

May 18, 2022

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



SUBJECT:

2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) -

UNIVERSITY OF HAWAI'I

Dear Mr. Orodenker:

In compliance with Condition No. 23 of the Findings of Fact, Conclusions of Law, and Decision and Order, dated August 13, 2007, in Docket No. A99-728(a), the University of Hawai'i - West O'ahu (UHWO) on behalf of the University of Hawai'i (UH) is pleased to provide this update for 2021 concerning the current status of compliance with the conditions of approval to the State Land Use Commission (SLUC), the State Office of Planning (OP), and the City and County of Honolulu (CITY).

I. Project Background and Progress

On March 9, 2007, the UH filed a Motion to Amend the Findings of Fact, Conclusion of Law and Decision and Order dated September 8, 1999, requesting that the SLUC: 1) recognize the University as the successor-in-interest to an approximately 500-acre property which was originally part of a 1,300-acre parcel that was urbanized by the Housing and Community Development Corporation, State of Hawai'i (HCDCH), 2) redesignate a new docket for the 500-acre property, and 3) to release or modify certain conditions from the 1999 Decision and Order. On May 17, 2007, the SLUC held a hearing on the Motion to Amend the Decision and Order. Based on evidence presented at the hearing, the SLUC issued an order recognizing the UH as the Successor-in-Interest to Petitioner HCDCH and assigning the UH's property with a new docket number (Docket No. A99-728(a)). Following the hearing, the SLUC issued their Findings of Fact, Conclusion of Law and Decision and Order for the 500-acre property. The 2007 Decision and Order for Docket No. A99-728(a) sets forth twenty-six (26) conditions of approval. On August 11, 2008, the UHWO, on behalf of the UH, submitted its first annual progress report for the property under this new docket number.

Since the completion of the first annual report, the UHWO had received approvals on two of the discretionary governmental approvals that were required for development of the property. In November 2008, the UHWO successfully completed a zone change for the property from AG-1 Restricted Agricultural District to BMX-3 Community Business Mixed Use District, A-2 Medium Density Apartment District, R-3.5 Residential District, R-5 Residential District, and P-2 General Preservation District under Ordinance 08-30. The UHWO also received approval for a Plan Review Use (PRU) permit for the development of the new campus in November 2008, under Resolution 08-140, CD1, FD1. In

Mr. Daniel E. Orodenker 2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) May 18, 2022 Page 2 of 10

previous reports, we noted that construction of five campus buildings was completed, and that the campus opened its doors for its first class of students in August 2012.

In 2018, the UHWO took beneficial occupancy of the Administration and Allied Health Facility (AAHF), and in 2021, the Creative Media Facility, the Parking Lot Expansion, and the Outdoor Learning Space projects were completed. The Bookstore Relocation project continued toward completion.

Also on the UH property, the Honolulu Authority for Rapid Transportation (HART) completed construction work on the transit station touchdown at the corner of Kualaka'i Parkway and Road B. In 2019, substantial completion was reached for the temporary park-and-ride facility and Road B (officially named Ho'omohala Avenue).

The UHWO continues to seek State funding and other sources of financing through the lease of its lands to accommodate future development and growth of the UHWO campus. In September 2014, the UH Board of Regents approved a new land use plan for the 500-acre UHWO property. The land use plan, which is very general and conceptual in nature, proposes the expansion of the UHWO campus and related uses to approximately 306 acres with approximately 168 acres allocated for mixed-use (University District Lands), and about 24 acres for major roadways.

In September 2015, the UH issued a Request for Qualifications (RFQ) for a master developer for their University District Lands. Based on the qualifications demonstrated in the responses to the September 2015 RFQ, the UH issued a Request for Business Plan (RFBP) for shortlisted developers to submit business plans for the University District Lands. In January 2017, the UH announced the selection of a development team comprised of a partnership between the Hunt Companies, Inc. and Stanford Carr Development, LLC to enter into an Exclusive Negotiation Agreement (ENA) for the development of the University District Lands. The ENA formally terminated in March 2020.

In the Summer of 2017, the UHWO commenced work on an update to its long range development plan (LRDP) for the property. The LRDP will serve as a guide for the future development of the campus and the University District Lands and include master planning for both the campus and the University District Lands. As these studies are completed, the UHWO and/or the selected development team(s) may pursue major entitlements required to implement their plans for the property.

II. Status of Compliance with the Conditions

Listed below are each of the twenty-six (26) conditions imposed by the SLUC in the August 2007 Decision and Order and the status of activities pertaining to compliance with each of the conditions.

Condition 1: Petitioner, its successors, and assigns shall provide affordable housing opportunities for residents of the State of Hawai'i in accordance with applicable affordable housing requirements of the City and County. The location and distribution of the affordable housing or other provisions for affordable housing shall be under such terms as may be mutually agreeable between Petitioner, its successors, and assigns, and the City and County.

2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a)

May 18, 2022 Page 3 of 10

Compliance: The UHWO has coordinated with the CITY Department of Planning and Permitting (DPP) in establishing affordable housing requirements for the project. On June 20, 2012, the UHWO and the CITY, through DPP, executed an Affordable Housing Agreement. As revisions to the UHWO plans for the campus and University District Lands are developed, the UHWO will consult with appropriate governmental agencies on any needed revisions to the Affordable Housing Agreement.

Condition 2: Petitioner, its successors, and assigns shall coordinate and/or participate in the funding and construction of adequate water source, storage, and transmission facilities and improvements to accommodate the Project. Water transmission facilities and improvements shall be coordinated and approved by appropriate State and City and County agencies.

Compliance: This condition has been satisfied. The UHWO lands are serviced by 2 water zones. The lower zone is serviced by a 215' water system and UHWO participated with the State Department of Hawaiian Home Lands (DHHL) and the State Department of Transportation (DOT) to develop a 4MG water reservoir and related transmission lines. This 215' water system has been turned over to the Board of Water Supply (BWS). The higher service zone (the UHWO campus is located in this higher zone) will be serviced by the 440' water system. This 440' water system consists of a 2.5MG reservoir, 5,200 feet of transmission lines and a water booster pump station. Plans and developments for both water systems were approved by the appropriate State and County agencies. As of this date, the 440' water system has been completed, and is in operation by the BWS.

Condition 3: Petitioner, its successors, and assigns shall contribute to the development, funding, and/or construction of public schools as mutually agreed with the DOE^1 . Petitioner and the DOE shall enter into written agreement on this matter prior to Petitioner obtaining approval for City and County zoning.

Compliance: This condition has been satisfied. On September 12, 2008, the UHWO and the State Department of Education (DOE) finalized and entered into an Educational Contribution Agreement for the UHWO Development. Under the agreement, the DOE would acquire a 12-acre school site and the UHWO would provide a professional development school on the UHWO lands. As revisions to the UHWO plans for the campus and University District Lands are developed, the UHWO will consult with the DOE on any needed revisions to the Education Contribution Agreement.

Condition 4: Petitioner, its successors, and assigns shall coordinate and/or fund and construct adequate wastewater transmission and disposal facilities, as determined by the City and County and the DOH², to include the planning design, construction, and scheduling of the proposed Kapolei Interceptor Sewer.

Compliance: This condition has been satisfied. The UH has entered into agreements for the East Kapolei Trunk Sewer and the Kapolei Interceptor Sewer. In compliance with this condition, the UH along with DHHL, DR Horton Schuler Division, the Estate of James Campbell and the State Hawai`i Housing Finance and Development Corporation (HHFDC) have contributed to the design and construction of these improvements. The planning, design and construction of the proposed sewer facilities has been coordinated with the appropriate State, City agencies, including the DOH. The Kapolei Interceptor Sewer has been completed and the East Kapolei Trunk Sewer System has been completed.

¹ State of Hawai`i, Department of Education (DOE)

² State of Hawai'i, Department of Health (DOH)

Mr. Daniel E. Orodenker 2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) May 18, 2022 Page 4 of 10

Condition 5: If applicable, Petitioner, its successors, and assigns shall grant to the State of Hawai'i an avigation (right of flight) and noise easement in a form prescribed by the DOT³ on any portion of the Property subject to noise levels exceeding 55 Ldn.

Compliance: The condition is not applicable, as according to the environmental noise assessment report for the property, dated June 2006, which was prepared by D.L. Adams Associates Ltd. in conjunction with the EIS for the property and which relied upon the Kalaeloa Airport Master Plan and the 2020 Noise Contour Alternatives in that plan, the property is located outside the 55 ldn contour for the Kalaeloa and Honolulu Airports.

Condition 6: If applicable, Petitioner, its successors, and assigns shall not construct residential components within areas exposed to noise levels of 60 Ldn or greater without appropriate noise mitigation measures.

Compliance: Consistent with the response to Condition 5, the condition is not applicable, as according to the environmental noise assessment report for the property, the property is located outside the 60 ldn contour for the Kalaeloa and Honolulu Airports.

Condition 7: Petitioner, its successors, and assigns shall be responsible for implementing sound attenuation measures to bring noise levels from sporting events, vehicular and air traffic in and within the Property down to levels acceptable to the DOH.

Compliance: The UHWO offerings currently do not include an athletic program or large sports complex that would generate noise associated with large sporting events. In the future, should athletic facilities and events become a part of UHWO's campus program, noise levels from sporting events and vehicular traffic in the property will include sound attenuation measures to reduce noise levels to appropriate standards to comply with this condition.

Condition 8: Petitioner, its successors, and assigns shall participate in the pro-rata funding and construction of local and regional transportation improvements and programs necessitated by the Project in designs and schedules accepted and determined by the DOT and the City and County. Petitioner and/or the DOT shall submit the construction plans as they relate to drainage issues for the North-South Road to the City and County for review and approval.

Compliance: The UHWO has coordinated with the DOT in the planning, design and construction of Kualaka'i Parkway (formerly North-South Road). UHWO continues to coordinate with the DOT and CITY in addressing issues related to access, easements within the property, coordination on infrastructure construction within the road right-of-way and drainage for Kualaka'i Parkway, in compliance with this condition. The UHWO continues to coordinate with the DOT and CITY on other regional transportation improvements.

Condition 9: Petitioner, its successors, and assigns of the affected properties shall fund and construct adequate civil defense measures as determined by the City and County and State Civil Defense agencies.

³ State of Hawai'i, Department of Transportation (DOT)

Mr. Daniel E. Orodenker 2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) May 18, 2022

Page 5 of 10

Compliance: This condition has been satisfied. The UHWO has coordinated with both the CITY Department of Emergency Management (DEM) and the State Civil Defense (SCD) on the appropriate civil defense sirens required for the development of the project. The installation of the sirens were completed in 2015.

Condition 10: Should any previously unidentified burials, archaeological or historic sites such as artifacts, marine shell concentrations, charcoal deposits, or stone platforms, pavings or walls be found, Petitioner, its successors, and assigns of the affected properties shall stop work in the immediate vicinity and the SHPD⁴ shall be notified immediately. Subsequent work shall proceed upon an archaeological clearance from the SHPD when it finds that mitigative measures have been implemented to their satisfaction.

Compliance: The UHWO and its successors and assigns will comply with this condition.

Condition 11: Petitioner, its successors, and assigns shall coordinate the design and construction of drainage improvements on the Property required as a result of the development of the Property to the satisfaction of Federal, State, and City and County agencies with the goal of executing an agreement on the interim and ultimate regional drainage plan as soon as possible. Petitioner, its successors, and assigns shall participate in the planning and coordination of off-site improvements with all landowners and developers in the Kalo'i drainage basin, the intervener, and other Federal, State, and City and County agencies.

Compliance: This condition has been satisfied. The UHWO has coordinated with Federal, State and City agencies, as well as with adjacent landowners within the watershed (including the intervener-Haseko Hawaii, Inc.) on regional drainage improvements for the Kalo'i drainage basin. On August 6, 2012, a Drainage Master Plan for the UHWO was approved by DPP. This plan addresses the interim drainage improvements and also addresses runoff from lands mauka of the project. As needed, the UHWO will continue to coordinate with applicable agencies and landowners on regional and project drainage issues.

Condition 12: Petitioner, its successors, and assigns, agree to work with the City and County to implement interim and long-term regional drainage solutions as follows:

- a. Petitioner shall submit an updated drainage master plan if required by the City and County for the Property to the City and County for its review and approval prior to any subdivision approvals other than for minor matters, such as easements.
- b. Drainage solutions for the Property shall be compatible with the drainage designs for other developments in the Kaloʻi Gulch drainage basin and shall conform to applicable Federal, State, and City and County laws, rules, regulations, and standards.
- c. Drainage improvements for the Property shall be consistent with the policies and principles in the Ewa DP.

⁴ State of Hawai`i, Department of Land and Natural Resources, State Historic Preservation Division (SHPD)

2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a)

May 18, 2022 Page 6 of 10

d. Petitioner shall be responsible for implementing interim drainage improvements which limit channelized runoff to 2,500 cfs⁵ at the Property's southern boundary for events up to a 100-year storm. Petitioner shall also take reasonable measures to minimize non-channelized flows from the Property by construction of berms, detention basins, or other appropriate methods. These requirements shall remain in force until long-range regional drainage improvements are in place in accordance with the approved drainage master plan for the Project.

Compliance: This condition has been satisfied. The UHWO has worked with State and City agencies to implement interim and long-term regional drainage solutions as required under this condition. On August 6, 2012, a Drainage Master Plan for the UHWO was approved by DPP. The plan addresses the interim drainage improvements and addresses runoff from lands mauka of the project. As needed, the UHWO will continue to coordinate with applicable agencies and landowners on regional and project drainage issues.

Condition 13: Petitioner shall apply for City and County zoning approval after the Commission reclassifies the Property from Agricultural to the Urban District. Said zone change application shall be accompanied by a conceptual master plan with land use information sufficient to satisfy county zoning and development plan requirements.

Compliance: This condition has been satisfied. The UHWO submitted a zone change application (for the 500-acre property) and a PRU application (for the campus lands) to DPP in October 2007 and November 2007, respectively, and received approval for rezoning of the property under Ordinance 08-30 and for a PRU under Resolution 08-140, CD1, FD1 on November 2008. A conceptual master plan, with land use information sufficient to satisfy county zoning and development plan requirements, was submitted to DPP as part of the zone change application. The UHWO continues to consult with representatives from the DPP and other City agencies regarding possible zoning modifications as a result of the revisions to the UHWO plans for the campus and University District Lands, as plans are further developed and finalized.

Condition 14: Petitioner shall comply with City and County zoning requirements. This condition is not intended to delay the construction of public uses or infrastructure to service the Property.

Compliance: In November 2008, the property was rezoned from AG-1 Restricted Agricultural District to BMX-3 Community Business Mixed Use District, A-2 Medium Density Apartment District, R-3.5 Residential District, R-5 Residential District, and P-2 General Preservation District under Ordinance 08-30. The UHWO also received approval for a PRU permit for the development of the new campus in November 2008, under Resolution 08-140, CD1, FD1. Since then, the UHWO has continued to coordinate with the required City and State agencies on compliance with City zoning requirements and this condition. In December 2017, the UHWO consulted with representatives from the DPP and other City agencies regarding possible zoning and PRU modifications related to its Long Range Development Plan Update effort for the campus and University District Lands. In 2019, the DPP informed UHWO that they would be revisiting the draft East Kapolei Neighborhood Transit-Oriented Development (TOD) Plan. UHWO attended a series of meetings with DPP to better understand the TOD special district benefits and impacts. The UHWO will continue to consult with representatives from the DPP and other agencies as the plans are further developed and finalized.

⁵ Cubic feet per second (cfs)

2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a)

May 18, 2022 Page 7 of 10

Condition 15: Prior to construction of any residential, commercial, or university uses within the Petition Area, Petitioner, or its successors and assigns, shall submit a Park, Open space and Pedestrian/Bikeway Master Plan to the City and County for its review and approval.

Compliance: This condition has been satisfied. The UHWO has prepared and submitted to the DPP, as part of the zone change application, an Open Space/Amenities/Bike Paths Plan for the 500-acre property and a Conceptual Regional Public Facilities and Bikeway Master Plan. With the approval of the zoning, the UHWO believes that this condition has been satisfied. As part of the Unilateral Agreement for the zone change (Ordinance 08-30), a master plan for park development is required by the City. The UHWO has had numerous meetings with the representatives from the City and County of Honolulu Department of Parks and Recreation (DPR), Department of Design and Construction (DDC), and DPP related to the master plan for park development. On September 24, 2010, UHWO sent a letter requesting acknowledgement and confirmation that the master plan for park development is approved. On October 15, 2010, UHWO received an executed copy of the September 24th letter acknowledging and confirming approval that the master plan for park development was approved. As revisions to the UHWO plans for the campus and University District Lands are developed, the UHWO will consult with appropriate governmental agencies on any needed revisions to the Open Space/Amenities/Bike Paths Plan.

Condition 16: Prior to construction of any residential or commercial uses within the Petition Area, Petitioner, or its successors and assigns, shall submit a conceptual Urban Design Plan to the City and County for its review and approval. The Urban Design Plan shall depict the overall design theme and architectural character of streetscapes, residential neighborhoods and town centers. The Plan shall also include a conceptual landscape plan showing treatment of Project entries, major roadways, and common areas.

Compliance: This condition has been satisfied. As part of the Unilateral Agreement for Ordinance 08-30, the UHWO worked with the DPP on an Urban Design Plan for the property (not subject to the PRU). In December 2011, the UHWO received approval from DPP on the UHWO Non-Campus Lands Urban Design Plan. As revisions to the UHWO plans for the campus and University District Lands are developed, the UHWO will consult with appropriate governmental agencies on any revisions that may be needed to the Urban Design Plan.

Condition 17: Petitioner, its successors, and assigns, where feasible, shall use indigenous and water conserving plants and turf and incorporate the same into common area landscape planting.

Compliance: The UHWO has incorporated the use of indigenous and water conserving plants and turf, where feasible, in the Landscape Master Plan for the campus. The Landscape Master Plan was included in the PRU application for the campus. These plans were approved by DPP and indigenous and water conserving plants were incorporated in the first phase of campus development, as well as subsequent projects. As applicable and appropriate, the UHWO will continue to incorporate the use of indigenous and water conserving plants and turf into their plans.

Mr. Daniel E. Orodenker 2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) May 18, 2022 Page 8 of 10

Condition 18: Petitioner, its successors, and assigns shall facilitate an air quality monitoring program as specified by the DOH. Petitioner, its successors, and assigns shall notify all prospective buyers of property, and buyers of individual lots or homes of the potential odor, noise and dust pollution resulting from surrounding agricultural and other uses, said notification to include a reference to potential odors emanating from the HWWTP⁶.

Compliance: As development of the project progresses, the UHWO anticipates compliance with this condition. When applicable, UHWO will coordinate on an air quality monitoring program as specified by DOH. As part of the Unilateral Agreement for Ordinance 08-30, the UHWO worked with State and Federal agencies in developing a disclosure statement that is acceptable to these agencies for use in notifying prospective occupants, buyers, lessees and developers of property within the UHWO lands. After consultation with these agencies on the acceptable disclosure language, the UHWO submitted their proposed disclosure language to the City Department of Planning and Permitting for review. On December 20, 2012 the DPP responded that the proposed disclosure language was acceptable.

Condition 19: Petitioner shall fund an approved HCP^{7} to facilitate the propagation of the Abutilon menziesii in accordance with the DLNR⁸ and U.S. Fish and Wildlife requirements.

Compliance: This condition has been satisfied. To implement the Habitat Conservation Plan (HCP) for the endangered abutilon menziesii, in accordance with State Department of Land and Natural Resources (DLNR) and U.S. Fish and Wildlife requirements, a trust fund has been established pursuant to Hawai'i Revised Statutes, Chapter 195D-31. The DOT has committed to providing the initial 5-year funding and funding for a subsequent period of 15 years, in conjunction with an agreement through DLNR. To implement the HCP, the DOT was issued an Incidental Take License to remove the plants in the area in accordance with the HCP on March 18, 2005. The DOT has developed a process for third party developers ("cooperators") to utilize the Incidental Take License through a Certificate of Inclusion. The cooperators would pay into a contingency fund, established by the DOT, for the following purposes: 1) to finance unanticipated costs incurred by DLNR in the implementation of the HCP; and 2) to fund the management and monitoring of three wild populations beyond the 20-year period. The UH was issued a Certificate of Inclusion to be included as a cooperator or joint permitee under the DOT's Incidental Take License. As part of their agreement with the DOT, the University has transferred to the DLNR \$50,000 as part of the contingency fund for the HCP. The HCP expired on July 31, 2021, and DLNR has begun to engage pertinent parties in discussions on feasible next steps.

Condition 20: Vertical residential, commercial, and university components of the Project will not be developed and site work for those areas shall not be undertaken until master drainage and infrastructure improvements for those components are completed.

Compliance: Infrastructure to serve the first phase of the campus is completed. Offsite improvements, such as the Kaloʻi Gulch realignment and DHHL detention basin have been completed. Compliance with this condition will continue as the project is further developed.

⁶ Honouliuli Wastewater Treatment Plant (HWWTP)

⁷ Habitat Conservation Plan (HCP)

⁸ State of Hawai'i, Department of Land and Natural Resources (DLNR)

2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a)

May 18, 2022 Page 9 of 10

Condition 21: Petitioner or landowners shall develop the Petition Area in substantial compliance with the representations made to the Commission. Failure to do so may result in reversion of the Petition Area to its former classification, or a change to a more appropriate classification.

Compliance: The UHWO is currently updating its LRDP for the property, including both the campus and University District Lands, including adjustments that affect the acreage and unit counts of the various land uses, however, the overall master plan concept of a university campus and mixed-use community remains. As currently envisioned, the campus would ultimately be expanded to about 306 acres to accommodate a long-term future campus of about 20,000 students. The remaining 192 acres adjacent to the campus would be developed to support a mixed-use University District. The UHWO will coordinate with the SLUC on issues related to substantial compliance as the master plan is implemented.

Condition 22: 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, prior to the development of the Petition Area.

Compliance: The UH previously notified the Commission of its intent to sell approximately 6 acres of land to Tokai University Educational. In July of 2013, the transaction was completed. Previously the University conveyed a one-acre site to Hawaiian Electric Company for use as a substation. The University entered into a Memorandum of Agreement in April 2016 with the Honolulu Authority for Rapid Transportation concerning the use of portions of the Petition Area near the UHWO rail station. The UHWO is currently anticipating that the University District Lands will be offered to development team(s) and will be retained in fee ownership by UH and made available under long-term leases. The State Department of Transportation (DOT) plans to improve Farrington Highway along the University mauka boundary, and in 2021, the inclusion of potential access points and utility installations were discussed. The UH anticipates conveying land to the DOT for public roadway purposes.

Condition 23: Petitioner shall timely provide without any prior notice, annual reports to the Commission, the OP^9 and the DPP^{10} in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

Compliance: This letter represents the annual report submitted in compliance with this condition. The first annual report was submitted to the State Land Use Commission on August 11, 2008.

Condition 24: 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 the provision of adequate assurance of satisfaction of these conditions by Petitioner.

Compliance: When requesting the release of a condition, UHWO will file the appropriate motions upon formal acknowledgement from the proper agencies of their satisfaction.

⁹ State of Hawai`i, Office of Planning

¹⁰ City and County of Honolulu, Department of Planning and Permitting

Mr. Daniel E. Orodenker 2021 ANNUAL REPORT: LAND USE COMMISSION DOCKET NO. A99-728(a) May 18, 2022 Page 10 of 10

Condition 25: Within 7 days of the issuance of the Commission's Amended Decision and Order and any subsequent amendments for the subject classification, Petitioner shall (a) record with the Bureau of Conveyances 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.

Compliance: In satisfaction of this condition, the UHWO filed a Declaration of Imposition of Conditions by Land Use Commission on August 23, 2007 with the Bureau of Conveyances as document 3645953.

Condition 26: Petitioner or landowners shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to section 15-15-92, HAR¹¹.

Compliance: In satisfaction of this condition, the UHWO filed the Declaration of Conditions with the Bureau of Conveyances on October 11, 2007 as document 3667545.

Please do not hesitate to contact Ms. Bonnie Arakawa of our office at 689-2539 if there are any questions, or if the SLUC requires any further information regarding this report. We appreciate your assistance and look forward to your acceptance of this annual report.

Sincerely,

Maenette Benham

Chancellor

cc: State Department of Business, Economic Development and Tourism Office of Planning and Sustainable Development, Land Use Division

City Department of Planning and Permitting, Planning Division

PBR Hawaii & Associates, Inc. (Mr. Grant Murakami)

¹¹ Hawai`i Administrative Rules (HAR)