



LAND USE COMMISSION  
STATE OF HAWAII  
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September 20, 2021

Mr. Daniel E. Orodener  
Executive Officer  
State of Hawai'i  
Land Use Commission  
P.O. Box 2359  
Honolulu, Hawai'i 96804-2359

Re: Docket No. A83-558/Annual Progress Report

Dear Mr. Orodener:

HASEKO (Ewa), Inc., and a number of its affiliates (sometimes collectively, "HASEKO") are the property owners and developers of the Ocean Pointe and Hoakalei Projects (sometimes referred to as the "Project"), formerly known as the Ewa Marina Community Development Project. As required under Condition 10 of the Decision and Order of the State Land Use Commission ("LUC" or "Commission") entered on September 21, 1984 ("D&O"), the following is an annual report on HASEKO's progress regarding development of the property that was the subject of the D&O ("Subject Property") and HASEKO's efforts toward satisfaction of the D&O conditions.

### **Project Description**

Ocean Pointe/Hoakalei is a 1,100-acre master-planned project located at Honouliuli in the 'Ewa District of O'ahu. It lies along the shoreline between Fort Weaver Road and Kalaeloa (the former Naval Air Station Barbers Point), about 20 miles west of Honolulu. The Project includes a man-made, recreational lagoon (which was originally planned to be a marina, and could still eventually become one in the distant future) with light industrial, commercial, and retail facilities as well as visitor accommodations. Also included within the Project is a golf course, a 20-acre district park and childcare center, a public elementary school, and up to 4,850 homes.

### **Ownership of the Property**

HASEKO (Hawaii), Inc., purchased the approximately 1,100-acre Ocean Pointe/Hoakalei property in 1988 from M.S.M. & Associates, Inc., which was then in bankruptcy, and from The Estate of James Campbell. In 1992, the entire 1,100 acres were transferred from HASEKO (Hawaii), Inc. to a wholly owned subsidiary, HASEKO (Ewa), Inc. As construction of the

residential components of the Project has proceeded, parcels have been conveyed to development entities affiliated with HASEKO, and subsequently to individual homeowners in fee simple. A 22,905 square foot commercial lot along Fort Weaver Road was conveyed from HASEKO to Arthur Howard and Leslie Gail Howard in 2002, and a 1.043-acre commercial lot along Keone‘ula Boulevard was conveyed from HASEKO to Frederick Hoon Yuk Lau and Judy Mariko Lau in 2007.

Nearly 12 acres at the northeastern part of the Project area were conveyed in 2005 to the State of Hawai‘i for a school site. Adjacent to the school site is a district park and a childcare center. In 2007, approximately 1.25 acres were conveyed to Seagull Schools for the childcare center. Just over one acre of land was conveyed to the City and County of Honolulu in 2008 for relocation of the ‘Ewa Beach Fire Station at the northeast corner of the Project site. HASEKO conveyed approximately 18.75 acres to the City for the district park in November 2014. In December 2014, the Hoakalei Country Club was sold to the Hirakawa Shoji Group (now known as Hoakalei Country Club Goda Kaisha), a Japan corporation. In July 2015, HASEKO conveyed approximately 9 acres to the City for the expansion of One‘ula Beach Park.

### **Boundary Reclassifications**

The lands that encompass Ocean Pointe/Hoakalei were reclassified from the Agriculture to the Urban District in four separate LUC actions.<sup>1</sup> In 1975, the SLUC as part of its second Five-Year Boundary Review, under Docket No. 074-23, reclassified approximately 320 acres along Fort Weaver Road from the Agricultural District to the Urban District (none of the Subject Property is located within lands covered by this classification). There were no conditions attached to that reclassification. In 1984, M.S.M. & Associates, Inc., under Docket No. A83-558, applied to reclassify approximately 181 acres in the Agricultural District to the Urban District. The 1984 D&O contained 11 conditions as part of the approval (only the Subject Property is covered by this reclassification). Nine of the conditions currently remain in effect. In 1990, Haseko (Hawaii), Inc., under Docket No. A89-651, applied to reclassify approximately 389 acres, in the Agricultural District to the Urban District (none of the Subject Property is covered by this reclassification). This 1990 D&O included 21 conditions.

### **Current Status of Project Development**

Construction of Ocean Pointe began in 1997 with the residential component of the Project. Residential construction is anticipated to continue for about another ten years. Currently, about eighty-two percent (82%) of the permitted 4,850 housing units have been built and sold to individual homeowners. In moving forward to the development of the resort portion of the

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<sup>1</sup> *1964 Statewide Classification.* In 1964, the State began to implement the State Land Use District boundary classifications. At that time, the shorefront land of Ocean Pointe-Hoakalei (including the areas encompassing the proposed lagoon/marina basin) were being classified within the Urban District, with the remainder being classified within the Agricultural District (none of the Subject Property is covered by this classification). No conditions were imposed during the 1964 statewide classification of these lands.

master plan, the name Hoakalei was selected to distinguish this part of the Project, which includes the golf course, lagoon, commercial, resort and residential components.

Gradual grading of the golf course was initiated in the late 1990s to provide drainage basins for the residential components that were being constructed. In 2005, Ernie Els was commissioned to design the golf course, which opened for play in January 2009. Hoakalei Country Club Goda Kaisha (the current owner of the golf course) opened the permanent clubhouse to members in 2019.

Excavation of the proposed marina also began in the late 1990s. Wet excavation commenced in late 2003 following confirmation from the Department of the Army Corps of Engineers that HASEKO had fulfilled all of the pre-construction requirements. Excavated material provides fill for other portions of the Project; thus, excavation has been coordinated with the residential and golf course development. Although most of the basin excavation has been completed, break-out to the ocean has not commenced. On November 6, 2011, HASEKO announced its intention to use the basin as a recreational lagoon to facilitate the completion of the rest of the project. Although HASEKO no longer plans to complete a marina, the company is not doing anything that would prohibit someone else from choosing to do so in the distant future once entitlements/permits have been updated/obtained.

## **COMPLIANCE WITH CONDITIONS OF THE D&O**

The D&O originally contained eleven conditions. On December 9, 1998, the Commission issued an Order Granting In Part and Denying In Part Motion to Amend Decision and Order Entered on September 21, 1984, by which Conditions 4 and 5 were amended, and Condition 8 was deleted as having been satisfied. And, on February 22, 2010, the Commission issued an Order Granting Motion to Delete Condition 9, which had required the reclassification of the proposed marina land back to the Conservation District after completion of the marina. The nine remaining conditions are set forth below, followed by a brief status report on compliance efforts.

### **Condition 1**

*Petitioner shall adequately maintain the proposed siltation basins and water system to meet State Department of Health water quality standards.*

**Status.** HASEKO has constructed and is maintaining all of the siltation basins and other design measures needed to meet State of Hawai'i water quality standards. On July 24, 1992, the State Department of Health issued a Section 401 Water Quality Certification ("WQC") for the Project, subject to a number of conditions, including a water monitoring program to be conducted before, during, and after construction of the proposed marina.

HASEKO has been fulfilling the requirements of the WQC by regularly monitoring and reporting on nearshore water chemistry, reef and turtle populations, and by conducting ciguatera