December 31, 2008 (or such later date to which Canpartners and the DOA shall mutually agree), which approval by the DOA shall not be unreasonably withheld or delayed. It is understood and accepted that HDC shall be entitled to make such changes and modifications to the approved design plans as may be required to address and satisfy any comments made or issues raised by appropriate governmental agencies of the State of Hawaii and/or City and County of Hawaii, without the further consent or approval of DOA, which consent or approval shall not be unreasonably withheld or delayed."

3. Paragraph N. of the MOU states that the Amended and Restated MOU may be amended from time to time by an instrument in writing signed by both Canpartners and DOA.

4. Pursuant to Paragraph N. Canpartners and DOA amended said Paragraph E. a. of the MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2008 to December 31, 2009 by executing that certain First Amendment to Amendment and Restatement of Memorandum of Understanding dated February 19, 2009.

5. Canpartners and DOA now desire to further amend said Paragraph E.a. of the MOU to extend the deadline for completion and submittal of the preliminary site plan to DOA from December 31, 2009 to December 31, 2013.

NOW, THEREFORE, in consideration of the Recitals set forth above and other consideration the receipt and sufficiency of which is hereby acknowledged, Canpartners and DOA do hereby amend Paragraph E. a. in the MOU as follows:

A. The designated deadline for completion and submittal of the preliminary site plan to the DOA in Paragraph E. a. is hereby amended by deleting "December 31, 2009" and substituting therefor, "December 31, 2013".

IN WITNESS WHEREOF, this Second Amendment to Amendment and Restatement of Memorandum of Understanding is made and executed by Canpartners and the DOA as of the day and year first above written.

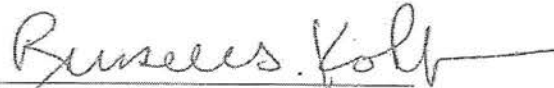
DEPARTMENT OF AGRICULTURE,
STATE OF HAWAII

Approved as to Legality and Form:



Deputy Attorney General

Dated: _____, 2012



Name: Russell S. Kokubun

Title: Chairperson

CANPARTNERS IV ROYAL KUNIA
PROPERTY LLC,
a Delaware limited liability company

By: Canpartners Realty Holding Company IV LLC,
a Delaware limited liability company,
its sole member

By: Canyon Capital Realty Advisors LLC,
a Delaware limited liability company,
its manager

Legal	Acq/AM
bcv	mts



Name: Daniel Milinen

Title: Authorized Signatory

**THIRD AMENDMENT
TO
AMENDMENT AND RESTATEMENT
OF
MEMORANDUM OF UNDERSTANDING**

THIS THIRD AMENDMENT TO AMENDMENT AND RESTATEMENT OF MEMORANDUM OF UNDERSTANDING ("2015 MOU") is made this 28th day of July, 2015, by and between CANPARTNERS IV ROYAL KUNIA PROPERTY LLC ("Canpartners"), a Delaware limited liability company, successor in interest to HALEKUA DEVELOPMENT CORPORATION ("Halekua"), and the DEPARTMENT OF AGRICULTURE, STATE OF HAWAII ("DOA");

RECITALS:

1. Halekua and DOA entered into that certain *Memorandum of Understanding* ("Original MOU") dated March 30, 1993, for the purpose of setting forth the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.

2. Halekua and DOA subsequently amended that Original MOU in writing and entered into that certain *Amendment and Restatement of Memorandum of Understanding* dated March 2, 2007 ("2007 MOU"), for the purpose of restating the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.

3. Halekua and DOA further amended that 2007 MOU in writing and entered into that certain *First Amendment to Amendment and Restatement of Memorandum of Understanding* ("2009 MOU") dated February 19, 2009, for the purpose of amending Paragraph E.a. of the 2007 MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2008 to December 31, 2009.

4. Canpartners, as successor in interest to Halekua, and DOA subsequently amended that 2009 MOU in writing and entered into that certain *Second Amendment to Amendment and Restatement of Memorandum of Understanding* ("2012 MOU") dated September 20, 2012, for the purpose of amending Paragraph E.a. of the 2009 MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2009 to December 31, 2013.

5. Canpartners and DOA now desire to further amend and restate the Original MOU, 2007 MOU, 2009 MOU and 2012 MOU to (a) acknowledge Canpartners as successor in interest to Halekua, (b) acknowledge the conveyance of the 150 acre agricultural park site to the DOA and the acceptance thereof by the DOA in partial satisfaction of the agreements in the MOU, (c) to restate and modify the agreements between Canpartners and the DOA with respect to the timing for design and construction of the off-site infrastructure to the state agricultural park and submittal of a revised master plan pursuant to Paragraph IV(A)(1) and (2) of that certain Order

Granting Successor Petitioner (To Parcel 52), Ho'ohana Solar1, LLC's Motion for Order Amending the Amended Findings of Fact, Conclusions of Law, and Decision and Order Filed on October 1, 1996 filed on January 28, 2015 ("Amended Order").

NOW, THEREFORE, in consideration of the Recitals set forth above and other consideration, the receipt and sufficiency of which is hereby acknowledged, Canpartners and DOA do hereby amend and restate Paragraphs A through N of the MOU in their entirety as follows:

A. Confirmation of Conveyance of 150-Acre Parcel. DOA does hereby acknowledge and confirm that by Warranty Deed with Reversion dated February 23, 2004, recorded in the Bureau of Conveyances of the State of Hawai'i as Document No. 2004-040601 (the "State Ag Park Deed"), the agreed upon 150 acres of land within the Royal Kunia Phase II development was conveyed by Halekua to the State of Hawai'i, by and through its Board of Land and Natural Resources, for the DOA's use as and to establish a state agriculture park thereon (herein the "State Agricultural Park"). The DOA further confirms that it has accepted the conveyance of the lands comprising the State Agricultural Park by the State Ag Park Deed as being in full and complete satisfaction of the land conveyance component of its agreements with Canpartners notwithstanding the fact that the actual conveyance occurred beyond the original December 31, 1997 deadline date.

B. Use of State Agricultural Park. The State Agricultural Park is intended to benefit the small diversified farmer and use of the State Agricultural Park shall be intended for diversified agricultural production, including, without limitation, floriculture, foliage and orchard production. In addition, the DOA shall have the right and option (but is not required) to develop and construct up to a maximum of fifty (50) related agricultural farm dwellings or farm employee housing units within the State Agricultural Park. If any of these agricultural farm dwellings or farm employee housing units are developed by the DOA on the State Agricultural Park the same shall not at any time be offered for sale by the DOA.

C. Certain Use Prohibitions within State Agricultural Park. Since the State Agricultural Park will be located adjacent to an urban residential community, commercial livestock or other activities associated with or related thereto shall be prohibited within the State Agricultural Park^[A].

D. Canpartners to Include State Agricultural Park in Land Plan. Canpartners has incorporated the State Agricultural Park into its land plan for the Royal Kunia Phase II subdivision and jointly with the DOA has prepared a preliminary site plan for the State Agricultural Park reflecting the locations of the roadway and infrastructure connections to be provided to the boundary of the State Agricultural Park parcel. The DOA has accepted and approved Canpartner's preliminary site plan by letter dated March 31, 2015.

E. Canpartners to Design and Construct Certain Off-Site Infrastructure to the State Agricultural Park. Canpartners shall design and construct off-site infrastructure improvements for the State Agricultural Park including roadway, potable and irrigation water lines (exclusive of water commitment), and sewer lines and utility connections, up to the property boundary of the State Agricultural Park at no cost to the DOA. These off-site infrastructure improvements shall

be sufficient to service the agricultural uses contemplated by the DOA for State Agricultural Park and shall be sufficient to service the maximum of fifty (50) agricultural farm dwellings or farm employee housing units (if the DOA determines that the same shall be a part of the State Agricultural Park). In connection therewith Canpartners and the DOA agree as follows:

a. Following approval of the preliminary site as outlined in Paragraph D above, Canpartners shall arrange for and cause the preparation of design plans for the off-site infrastructure necessary to provide the agreed upon roadway access, water, sewer, and other appropriate utility connections to the boundary of the State Agricultural Park to service the contemplated improvements on the State Agricultural Park in accord with the preliminary site plan and submit the same to the DOA for approval no later than December 31, 2015, or such later date to which Canpartners and the DOA shall mutually agree, which approval by the DOA shall not be unreasonably withheld or delayed. It is understood and accepted that Canpartners shall be entitled to make such changes and modifications to the approved design plans as may be required to address and satisfy any comments made or issues raised by appropriate governmental agencies of the State of Hawai'i and/or City and County of Honolulu, with the further consent or approval of the DOA, which consent or approval shall not be unreasonably withheld or delayed.

b. After the DOA approves the offsite infrastructure plans, Canpartners shall, at its sole cost and expense, (i) obtain all necessary governmental permits and approvals for construction of such off-site infrastructure, and (ii) arrange for and substantially complete the construction and installation of the off-site infrastructure to service the State Agricultural Park no later than December 31, 2016, or such later date to which Canpartners and the DOA shall mutually agree, subject to extension in such substantial completion date for construction industry recognized force majeure events.

F. DOA Responsible for All Other Costs of State Agricultural Park. The DOA shall assume responsibility for the development and payment of all costs (other than those set forth in this Agreement as being assumed by Canpartners) associated with the State Agricultural Park and the agricultural farm dwellings and/or farm employee housing units to be developed thereon.

G. Coordinate Developments. Canpartners and the DOA shall use their best efforts to work jointly to coordinate the development of their respective portions of the Royal Kunia Phase II project.

H. Hawaii Farm Bureau Federation. The DOA, to the extent permitted by law or regulation, shall involve the Hawaii Farm Bureau Federation in the utilization, operation and management of the State Agricultural Park with the intent of maximizing the efficiency and success of the diversified farming efforts at the State Agricultural Park.

I. DOA Support of Land Use Approvals. The DOA shall assist and support Canpartners in its efforts to obtain and maintain the necessary land use approvals for the Royal Kunia Phase II project, as well as in Canpartners' efforts to obtain the necessary off-site infrastructure permit approvals. Any assistance and support by the DOA shall be limited to the extent permitted by the applicable statutes and rules.

J. Restrictive Use Covenant on State Agricultural Park. The time periods for initiation of the development of on-site improvements for the State Agricultural Park and for the DOA to achieve active utilization of the State Agricultural Park set forth in Paragraph K of the Original MOU are hereby deleted in their entirety. Instead the State Agricultural Park shall be subject to a restrictive use covenant providing that the State Agricultural Park shall only be used as an agricultural park or for the current or similar agricultural purposes, including diversified agriculture. If at any time in the future the DOA ceases to use or abandons the use of the State Agricultural Park as an agriculture park or for the current or similar agricultural purposes, including diversified agricultural, then, and in such event, the 150 acre parcel comprising the State Agricultural Park shall be subject to a reversion in favor of certain "Robinson Owners" as more particularly defined in the State Ag Park Deed. It is understood that the fact that any portion of the State Agricultural Park may lie vacant or fallow shall not constitute the cessation or abandonment of the agricultural use.

K. No Adverse Impact on Lands Adjoining State Agricultural Park. The DOA agrees to use its best efforts to minimize the impact of the State Agricultural Park on the adjacent lands being developed for residential, industrial and other urban uses.

L. Assistance with Non-Potable Water System. The DOA shall assist Canpartners, to the extent allowable by law and subject to the availability of funds, in obtaining and developing a non-potable water system to service irrigation and other non-potable water needs of the Royal Kunia Phase I and Phase II projects, including the State Agricultural Park.


M. Purpose of Amended and Restated MOU. The parties hereto agree that this Amended and Restated MOU is being executed to evidence their mutual understandings and agreements regarding the conveyance of the 150-acre parcel comprising the State Agricultural Park to the DOA, the design and development by Canpartners of certain off-site infrastructure to service the State Agricultural Park, and certain use restrictions and limitations applicable to the DOA's use of the State Agricultural Park. This 2015 MOU replaces the Original MOU, 2007 MOU, 2009 MOU, and 2012 MOU in their entirety.

N. Amendment. This 2015 MOU may be amended from time to time by instrument in writing signed by both Canpartners and the DOA.


[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Third Amendment to Amendment and Restatement of Memorandum of Understanding is made and executed by Canpartners and the DOA as of the day and year first above written.

**CANPARTNERS IV ROYAL KUNIA
PROPERTY LLC**, a Delaware limited
liability company


By: 
Name: Jonathan P. Roth
Title: President

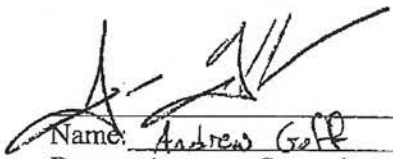
**DEPARTMENT OF AGRICULTURE,
STATE OF HAWAII**

By: 
Name: Scott E. Enright
Title: Chairperson

[Faint, illegible text]

APPROVED AS TO FORM:

Legal	Acq/AM
	<u>wrb</u>


Name: Andrew Goff
Deputy Attorney General

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

May 12, 2020

Mr. David Tanoue
RP2 Ventures, LLC
2024 North King Street, Suite 200
Honolulu, Hawaii 96819

COPY

Sharene Saito Tam
Vice President
Haseko Development, Inc.
91-1001 Kaimālie Street Suite 205
'Ewa Beach, HI 96706

2020 MAY 18 P 12:14
HAWAII STATE DEPT. OF AGRICULTURE

Dear Mr. Tanoue and Ms. Tam:

Subject: *Fourth Amendment to Amendment and Restatement of Memorandum of Understanding*

Please find enclosed a copy of the signed *Fourth Amendment to Amendment and Restatement of Memorandum of Understanding* ("Fourth MOU"), as agreed upon by RP2 Ventures, LLC (RP2) and the Department of Agriculture (DOA). The intent of the MOU is to provide the Land Use Commission with a mutually agreed upon schedule for the fulfillment of past obligations under Section IV, Decision and Order, Item A.1 of that certain Land Use Commission (LUC) Order filed January 28, 2015 ("Amended Order") under Docket No. A92-683. The DOA expects to continue its work with RP2 in presenting this MOU to the LUC.

We understand that RP2 is in the process of selling property in Royal Kunia to Haseko, including their obligations under the LUC Amended Order and the Fourth MOU. We are therefore providing an official copy of this Fourth MOU to Haseko. The DOA expects RP2's successor to comply with the previously agreed upon terms.

EXHIBIT 19f



May 12, 2020
Page 2 of 2

If you have any questions regarding this letter, please contact Ms. Janice Fujimoto of my staff at 808-973-9493.

Sincerely,



BRIAN KAU, P.E.
Administrator and Chief Engineer
Agricultural Resource Management Division

Attachment

C:
HRT Ltd.
Stephen Mau, Attorney - Robinson Kunia Land LLC
State of Hawaii, Land Use Commission
State of Hawaii, Office of Planning
Deputy Attorney General Valerie Kato

**FOURTH AMENDMENT
TO
AMENDMENT AND RESTATEMENT
OF
MEMORANDUM OF UNDERSTANDING**

THIS FOURTH AMENDMENT TO AMENDMENT AND RESTATEMENT OF MEMORANDUM OF UNDERSTANDING ("2020 MOU") is made this 14 day of March, 2020, by and between RP2 VENTURES, LLC ("RP2"), a Hawaii domestic limited liability company, successor in interest to CANPARTNERS IV ROYAL KUNIA PROPERTY LLC ("Canpartners"), HALEKUA DEVELOPMENT CORPORATION ("Halekua"), and the DEPARTMENT OF AGRICULTURE, STATE OF HAWAII ("DOA");

RECITALS:

1. Halekua and DOA entered into that certain *Memorandum of Understanding* ("Original MOU") dated March 30, 1993, for the purpose of setting forth the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.

2. Halekua and DOA subsequently amended that Original MOU in writing and entered into that certain *Amendment and Restatement of Memorandum of Understanding* dated March 2, 2007 ("2007 MOU"), for the purpose of restating the agreements and understanding by and between Halekua and DOA with respect to establishment and integration into the master plan for the Royal Kunia Phase II development by Halekua of a state agricultural park.

3. Halekua and DOA further amended that 2007 MOU in writing and entered into that certain *First Amendment to Amendment and Restatement of Memorandum of Understanding* ("2009 MOU") dated February 19, 2009, for the purpose of amending Paragraph E.a. of the 2007 MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2008 to December 31, 2009.

4. Canpartners, as successor in interest to Halekua, and DOA subsequently amended that 2009 MOU in writing and entered into that certain *Second Amendment to Amendment and Restatement of Memorandum of Understanding* ("2012 MOU") dated September 20, 2012, for the purpose of amending Paragraph E.a. of the 2009 MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2009 to December 31, 2013.

5. Canpartners and DOA subsequently amended the 2012 MOU in writing and entered into that certain *Third Amendment to Amendment and Restatement of Memorandum of Understanding* ("2015 MOU") dated July 28, 2015, for the purpose of amending Paragraph E.a. of the 2012 MOU to extend the deadline for completion and submittal of the preliminary site plan to the DOA from December 31, 2013 to December 31, 2015, and construction and installation of off-site infrastructure no later than December 31, 2016.

6. RP2 and DOA now desire to further amend and restate the Original MOU, the 2007 MOU, the 2009 MOU, the 2012 MOU, and the 2015 MOU (the Original MOU, as amended, is hereinafter sometimes referred to as the "MOU") to (a) acknowledge RP2 as successor in interest to Canpartners and Halekua, (b) acknowledge the conveyance of the 150 acre agricultural park site to the DOA and the acceptance thereof by the DOA in partial satisfaction of the agreements in the MOU, (c) to restate and modify the agreements between RP2 and the DOA with respect to the timing for design and construction of the off-site infrastructure to the state agricultural park and submittal of a revised master plan pursuant to Paragraph IV(A)(1) and (2) of that certain Order Granting Successor Petitioner (To Parcel 52), Ho'ohana Solar1, LLC's Motion for Order Amending the Amended Findings of Fact, Conclusions of Law, and Decision and Order Filed on October 1, 1996 filed on January 28, 2015 ("Amended Order").

NOW, THEREFORE, in consideration of the Recitals set forth above and other consideration, the receipt and sufficiency of which is hereby acknowledged, RP2 and DOA do hereby amend and restate Paragraphs A through N of the MOU in their entirety as follows:

A. Confirmation of Conveyance of 150-Acre Parcel. DOA does hereby acknowledge and confirm that by Warranty Deed with Reversion dated February 23, 2004, recorded in the Bureau of Conveyances of the State of Hawai'i as Document No. 2004-040601 (the "State Ag Park Deed"), the agreed upon 150 acres of land within the Royal Kunia Phase II development was conveyed by Halekua to the State of Hawai'i, by and through its Board of Land and Natural Resources, for the DOA's use as and to establish a state agriculture park thereon (herein the "State Agricultural Park"). The DOA further confirms that it has accepted the conveyance of the lands comprising the State Agricultural Park by the State Ag Park Deed as being in full and complete satisfaction of the land conveyance component of its agreements with Canpartners notwithstanding the fact that the actual conveyance occurred beyond the original December 31, 1997 deadline date.

B. Use of State Agricultural Park. The State Agricultural Park is intended to benefit the small diversified farmer and use of the State Agricultural Park shall be intended for diversified agricultural production, including, without limitation, floriculture, foliage and orchard production. In addition, the DOA shall have the right and option (but is not required) to develop and construct up to a maximum of fifty (50) related agricultural farm dwellings or farm employee housing units within the State Agricultural Park. If any of these agricultural farm dwellings or farm employee housing units are developed by the DOA on the State Agricultural Park the same shall not at any time be offered for sale by the DOA.

C. Certain Use Prohibitions within State Agricultural Park. Since the State Agricultural Park will be located adjacent to an urban residential community, commercial livestock or other activities associated with or related thereto shall be prohibited within the State Agricultural Park.

D. Canpartners to Include State Agricultural Park in Land Plan. Canpartners has incorporated the State Agricultural Park into its land plan for the Royal Kunia Phase II subdivision and jointly with the DOA has prepared a preliminary site plan for the State Agricultural Park reflecting the locations of the roadway and infrastructure connections to be

provided to the boundary of the State Agricultural Park parcel. The DOA has accepted and approved Canpartner's preliminary site plan by letter dated March 31, 2015. The DOA extends this acceptance to RP2.

E. RP2 to Design and Construct Certain Off-Site Infrastructure to the State Agricultural Park. RP2 shall design and construct off-site infrastructure improvements for the State Agricultural Park including roadway, potable and irrigation water lines (exclusive of water commitment), and sewer lines and utility connections, up to the property boundary of the State Agricultural Park at no cost to the DOA. These off-site infrastructure improvements shall be sufficient to service the agricultural uses contemplated by the DOA for the State Agricultural Park and shall be sufficient to service the maximum of fifty (50) agricultural farm dwellings or farm employee housing units (if the DOA determines that the same shall be a part of the State Agricultural Park). In connection therewith RP2 and the DOA agree as follows:

a. RP2 has prepared preliminary design plans for the off-site infrastructure necessary to provide the agreed upon roadway access, water, sewer, and other appropriate utility connections to the boundary of the State Agricultural Park to service the contemplated improvements on the State Agricultural Park in accordance with the preliminary site plan accepted by the DOA by letter on March 31, 2015. RP2 shall obtain DOA approval for the off-site infrastructure and submit construction permit applications no later than May 31, 2020, or such later date to which RP2 and the DOA shall mutually agree, which approval by the DOA shall not be unreasonably withheld or delayed. It is understood and accepted that RP2 shall be entitled to make such changes and modifications to the approved design plans as may be required to address and satisfy any comments made or issues raised by appropriate governmental agencies of the State of Hawai'i and/or City and County of Honolulu, with the further consent or approval of the DOA, which consent or approval shall not be unreasonably withheld or delayed.

b. After the DOA approves the offsite infrastructure plans, RP2 shall, at its sole cost and expense, (i) obtain all necessary governmental permits and approvals for construction of such off-site infrastructure, (ii) arrange for and complete the construction and installation of the irrigation infrastructure no later than February 28, 2021, and (iii) arrange for and complete the construction and installation of the remainder of the off-site infrastructure to service the State Agricultural Park no later than ~~June 30, 2020~~, June 30, 2021, unless approved by DOA.

F. DOA Responsible for All Other Costs of State Agricultural Park. The DOA shall assume responsibility for the development and payment of all costs (other than those set forth in this Agreement as being assumed by RP2) associated with the State Agricultural Park and the agricultural farm dwellings and/or farm employee housing units to be developed thereon.

G. Coordinate Developments. Canpartners and the DOA shall use their best efforts to work jointly to coordinate the development of their respective portions of the Royal Kunia Phase II project.

H. Hawaii Farm Bureau Federation. The DOA, to the extent permitted by law or regulation, shall involve the Hawaii Farm Bureau Federation in the utilization, operation and

management of the State Agricultural Park with the intent of maximizing the efficiency and success of the diversified farming efforts at the State Agricultural Park.

I. DOA Support of Land Use Approvals. The DOA shall assist and support RP2 in its efforts to obtain and maintain the necessary land use approvals for the Royal Kunia Phase II project, as well as in RP2's efforts to obtain the necessary off-site infrastructure permit approvals. Any assistance and support by the DOA shall be limited to the extent permitted by the applicable statutes and rules.

J. Restrictive Use Covenant on State Agricultural Park. The time periods for initiation of the development of on-site improvements for the State Agricultural Park and for the DOA to achieve active utilization of the State Agricultural Park set forth in Paragraph K of the Original MOU are hereby deleted in their entirety. Instead the State Agricultural Park shall be subject to a restrictive use covenant providing that the State Agricultural Park shall only be used as an agricultural park or for the current or similar agricultural purposes, including diversified agriculture. If at any time in the future the DOA ceases to use or abandons the use of the State Agricultural Park as an agriculture park or for the current or similar agricultural purposes, including diversified agricultural, then, and in such event, the 150 acre parcel comprising the State Agricultural Park shall be subject to a reversion in favor of certain "Robinson Owners" as more particularly defined in the State Ag Park Deed. It is understood that the fact that any portion of the State Agricultural Park may lie vacant or fallow shall not constitute the cessation or abandonment of the agricultural use.

K. No Adverse Impact on Lands Adjoining State Agricultural Park. The DOA agrees to use its best efforts to minimize the impact of the State Agricultural Park on the adjacent lands being developed for residential, industrial and other urban uses.

L. Assistance with Non-Potable Water System. The DOA shall assist RP2, to the extent allowable by law and subject to the availability of funds, in obtaining and developing a non-potable water system to service irrigation and other non-potable water needs of the Royal Kunia Phase I and Phase II projects, including the State Agricultural Park.

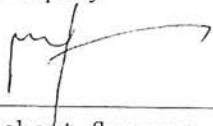
M. Purpose of Amended and Restated MOU. The parties hereto agree that this Amended and Restated MOU is being executed to evidence their mutual understandings and agreements regarding the conveyance of the 150-acre parcel comprising the State Agricultural Park to the DOA, the design and development by RP2 of certain off-site infrastructure to service the State Agricultural Park, and certain use restrictions and limitations applicable to the DOA's use of the State Agricultural Park. This 2020 MOU replaces the Original MOU, the 2007 MOU, the 2009 MOU, the 2012 MOU, and the 2015 MOU in their entirety.

N. Amendment. This 2020 MOU may be amended from time to time by instrument in writing signed by both RP2 and the DOA.

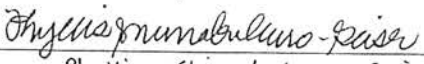
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IN WITNESS WHEREOF, this Fourth Amendment to Amendment and Restatement of Memorandum of Understanding is made and executed by RP2 and the DOA as of the day and year first above written.


RP2 VENTURES, LLC,
a Hawaii limited
liability company

By: 
Name: Robert Spencer
Title: Manager

**DEPARTMENT OF AGRICULTURE,
STATE OF HAWAII**

By: 
Name: Phyllis Shimabukuro-Geiser
Title: chairperson

APPROVED AS TO FORM:


Name: Valerie M. Kato
Deputy Attorney General