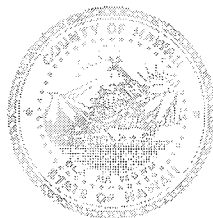


COUNTY OF HAWAI'I



STATE OF HAWAI'I

RESOLUTION NO. 158 21

DECLARING THE INTENTION OF THE COUNTY OF HAWAI'I TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, DESIGNATED AS HAWAI'I COUNTY COMMUNITY FACILITIES DISTRICT NO. 1-2021 (KALOKO HEIGHTS PROJECT), TO AUTHORIZE FUNDING FOR PRESCRIBED SPECIAL IMPROVEMENTS, TO AUTHORIZE LEVY OF A SPECIAL TAX, AND TO AUTHORIZE ISSUANCE OF BONDS SECURED BY PROCEEDS OF THE SPECIAL TAX

WHEREAS, RCFC Kaloko Heights, LLC, a Delaware limited liability company, Kaloko Heights BIA Holdings, LLC, a Delaware limited liability company, and Kaloko Heights Investors, LLC, a Delaware limited liability company (collectively, together with their successors and assigns, the "Petitioner") are developing a project, known as "Kaloko Heights," consisting of single family residential, multiple family residential, commercial, and open uses at Kaloko and Kohanaiki, North Kona, Hawai'i (the "Project"); and

WHEREAS, in connection with the Project, the Petitioner proposes to construct certain special improvements (the "Improvements") consisting of a sewer line extension and related improvements that will serve the Project and other properties that may be connected to the Improvements in the future, including the Hawai'i Island Community Development Corporation's affordable housing development to be constructed in the vicinity of the Improvements; and

WHEREAS, on March 28, 2019, the County Council of the County of Hawai'i (the "Council") adopted Resolution No. 86-19 which authorized the construction of the Improvements; and

WHEREAS, by Petition dated January 29, 2020 (the "Original Petition"), the Petitioner requested the County's assistance in financing the Improvements through the formation of an improvement district and issuance of bonds pursuant to Chapter 12, Hawai'i County Code; and

WHEREAS, pursuant to Resolution No. 502-20 adopted on March 11, 2020, the Council accepted the Original Petition and authorized the initiation of proceedings for the formation of an improvement district pursuant to Chapter 12, Hawai'i County Code; and

WHEREAS, although Resolution No. 86-19, the Original Petition and Resolution No. 502-1 contemplated that the Improvements would be constructed through the establishment of an improvement district and issuance of bonds pursuant to Chapter 12, Hawai‘i County Code, the Petitioner and the County of Hawai‘i Department of Finance have jointly determined, upon consultation, that it would be more appropriate to construct the Improvements through the establishment of a community facilities district and the issuance of bonds pursuant to Chapter 32, Hawai‘i County Code.

WHEREAS, in view of such determination, the Petitioner has submitted a new Petition dated June 24, 2021 (the “Petition”) whereby it (i) has withdrawn the Original Petition and its request thereunder for the County’s assistance under Chapter 12, Hawai‘i County Code, and (ii) is requesting, in accordance with Section 32-18(a), Hawai‘i County Code, that the Council: (a) institute the procedure for the establishment of a community facilities district pursuant to the provisions of Chapter 32, Hawai‘i County Code, by adoption of a Resolution of Intention pursuant to Section 32-20, Hawai‘i County Code, and (b) undertake and carry out any and all things necessary to complete and establish the community facilities district at Kaloko and Kohanaiki, North Kona, Hawai‘i.

WHEREAS, in response to the Petition, the Council proposes (i) to establish a community facilities district (the “Proposed District”) within the County of Hawai‘i (the “County”) under the terms of Chapter 32 of the Hawai‘i County Code (“Chapter 32”), with the boundaries of the Proposed District to be as shown on the Boundary Map, which is attached to the Petition and on file with the Director of Finance of the County, and (ii) to provide for the issuance of one or more series of bonds (the “Special Tax Bonds”) pursuant to Article 6 of Chapter 32 (all references hereafter in this resolution to Articles and Sections shall be deemed to be references to the corresponding Article or Section as set forth in Chapter 32 unless indicated otherwise) in an aggregate principal amount not to exceed \$22,000,000 to finance (a) all or a portion of the costs of the special improvements (the “Improvements”) described in Exhibit A attached hereto, and (b) all or a portion of certain “incidental expenses,” as defined in Section 32-16 and more particularly identified in Exhibit B attached hereto (the “Incidental Expenses”), which Exhibits are, by this reference, incorporated herein and made a part hereof; and

WHEREAS, the Special Tax Bonds shall be secured by the special taxes to be levied upon taxable property in the Proposed District, as herein provided; and

WHEREAS, the Council further intends, except where funds are otherwise available, to provide for the annual levy of a special tax upon the taxable parcels within the Proposed District (the “Special Taxes”) in an amount sufficient to pay for the costs of the Improvements and Incidental Expenses, including the debt service on any Special Tax Bonds issued to finance or refinance any Improvements and Incidental Expenses, said Special Taxes to be calculated in accordance with the rate and method of apportionment thereof (the “Rate and Method of Apportionment”) set forth in Exhibit C, attached hereto and by this reference incorporated herein and made a part hereof; and

WHEREAS, the Council intends to establish the Proposed District for a term of sixty (60) years, commencing with the fiscal year ending June 30, 2022, subject to the further provisions hereof regarding such term; and

WHEREAS, in connection with the proceedings for an improvement district and improvement district bonds originally contemplated under Chapter 12, the County and the Petitioner entered into a Deposit and Reimbursement Agreement dated May 17, 2019 (the “Original Deposit and Reimbursement Agreement”) pursuant to which the Petitioner (i) initially deposited the sum of \$75,000 with the County for the purpose of paying costs incurred by the County in connection with the then-proposed establishment of an improvement district and issuance of improvement district bonds under Chapter 12, Hawai‘i County Code, and (ii) agreed to replenish such deposit as needed for such purpose upon request of the County; and

WHEREAS, in view of the withdrawal of the Original Petition and submission of the new Petition, the Petitioner proposes to enter into an Amendment to Deposit and Reimbursement Agreement (the “Amendment to Deposit and Reimbursement Agreement”) with the County for the purpose of amending the Original Deposit and Reimbursement Agreement so as to provide for the funding of costs incurred by the County in connection with establishment of the Proposed District and issuance of Special Tax Bonds under Chapter 32; and

WHEREAS, Section 32-20 provides that proceedings for the establishment of a community facilities district pursuant to Chapter 32 shall be instituted by the adoption of a resolution of intention containing the matters set forth in said Section 32-20, as provided hereafter in this resolution; now therefore,

BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF HAWAI‘I that.

1. The Council hereby finds and determines that:
 - (a) the Petition satisfies the requirements of Chapter 32 pertaining thereto;
 - (b) the Petition is signed by authorized representatives of the owners in fee simple of all of the land to be included within the Proposed District;
 - (c) there are no lessees of the land to be included within the Proposed District who, by the express terms of any existing leases, are obligated to pay the Special Taxes;
 - (d) appropriate provision has been made under the Original Deposit and Reimbursement Agreement, as amended by the Amendment to Deposit and Reimbursement Agreement, to ensure that sufficient funds have been and will be provided to pay the costs to be incurred by the County in connection with the formation of the Proposed District and issuance of the Special Tax Bonds and, accordingly, no additional deposit of funds by the Petitioner will be required for such purposes; and
 - (e) the establishment of the Proposed District is in the public interest.
2. The Proposed District is to be established under the terms of Chapter 32 and shall be named the Hawai‘i County Community Facilities District No. 1-2021 (Kaloko Heights Project).

3. The Council hereby establishes the initial boundary of the Proposed District as shown on the Boundary Map on file with the Director of Finance of the County.

4. The County intends to issue the Special Tax Bonds, in an aggregate principal amount not to exceed a maximum of \$22,000,000, exclusive of refunding bonds (if any), to finance all or a portion of the costs of the authorized Improvements and Incidental Expenses.

5. The Improvements proposed to be funded, in whole or in part, by proceeds of the Special Tax Bonds and/or the Special Taxes are set forth in Exhibit A. As set forth in Exhibit A, all of the Improvements to be funded will be owned by the County. Subject to compliance with all applicable County policies and requirements and to oversight and supervision by the County Department of Environmental Management, the Petitioner (or its authorized representative) shall be permitted to let and administer the contracts for the construction of the Improvements, and payments for the cost of such Improvements may be paid upon requisition from proceeds of the Special Tax Bonds and/or Special Taxes, all upon such terms as are set forth in a project development agreement to be entered into between the County and the Petitioner.

6. The Incidental Expenses proposed to be incurred and authorized to be paid, in whole or in part, from the proceeds of the Special Tax Bonds and/or the Special Taxes are set forth in Exhibit B.

7. Following establishment of the Proposed District, and except where funds are otherwise available, Special Taxes sufficient to pay for the costs of the Improvements and Incidental Expenses shall be annually levied within the Proposed District in accordance with the provisions of Article 5. The Rate and Method of Apportionment for the Special Taxes shall be as set forth in Exhibit C unless modified in accordance with Chapter 32 prior to establishment of the Proposed District.

8. The Original Deposit and Reimbursement Agreement and the proposed form of Amendment to Deposit and Reimbursement Agreement are attached as Exhibit D hereto. Such form of Amendment to Deposit and Reimbursement Agreement is hereby approved, and the appropriate County officials are hereby authorized to execute and deliver the same in substantially such form, with such changes as the County officials executing the same may approve.

9. Advances of funds or contributions of work in kind from any lawful source, specifically including but not limited to the County or the Petitioner, may be reimbursed from bond proceeds or from special tax revenue or both to the extent of the lesser of the value or cost of the contribution. This resolution is adopted in part for the purpose of establishing compliance with the requirements of Section 1.150-2 of the United States Treasury Regulations.

10. The Petition has been signed and filed by authorized representatives of the owners in fee simple of all of the land in the Proposed District and there are no lessees of such land who, by the express terms of any existing leases, are obligated to pay the Special Taxes. Accordingly, pursuant to Section 32-24, the Council determines that it is unnecessary to conduct a public hearing or give notice of public hearing prior to the adoption of an ordinance of formation for the Proposed District.

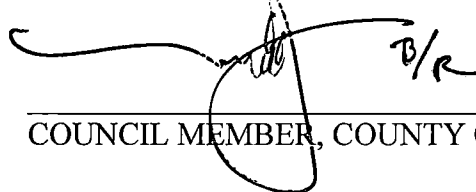
11. The term of the Proposed District shall be sixty (60) years, commencing with the fiscal year ending June 30, 2022; provided that the term of the Proposed District shall expire at such time, but in no event until such time, whether before or after the end of such term, as all bonds and other debt incurred pursuant to Chapter 32 and all incidental expenses related thereto that are payable from the Special Taxes have been fully paid or payment duly provided for.

12. The Council hereby directs the Director of Environmental Management of the County to study the Proposed District, to prepare the report required by Section 32-21 (the "Report") and to file the Report with the County Clerk not later than sixty (60) days after the adoption of this Resolution. The Director of Environmental Management may consult with and rely upon other officials and departments of the County or the State in connection with such study and the Report. If deemed necessary or desirable by the Director of Environmental Management, the study may be conducted and the Report may be prepared, in whole or in part, by an independent consultant under the supervision of such Director. The Report shall include, but not be limited to, an estimate of the cost of providing the Improvements and Incidental Expenses.

13. This Resolution shall take effect immediately upon its adoption.

Dated at Hilo, Hawai'i, this 7th day of July, 2021.

INTRODUCED BY:

 B/R

COUNCIL MEMBER, COUNTY OF HAWAI'I

COUNTY COUNCIL
County of Hawai'i
Hilo, Hawai'i

ROLL CALL VOTE

	AYES	NOES	ABS	EX
CHUNG	X			
DAVID	X			
INABA	X			
KĀNEALI'I-KLEINFELDER	X			
KIERKIEWICZ	X			
KIMBALL	X			
LEE LOY	X			
RICHARDS	X			
VILLEGAS	X			
	9	0	0	0

I hereby certify that the foregoing RESOLUTION was by the vote indicated to the right hereof adopted by the COUNCIL of the County of Hawai'i on July 7, 2021.

ATTEST:


COUNTY CLERK CHAIRPERSON & PRESIDING OFFICER

Reference: C-311/Waived FC

RESOLUTION NO. 158 21

EXHIBIT A
DESCRIPTION OF AUTHORIZED IMPROVEMENTS

EXHIBIT A

Description of Authorized Improvements

The Improvements to be funded for the Proposed District shall consist of a sewer line extension and related improvements beginning at the west (makai) boundary of the Project, extending makai within Hina Lani Street and then along Ane Keohokālole Highway to the existing sewer line terminus in the vicinity of the West Hawai'i Civic Center. All of the Improvements to be funded will be owned and operated by the County.

EXHIBIT B

DESCRIPTION OF AUTHORIZED INCIDENTAL EXPENSES

EXHIBIT B

DESCRIPTION OF AUTHORIZED INCIDENTAL EXPENSES

A. Initial Incidental Expenses. It is anticipated that the following incidental expenses may be incurred by the County and/or the Petitioner in the proceedings for formation of the Proposed District, implementation of the authorized Improvements and related bond financing and will be payable or reimbursable from proceeds of the Special Tax Bonds or directly from the proceeds of the Special Taxes:

- Engineering, Architectural (Building and Landscape), Geotechnical and Environmental and Related, Miscellaneous Consulting services
- Survey, Staking and Contract Administration services
- Archeological and Cultural Monitoring services
- Permits, Plan Check Fees, Entitlement Processing Fees and Expenses
- Special tax consultant services
- County staff review, oversight and administrative services
- Bond Counsel, Special Tax Counsel and Disclosure Counsel services and other legal services
- Financial advisor services
- Special tax administrator services
- Appraiser/Market absorption consultant services
- Initial bond transfer agent, fiscal agent, registrar and paying agent services, and rebate calculation service set up charge
- Escrow services
- Bond printing
- Official Statement printing and mailing
- Publishing, mailing and posting of notices
- Recording fees
- Underwriter's discount, fees and expenses
- Bond reserve fund
- Capitalized interest
- Governmental notification and filing fees
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Other costs of bond issuance or special tax/district administration

B. Recurring Incidental Expenses. The expenses of certain recurring services pertaining to the Proposed District may be included in each annual special tax levy. These may include:

- Trustee, bond transfer agent, registrar and paying agent services
- Rebate calculation services and periodic arbitrage rebate payments

- Special tax administrator services
- Appraisal services
- Other necessary consultant services incidental to the administration of the Proposed District
- Rating agency fees
- Posting, collecting and enforcing payment of the special taxes, including but not limited to foreclosure attorneys' services
- Personnel and administrative services provided by County personnel
- Continuing disclosure services

The enumeration of initial and recurring Incidental Expenses under A and B above is supplemented in its entirety by the items listed in the definition of "Administrative Expenses," set forth in the Rate and Method of Apportionment, and shall not be regarded as exclusive but rather shall be deemed to include any other incidental expenses within the meaning of Chapter 32 which may be incurred from time to time with respect to the Proposed District. Without limiting the generality of the foregoing, all expenditures made from the funds deposited by the Petitioner with the County to defray the County's expenses of the proceedings for the Proposed District, implementation of authorized Improvements and related bond financings, and all amounts paid by the Petitioner to third parties providing services in connection therewith, shall constitute authorized Incidental Expenses reimbursable to the Petitioner from either proceeds of the Special Taxes or proceeds of sale of the Bonds for the Proposed District.

EXHIBIT C
RATE AND METHOD OF APPORTIONMENT

EXHIBIT C

HAWAI‘I COUNTY COMMUNITY FACILITIES DISTRICT No. 1-2021 (KALOKO HEIGHTS PROJECT)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Tax Map Key Parcel in Hawai‘i County Community Facilities District No. 1-2021 (Kaloko Heights Project) (“CFD No. 1-2021”) shall be levied and collected according to the tax liability determined by the County Council of the County of Hawai‘i, through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in CFD No. 1-2021, unless exempted by law or by the provisions of Section F below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of a TMK Parcel as shown on a Tax Map, or if the land area is not shown on a Tax Map, the land area shown on the applicable Final Plat Map, Development Plan, condominium plan, or other recorded parcel map.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 1-2021: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the County of complying with arbitrage rebate requirements; the costs to the County of complying with disclosure requirements associated with applicable federal and state securities laws and of the Code; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the County related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the County’s administration fees and third party expenses; the costs of County staff time and reasonable overhead relating to CFD No. 1-2021; the costs incurred by the County in connection with the termination of the Special Tax in Tax Zone 2; and amounts estimated or advanced by the County for any other administrative purposes of CFD No. 1-2021, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“Assigned Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.1 below.

“Authorized Improvements” means those facilities that are authorized to be funded by CFD No. 1-2021.

“Backup Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

“Bonds” means bonds or other debt pursuant to Article 6 of the Code, whether in one or more series, issued, incurred, or assumed to fund Authorized Improvements.

“Buildable Lot” means an individual lot within a Final Plat Map, for which a Building Permit may be issued without further subdivision of such lot.

“Building Permit” means a single permit or set of permits required to construct a residential or non-residential structure, other than a permit issued for a foundation, parking, landscaping, or other related facility or amenity if a building permit has not yet been issued for the structure served by these facilities or amenities.

“Capitalized Interest” means funds in any capitalized interest account available to pay interest on Bonds.

“CFD Administrator” means the person or firm designated by the County to administer the Special Taxes according to this RMA.

“CFD Formation” means the date on which the Ordinance of Formation became effective.

“Code” means the Community Facilities Districts Code (1994, Ord. No. 94-77, sec. 3), being Chapter 32 of the Hawai‘i County Code 1983 (2009 Edition, as amended).

“County” means the County of Hawai‘i.

“County Council” means the County Council of the County of Hawai‘i.

“Developed Property” means, for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property and Taxable Property Owner Association Property, for which a Building Permit for new construction was issued prior to March 1 of the preceding Fiscal Year.

“Development Plan” means a site plan or other development plan, which may be updated from time to time, that identifies such information as the type of structure, acreage, and/or square footage that is approved to be developed on Taxable Property within CFD No. 1-2021.

“Expected Land Uses” means the number of Units within each Land Use Class of Residential Property, the Acreage of Other Residential Property, and the Acreage of Non-Residential Property expected within Tax Zone 1, as identified in Attachment 2 of this RMA. Attachment 2 may be updated within 30 days prior to the First Bond Sale and each time there is a Land Use Change thereafter.

“Expected Maximum Special Tax Revenues” means the annual amount of revenue that would be available in Tax Zone 1 if the Maximum Special Tax was levied on the Expected Land Uses. The Expected Maximum Special Tax Revenues at the time of approval of this RMA are shown in Attachment 2, and such amount may be adjusted pursuant to Section C or if TMK Parcels within Tax Zone 1 prepay all or a portion of the Special Tax obligation.

“Final Plat Map” means a final map approved by the County Planning Director pursuant to the Subdivision Control Code (Hawai‘i County Code Chapter 23) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property and Taxable Property Owner Association Property, which as of March 1 of the previous Fiscal Year was located within a Final Plat Map. The term Final Mapped Property shall include any parcel map or Final Plat Map, or portion thereof, that creates individual lots that cannot be further subdivided and for which a Building Permit may be issued (but has not actually been issued).

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from TMK Parcels in Tax Zone 1.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Change” means a change to the Expected Land Uses within Tax Zone 1 after CFD Formation, which shall include but not be limited to, approval of Final Plat Maps that reflect a different number of Buildable Lots, issuance of Building Permits that will result in a different number of Units in a particular Land Use Class, or issuance of Building Permits that reflect a different amount of Other Residential Property Acreage or Non-Residential Property Acreage than that shown in the Expected Land Uses, as determined by the CFD Administrator.

“Land Use Class” means any of the classes listed in Table 1 below.

“Land Value” means the appraised value, or the assessed value on the current County Real Property Tax Office tax roll, of a TMK Parcel, whichever is less. The CFD

Administrator shall direct that a Short Form Appraisal be prepared to determine the appraised value.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on a TMK Parcel in any Fiscal Year determined in accordance with Section C below.

“Maximum Special Tax Revenues” means, at any point in time, the aggregate revenue that can be generated if the Maximum Special Tax is levied on all TMK Parcels of Taxable Property in Tax Zone 1.

“Non-Residential Property” means, for each Fiscal Year, all TMK Parcels of Developed Property for which a Building Permit was issued by the County after January 1, 2020, and before March 1 of the prior Fiscal Year, permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all TMK Parcels of Developed Property for which a Building Permit was issued by the County for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

“Ordinance of Formation” means the ordinance adopted by the County Council to form CFD No. 1-2021.

“Property Owner Association Property” means any property within the boundaries of CFD No. 1-2021 that was owned by a property owner association, including any master or sub-association, as of March 1 of the prior Fiscal Year.

“Proportionately” means (i) for Developed Property in the first step of Section D.1 below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Developed Property; (ii) for Developed Property in the fourth step of Section D.1 below, that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all TMK Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any TMK Parcel(s), then the amount of the increase shall be equal for the remaining TMK Parcels; (iii) for Final Mapped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Final Mapped Property, separately for Tax Zone 1 and Tax Zone 2; (iv) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Undeveloped Property, separately for Tax Zone 1 and Tax Zone 2; and (v) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Taxable Property Owner Association Property, separately for Tax Zone 1 and Tax Zone 2.

“Public Property” means any property within the boundaries of CFD No. 1-2021 that (i) is owned by or irrevocably offered for dedication to the federal government, the State of Hawai‘i, the County, or other public agency, provided however that any property leased by a public agency to a private entity and subject to taxation under Section 32-54 of the

Code shall be classified and taxed in accordance with its use; or (ii) is encumbered by a road, access, public utility easement or other easement or recorded restriction for public use or preservation making impractical its use for any purpose other than that set forth in the easement or recorded restriction.

“Required Coverage” means the percentage by which the Expected Maximum Special Tax Revenues must exceed the sum of annual Bond debt service and annual required Administrative Expenses, as set forth in the Indenture or other formation or Bond document that sets forth the minimum required debt service coverage.

“Residential Floor Area” means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the Building Permit(s) issued for such TMK Parcel, or as set forth in other official records maintained by the County’s Building Division or other appropriate means selected by the CFD Administrator. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for a TMK Parcel, it shall remain fixed in all future Fiscal Years unless an appeal is approved that results in a change in the actual Square Footage.

“Residential Property” means, for each Fiscal Year, a TMK Parcel for which a Building Permit for new construction of one or more Units was issued after January 1, 2020, and before March 1 of the prior Fiscal Year.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“Short Form Appraisal” means a limited appraisal of the land value of a TMK Parcel prepared by a qualified appraiser, as determined by the CFD Administrator, using a form similar to Fannie Mae Form 2055, which is also known as an “exterior-only inspection residential appraisal report” designed to contain a limited amount of data about the subject property and to utilize the sales comparable approach as its sole approach to concluding value.

“Single Family Attached Property” means all TMK Parcels of Developed Property for which a Building Permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Tax Map Keys assigned to them, and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium.

“Single Family Detached Property” means all TMK Parcels of Developed Property for which a Building Permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

“Single Family Property” means all TMK Parcels of Single Family Attached Property and Single Family Detached Property.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Tax Zone 1 Special Tax Requirement or Tax Zone 2 Special Tax Requirement.

“Square Footage” or **“Sq. Ft.”** means the floor area square footage reflected on the original construction Building Permit, or as set forth in other official records maintained by the County’s Building Division or other appropriate means selected by the CFD Administrator, issued for construction of Residential Property or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a Building Permit for expansion or renovation of such building.

“Taxable Property” means all of the TMK Parcels within the boundaries of CFD No. 1-2021 that are not exempt from the Special Tax pursuant to law or Section F below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all TMK Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to law or Section F below.

“Tax Map” means an official map of the County designating parcels by Tax Map Key.

“Tax Map Key” or **“TMK”** means a unique number that is assigned by the County to identify each lot or parcel or condominium within the County’s boundaries.

“Tax Map Key Parcel” or **“TMK Parcel”** means a lot or parcel shown on a Tax Map with an assigned TMK.

“Tax Zone” means a mutually exclusive geographic area, within which particular Special Tax rates may be levied pursuant to this RMA. Attachment 1 identifies the two Tax Zones in CFD No. 1-2021.

“Tax Zone 1” means the geographic area that was identified at CFD Formation by TMK Parcels 3-7-3-009-057, 3-7-3-009-058, 3-7-3-009-059, 3-7-3-009-060, 3-7-3-009-061, 3-7-3-009-062, 3-7-3-009-070, and 3-7-3-009-071, is designated in Attachment 1 of this RMA as Tax Zone 1, and is commonly referred to as Kaloko Heights Phase 1.

“Tax Zone 1 Special Tax Requirement” means the sum of the amounts necessary in any Fiscal Year to: (i) pay Administrative Expenses up to \$50,000, which amount shall escalate at a rate of two percent (2.0%) per year beginning in Fiscal Year 2022-23; (ii) pay principal and interest on Bonds which are due in the calendar year that begins in such Fiscal Year; (iii) create and/or replenish reserve funds for the Bonds; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in prior Fiscal Years or (based on existing delinquencies in the payment of Special Taxes) are expected to occur in the Fiscal Year in which the tax will be collected; (v) pay all remaining Administrative Expenses in excess of the amount determined in (i) above; and (vi) pay the costs of Authorized Improvements provided that Special Taxes shall not be collected from Taxable Property Owner Association Property for this purpose. The

amounts referred to in clauses (ii) and (iii) of the preceding sentence may be reduced in any Fiscal Year by: (i) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against debt service pursuant to the Indenture; (ii) proceeds received by the County for CFD No. 1-2021 from the collection of penalties associated with delinquent Special Taxes; and (iii) any other revenues available to pay debt service on the Bonds as determined by the CFD Administrator.

“Tax Zone 2” means the geographic area that was identified at CFD Formation by TMK Parcel 3-7-3-009-019, is designated in Attachment 1 of this RMA as Tax Zone 2, and is commonly referred to as Kaloko Heights Phase 2.

“Tax Zone 2 Special Tax Requirement” means the amount necessary at any point in time to cure delinquencies in the payment of Special Taxes levied in Tax Zone 1 on Final Mapped Property and Undeveloped Property.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2021-22, all Taxable Property within CFD No. 1-2021 shall be assigned to Tax Zone 1 or Tax Zone 2 and, within each Tax Zone, shall be classified as Developed Property, Final Mapped Property, Undeveloped Property, or Taxable Property Owner Association Property, and shall be subject to Special Taxes in accordance with this RMA as determined pursuant to Sections C and D below. TMK Parcels of Developed Property within Tax Zone 1 shall be further classified as Single Family Detached Property, Single Family Attached Property, Other Residential Property, or Non-Residential Property. TMK Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 7, as listed in Table 1 below based on the Residential Floor Area of the Units on such TMK Parcels, and TMK Parcels of Single Family Attached Property shall be assigned to Land Use Class 8. Also, Other Residential Property shall be assigned to Land Use Class 9, and Non-Residential Property shall be assigned to Land Use Class 10.

The Expected Maximum Special Tax Revenues shown in Attachment 2 were calculated based on the Expected Land Uses at the time of adoption of this RMA and are subject to modification upon the occurrence of Land Use Changes and prepayments, as described

below. At least quarterly after the First Bond Sale, the CFD Administrator shall review all new Building Permits, Final Plat Maps, condominium plans, and any other project information that has changed from the prior quarter. In addition, the CFD Administrator shall, on an ongoing basis, review all Land Use Changes. With each review, the CFD Administrator shall compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues. Prior to the First Bond Sale and issuance of any subsequent series of Bonds, and together with the CFD Administrator's review on at least a quarterly basis, the owners of all TMK Parcels for which Building Permits have yet to be issued shall provide the CFD Administrator with a written confirmation of the Expected Land Uses on each TMK Parcel.

C. MAXIMUM SPECIAL TAX

1. Tax Zone 1

a. Developed Property

The Maximum Special Tax that may be levied in any Fiscal Year on each TMK Parcel in Tax Zone 1 classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

1) Assigned Special Tax

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown in Table 1 on the following page.

TABLE 1
TAX ZONE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax (Fiscal Year 2021-22)*
1	Single Family Detached Property	< 1,601	\$1,663 per Unit
2	Single Family Detached Property	1,601 – 1,800	\$1,913 per Unit
3	Single Family Detached Property	1,801 – 2,000	\$2,163 per Unit
4	Single Family Detached Property	2,001 – 2,200	\$2,537 per Unit
5	Single Family Detached Property	2,201 – 2,400	\$2,869 per Unit
6	Single Family Detached Property	2,401 – 2,600	\$3,119 per Unit
7	Single Family Detached Property	> 2,600	\$3,410 per Unit
8	Single Family Attached Property		\$1,281 per Unit
9	Other Residential Property		\$11,298 per Acre
10	Non-Residential Property		\$11,298 per Acre

** On July 1, 2022, and on each July 1 thereafter, all of the Assigned Special Tax rates shown in Table 1 above shall be increased by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.*

2) *Backup Special Tax*

Prior to the First Bond Sale, if a Land Use Change occurs that results in a change in Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section C.1.a.2. Upon identification of the Land Use Change, the CFD Administrator shall update Attachment 2 to reflect the revised Expected Maximum Special Tax Revenues, which shall then be the amount used to size the Bonds being issued.

After the First Bond Sale, if a Land Use Change occurs that results in a change in Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section C.1.a.2 as long as the Required Coverage will still be achieved. Upon identification of the Land Use Change, the CFD Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the CFD Administrator determines that a Land Use Change would result in a failure to achieve the Required Coverage, the

Backup Special Tax shall be calculated by application of the following steps:

Step 1: Determine the Maximum Special Tax Revenues needed to maintain Required Coverage.

Step 2: Increase Proportionately the Assigned Special Tax for each Land Use Class within the Expected Land Uses that was not Developed Property in the prior Fiscal Year up to the amounts needed so that the Expected Maximum Special Tax Revenues equal the amount computed in Step 1.

Step 3: The Backup Special Tax for each Land Use Class of Expected Land Uses that was not Developed Property in the prior Fiscal Year shall be the amount calculated in Step 2.

Step 4: The Backup Special Taxes identified in Step 3 shall increase on July 1 of the next Fiscal Year, and each July 1 thereafter, by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

After determining the Backup Special Tax, the CFD Administrator shall adjust Attachment 2 to reflect the Expected Land Uses and Expected Maximum Special Tax Revenues after the Land Use Change that necessitated the levy of the Backup Special Tax.

The duties imposed on the CFD Administrator to review Land Use Changes, Final Plat Maps, and Building Permits, and to make the calculations set forth above, are intended only to facilitate administration of the Special Tax and to better ensure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property in CFD No. 1-2021 any right to receive notice of the potential impact of Land Use Changes, but each such developer, subdivider, or owner of property is responsible for understanding that a Backup Special Tax may be levied because of a Land Use Change. Further, each developer, subdivider, or owner of property in CFD No. 1-2021 that is not Developed Property is required to provide information and documentation to, and to coordinate with, the CFD Administrator on at least a quarterly basis to confirm anticipated Land Use Changes and determine Expected Land Uses.

The Backup Special Tax for a TMK Parcel shall not change once a TMK Parcel is classified as Developed Property; provided, however, that the Backup Special Tax on a TMK Parcel of Developed Property shall increase each July 1 by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

3) *Multiple Land Use Classes on a TMK Parcel*

In some instances, a TMK Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such TMK Parcel shall be the sum of the Maximum Special Tax for all Units of Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable Building Permits, Final Plat Map, parcel map, condominium plan, or other recorded County map) located on that TMK Parcel.

b. *Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property*

The Maximum Special Tax for Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property in Tax Zone 1 shall be \$11,298 per Acre in Fiscal Year 2021-22, which amount shall increase on July 1, 2022, and each July 1 thereafter by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

2. **Tax Zone 2**

a. *Developed Property*

No Special Tax shall be levied on Developed Property in Tax Zone 2.

b. *Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property*

The Maximum Special Tax for Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property in Tax Zone 2 shall be \$22,596 per Acre in Fiscal Year 2021-22, which amount shall increase on July 1, 2022, and each July 1 thereafter by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

1. Tax Zone 1

Each Fiscal Year, beginning with Fiscal Year 2021-22, the CFD Administrator shall determine the Tax Zone 1 Special Tax Requirement for that Fiscal Year and levy the Special Tax on all TMK Parcels of Taxable Property in Tax Zone 1 as follows:

- Step 1:* If needed to satisfy the Tax Zone 1 Special Tax Requirement, but not accounting for Capitalized Interest, the Special Tax shall be levied Proportionately on each TMK Parcel of Developed Property in Tax Zone 1 up to 100% of the applicable Assigned Special Tax.
- Step 2:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after Step 1 has been completed, and after applying Capitalized Interest, then the Special Tax shall be levied Proportionately on each TMK Parcel of Final Mapped Property in Tax Zone 1 up to 100% of the Maximum Special Tax for Final Mapped Property in Tax Zone 1.
- Step 3:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Undeveloped Property in Tax Zone 1 up to 100% of the Maximum Special Tax for Undeveloped Property in Tax Zone 1.
- Step 4:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each TMK Parcel of Developed Property in Tax Zone 1 whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such TMK Parcel until the amount levied is equal to the Tax Zone 1 Special Tax Requirement.
- Step 5:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Taxable Property Owner Association Property in Tax Zone 1 up to the Maximum Special Tax for Taxable Property Owner Association Property in Tax Zone 1.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any TMK Parcel of Single Family Property or Other

Residential Property in Tax Zone 1 for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other TMK Parcel or TMK Parcels within Tax Zone 1 by more than ten percent (10.0%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

2. Tax Zone 2

At the earliest possible date on which the County Real Property Tax Office is able to provide information to the CFD Administrator regarding the collection of Special Taxes within Tax Zone 1, the CFD Administrator shall determine the total aggregate Special Taxes levied on Final Mapped Property and Undeveloped Property within Tax Zone 1 that are delinquent. Within five business days after making such determination, the CFD Administrator shall do the following:

- Step 1:* Calculate the Tax Zone 2 Special Tax Requirement.
- Step 2:* If needed to satisfy the Tax Zone 2 Special Tax Requirement, then the Special Tax shall be levied Proportionately on each TMK Parcel of Final Mapped Property in Tax Zone 2 up to 100% of the Maximum Special Tax for Final Mapped Property in Tax Zone 2.
- Step 3:* If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Undeveloped Property in Tax Zone 2 up to 100% of the Maximum Special Tax for Undeveloped Property in Tax Zone 2.
- Step 4:* If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Taxable Property Owner Association Property in Tax Zone 2 up to the Maximum Special Tax for Taxable Property Owner Association Property in Tax Zone 2.
- Step 5:* For each TMK Parcel in Tax Zone 2 to be taxed, prepare and send a direct bill via overnight delivery to the record owner of such TMK Parcel based on ownership and address information available from the current County Real Property Tax Office tax roll.

The Special Tax in Tax Zone 2 shall be due and payable within 30 days from the date of delivery of the direct tax bill. If, within 30 days from the date the direct bill was delivered, payment of the Special Tax levied against a TMK Parcel in Tax Zone 2 has not been received by the County or the CFD Administrator, foreclosure proceedings shall commence immediately against such TMK parcel. The Special Tax shall have the same priority and bear the same penalties and

interest after delinquency as do *ad valorem* real property taxes. Notwithstanding the foregoing, the Special Tax may be collected in the same manner and at the same time as ordinary *ad valorem* real property taxes.

E. COLLECTION OF SPECIAL TAX

The Special Taxes in Tax Zone 1 will be collected in the same manner and at the same time as ordinary *ad valorem* real property taxes; provided, however, that prepayments are permitted as set forth in Section G below and provided further that the County may directly bill the Special Taxes and may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent TMK Parcels as permitted by the Code.

F. EXEMPTIONS

No Special Tax shall be levied on up to 60.0 Acres of Property Owner Association Property in Tax Zone 1. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property within Tax Zone 1.

Property Owner Association Property that is not exempt from the Special Tax under this section shall be subject to the levy of a Special Tax and shall be taxed Proportionately as part of the fifth step in Section D.1 above, or part of the fourth step in Section D.2 above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property. Also, the nonexempt owner of a leasehold or possessory interest in Public Property shall be subject to the levy of a Special Tax pursuant to Section 32-54 of the Code and shall be classified and taxed as Developed Property, Final Mapped Property, Undeveloped Property, or Taxable Property Owner Association Property.

No Special Tax shall be levied in any Fiscal Year on TMK Parcels in Tax Zone 1 that have fully prepaid the Special Tax obligation pursuant to the formula set forth below in Section G.

G. PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of a TMK Parcel in Tax Zone 1 may be prepaid; however, the Special Tax obligation of a TMK Parcel in Tax Zone 2 cannot be prepaid. The following definitions apply to this Section G:

“Construction Fund” means funds or accounts (regardless of their names) identified in the Indenture to hold monies that are available to acquire or construct public facilities eligible under the Code.

“Outstanding Bonds” means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, a TMK Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the CFD Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

“Previously Issued Bonds” means all Bonds that have been issued on behalf of CFD No. 1-2021 prior to the date of prepayment.

“Public Facilities Requirements” means either \$13,229,000 in 2021 dollars, which shall increase by the Public Facilities Inflation Index on July 1, 2022, and each July 1 thereafter, or such lower number as (i) determined by the CFD Administrator as sufficient to fund the public facilities to be provided under the authorized bonding program for CFD No. 1-2021, or (ii) shall be determined by the County Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this RMA as described in Section D above.

“Public Facilities Inflation Index” means the annual percentage change in the *Honolulu Construction Cost Index: Single Family Residence*, measured as of December of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Public Facilities Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the *Honolulu Construction Cost Index: Single Family Residence*.

“Remaining Facilities Costs” means the Public Facilities Requirements (as defined above), minus public facility costs funded by Previously Issued Bonds (as defined above), developer equity, Special Tax prepayments, and/or any other source of funding.

1. Full Prepayment

The Special Tax obligation may be prepaid and the obligation of a TMK Parcel in Tax Zone 1 to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such TMK Parcel at the time of prepayment. An owner of a TMK Parcel intending to prepay the Special Tax obligation shall provide the County with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such TMK Parcel; the CFD Administrator may charge a fee for providing this service. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid

Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

	Bond Redemption Amount
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by the CFD Administrator pursuant to the following steps:

- Step 1:** Confirm that no Special Tax delinquencies apply to such TMK Parcel.
- Step 2:** Compute the total Maximum Special Tax that could be levied on the TMK Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the County, as set forth in Section C above. For TMK Parcels of Developed Property, the Maximum Special Tax equals the greater of the Assigned Special Tax and Backup Special Tax.
- Step 3:** (a) Divide the Maximum Special Tax computed pursuant to Step 2 for such TMK Parcel by the total estimated Maximum Special Tax Revenues that could be levied in that Fiscal Year on property within Tax Zone 1, as set forth in Section C above, excluding any TMK Parcels which have prepaid their Special Tax obligation, and
- (b) Divide the Maximum Special Tax computed pursuant to Step 2 for such TMK Parcel by the Maximum Special Tax Revenues that could be generated at buildout for the entire Tax Zone 1 area as determined by the CFD Administrator based on the Development Plan and other information currently available, excluding any TMK Parcels which have prepaid their Special Tax obligation.
- Step 4:** Multiply the larger quotient computed pursuant to Steps 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the “Bond Redemption Amount”*).
- Step 5:** Compute the current Remaining Facilities Costs (if any).
- Step 6:** Multiply the larger quotient computed pursuant to Steps 3(a) or 3(b) by the amount determined pursuant to Step 5 to compute the

amount of Remaining Facilities Costs to be prepaid (*the “Remaining Facilities Amount”*).

Step 7: Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the “Redemption Premium”*).

Step 8: Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, which, depending on the Bond offering document, may be as early as the next interest payment date.

Step 9: Compute the amount of interest the County reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 10: Take the amount computed pursuant to Step 8 and subtract the amount computed pursuant to Step 9 (*the “Defeasance Requirement”*).

Step 11: Determine the costs to compute the prepayment amount, the costs to invest the prepayment proceeds, the costs to redeem Bonds, the costs to record any notices to evidence the prepayment and the redemption, and any other administrative costs associated with the prepayment (*the “Administrative Fees and Expenses”*).

Step 12: If and to the extent so provided in the Indenture pursuant to which the Outstanding Bonds to be redeemed were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (*the “Reserve Fund Credit”*). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the calculation date.

Step 13: The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 10, and 11, less the amount computed pursuant to Step 12 (*the “Prepayment Amount”*).

Step 14: From the Prepayment Amount, the amounts computed pursuant to Steps 4, 7, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and used to retire Outstanding Bonds or make debt service payments. The amount computed

pursuant to Step 6 shall be deposited into the Construction Fund. The amount computed pursuant to Step 11 shall be retained by the County for CFD No. 1-2021.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments as provided in the Indenture.

For any TMK Parcel that is prepaid, the County Council shall cause a suitable notice to be recorded and filed with the Bureau of Conveyances and/or Land Court in compliance with the Code, to indicate the prepayment of Special Taxes and the release of the Special Tax lien on such TMK Parcel, and the obligation of such TMK Parcel to pay the Special Tax shall cease. The CFD Administrator shall mail a copy of the notice to the owner and any known lessee of the property.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Assigned Special Tax that may be levied on Taxable Property (excluding Taxable Property Owner Association Property) at buildout of the entire Tax Zone 1 area, as determined by the CFD Administrator based on the Development Plan and other information currently available, both prior to and after the proposed prepayment, is at least 1.1 times the maximum annual debt service on all Outstanding Bonds plus the estimated Administrative Expenses.

2. Partial Prepayment

The Special Tax on a TMK Parcel of Taxable Property in Tax Zone 1 may be partially prepaid. The amount of the prepayment shall be calculated as in Section G.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

- PP = the partial prepayment
- PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section G.1
- AE = the Administrative Fees and Expenses determined pursuant to Step 11 above
- % = the percentage by which the owner of the TMK Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any TMK Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax within thirty (30) days of the request and may charge a fee for providing this service. With respect to any TMK Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section G.1, and (ii) indicate in the records of CFD No. 1-2021 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such TMK Parcel, equal to the outstanding percentage (1.00 – "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such TMK Parcel pursuant to Section D.1.

Notwithstanding the foregoing, no Special Tax partial prepayment shall be allowed unless the amount of Assigned Special Tax that may be levied on Taxable Property (excluding Taxable Property Owner Association Property) at buildout of the entire Tax Zone 1 area, as determined by the CFD Administrator based on the Development Plan and other information currently available, both prior to and after the proposed partial prepayment, is at least 1.1 times the maximum annual debt service on all Outstanding Bonds plus the estimated Administrative Expenses.

H. INTERPRETATION OF SPECIAL TAX FORMULA

The County reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Taxes. In addition, interpretation and application of any section of this document shall be left to the County's discretion. Interpretations may be made by the County by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this RMA.

I. TERM OF SPECIAL TAX

1. Tax Zone 1

The Fiscal Year after which no further Special Tax shall be levied or collected in Tax Zone 1 is Fiscal Year 2060-61, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

2. Tax Zone 2

The Special Tax in Tax Zone 2 shall be levied for the period necessary to fully satisfy the Tax Zone 2 Special Tax Requirement, but in no event shall the Special

Tax be levied in Tax Zone 2 after the earlier of (i) June 30, 2081, or (ii) the date on which the CFD Administrator files with the County Council a written notification (which the CFD Administrator shall file as soon as reasonably practicable after the close of a Fiscal Year) that the following events all occurred in the prior Fiscal Year:

- a. **Debt Service Test.** The County Council has resolved or covenanted that it will not issue any additional Bonds for CFD No. 1-2021 except for refunding purposes, provided that the debt service in any Fiscal Year on all outstanding Bonds after such issuance does not exceed the debt service on the Bonds before the refunding; and
- b. **Special Tax Revenue Test – Developed Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property for such Fiscal Year were not less than 50% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- c. **Special Tax Revenue Test – Developed Property Plus Final Mapped Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property or as Final Mapped Property for such Fiscal Year were not less than 75% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- d. **Special Tax Revenue Test – Developed Property Plus Final Mapped Property Plus Undeveloped Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property, as Final Mapped Property, or as Undeveloped Property for such Fiscal Year were not less than 100% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- e. **Value Test.** The “value of real property,” as defined in Section 32-57(c) of the Code, of the Taxable Property in Tax Zone 1 is at least three times the principal amount of Bonds then outstanding; and

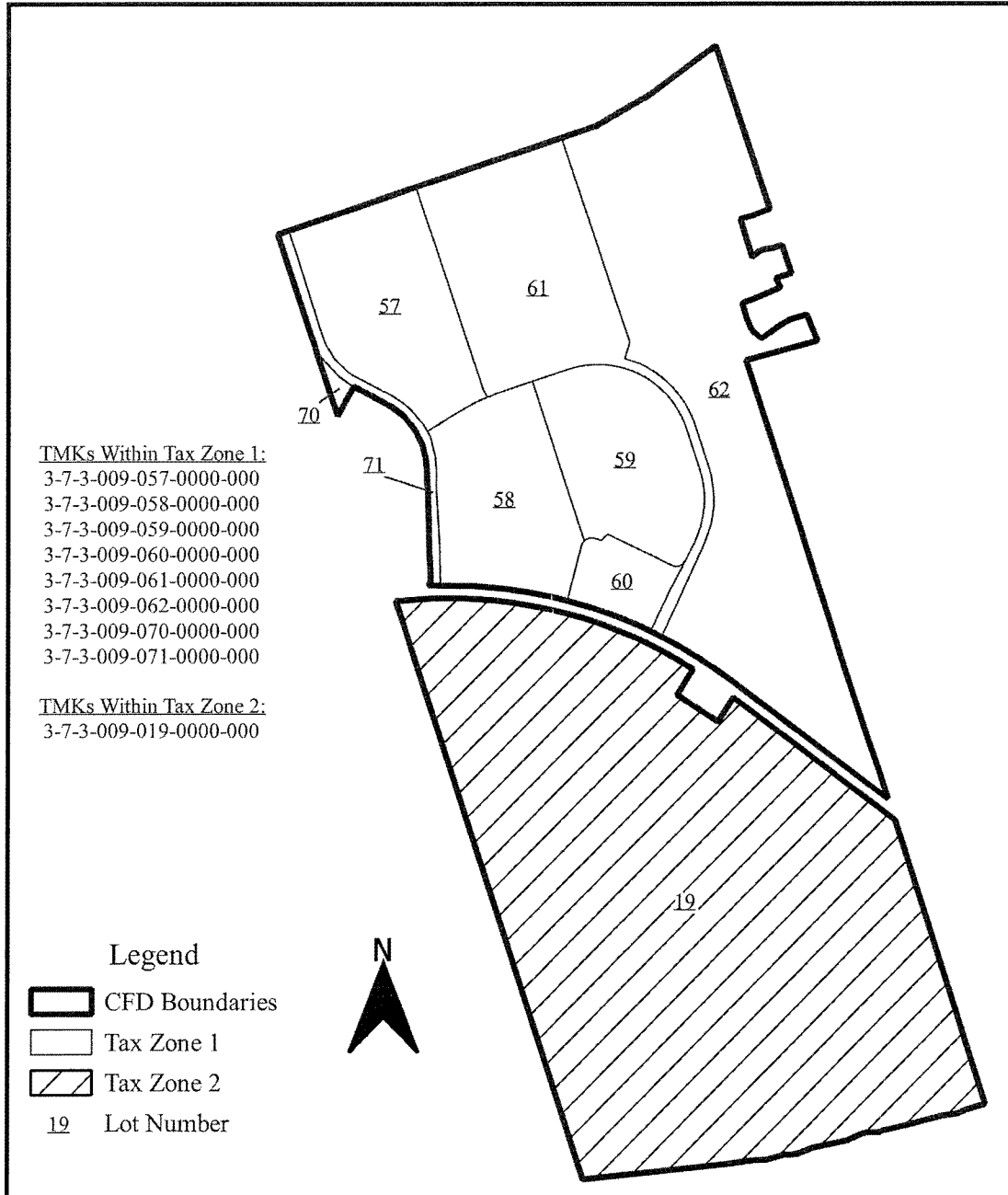
- f. **Value Test – Undeveloped Property.** The aggregate Land Value of the non-delinquent TMK Parcels in Tax Zone 1 that were classified as Undeveloped Property for such Fiscal Year is not less than three times the product of the principal amount of Outstanding Bonds multiplied by a fraction, the numerator of which is the aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Undeveloped Property for such Fiscal Year, and the denominator of which is such Fiscal Year’s Tax Zone 1 Special Tax Requirement.

The satisfaction of the conditions listed above in the CFD Administrator’s written notification to the County Council would, for purposes of Section 32-56 of the Code, be deemed a prepayment and permanent satisfaction of the obligation to pay the Special Tax applicable to the TMK Parcels in Tax Zone 2. Accordingly, the County Council shall promptly cause to be prepared and filed with the Bureau of Conveyances and/or Land Court a notice of cancellation of Special Tax for all TMK Parcels in Tax Zone 2, all as provided for in said Section 32-56 of the Code.

ATTACHMENT 1

HAWAI'I COUNTY
COMMUNITY FACILITIES DISTRICT NO. 1-2021
(KALOKO HEIGHTS PROJECT)

IDENTIFICATION OF TAX ZONES



ATTACHMENT 2

**HAWAI'I COUNTY
COMMUNITY FACILITIES DISTRICT NO. 1-2021
(KALOKO HEIGHTS PROJECT)**

**TAX ZONE 1
EXPECTED LAND USES AND EXPECTED MAXIMUM SPECIAL TAX REVENUES
>> AT CFD FORMATION <<**

<i>Expected Land Uses</i>	<i>Number of Expected Residential Units & Acres of Other Residential / Non-Residential Property</i>	<i>Maximum Special Tax per Unit or Acre for Fiscal Year 2021-22*</i>	<i>Total Expected Maximum Special Tax Revenues * (FY 2021-22*)</i>
Single Family Detached Property			
Residential Floor Area < 1,601 SF	10 Units	\$1,663 per Unit	\$16,630
Residential Floor Area 1,601 - 1,800 SF	57 Units	\$1,913 per Unit	\$109,041
Residential Floor Area 1,801 - 2,000 SF	20 Units	\$2,163 per Unit	\$43,260
Residential Floor Area 2,001 - 2,200 SF	66 Units	\$2,537 per Unit	\$167,442
Residential Floor Area 2,201 - 2,400 SF	77 Units	\$2,869 per Unit	\$220,913
Residential Floor Area 2,401 - 2,600 SF	81 Units	\$3,119 per Unit	\$252,639
Residential Floor Area > 2,600 SF	60 Units	\$3,410 per Unit	\$204,600
<hr/>			
Single Family Attached Property	150 Units	\$1,281 per Unit	\$192,150
<hr/>			
Other Residential Property	0.0 Acres	\$11,298 per Acre	\$0
<hr/>			
Non-Residential Property	0.0 Acres	\$11,298 per Acre	\$0
<hr/>			
Total	521 Units 0.0 Acres		\$1,206,675

* On July 1, 2022, and on each July 1 thereafter, all dollar amounts shown in the table above shall be increased by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

EXHIBIT D

**ORIGINAL DEPOSIT AND REIMBURSEMENT AGREEMENT
and
AMENDMENT TO DEPOSIT AND REIMBURSEMENT AGREEMENT**

EXHIBIT D

COUNTY OF HAWAI'I

PROPOSED IMPROVEMENT DISTRICT

DEPOSIT AND REIMBURSEMENT AGREEMENT

THIS AGREEMENT is made and entered into this May 17, 2019, by and between the County of Hawai'i, a municipal corporation of the State of Hawaii, by and through its Finance Department whose mailing address is 25 Aupuni Street, Hilo, Hawaii 96720 (the "County"), and RCFC Kaloko Heights, LLC, a Delaware limited liability company, whose mailing address is 555 California Street, Suite 3450, San Francisco, California, 94101 (the "Proponent"), which owns the property within the boundaries of a proposed improvement district.

RECITALS

- A. The Proponent owns the real property that is included within the proposed boundaries of a proposed improvement district (the "Proposed District") for the development known as "Kaloko Heights" (the "Development Project"). The Proposed District is proposed to be established pursuant to the provisions of Chapter 12 of the Hawai'i County Code 1983 (2016 Edition, as Amended) (such chapter and code being referred to herein as "Chapter 12" and the "Code," respectively) for financing the acquisition, construction and installation of "special improvements," as defined in Chapter 12 (the "Special Improvements") which the Proponent is required to provide in connection with the Development Project.
- B. The County and the Proponent have entered into a Memorandum of Agreement dated January 15, 2019 (MOA) pursuant to which the parties have agreed to meet certain target dates for the establishment of the Project District for the Development Project together with related goals, pursuant to which the parties contemplated the County's hiring of consultants to facilitate the completion of the Proposed District.
- C. To facilitate the expeditious implementation of the MOA, the Proponent has agreed to advance funds to allow the County to pay all costs and expenses of the County related to proceedings heretofore and hereafter conducted for the establishment of the Proposed District and the issuance of improvement bonds for the Proposed District pursuant to Chapter 12 (the "Proposed Bonds").
- D. The parties hereto wish to enter into an agreement to define the terms and conditions under which the funds will be advanced and subsequently reimbursed.

AGREEMENT

In consideration of the mutual promises herein contained, the parties hereto do hereby agree as follows:

Section 1. Proponent's Deposit; Use of Deposited Funds.

(a) The Proponent agrees to deposit initially the sum of \$75,000 (together with additional deposits hereunder, the "Deposit") with the County to pay one hundred percent (100%) of the reasonable costs and expenses of the County relating to the proceedings for the formation of the Proposed District and the issuance of the Proposed Bonds (collectively, the "County Costs"), including without limitation: (i) the fees and expenses of the County's financial advisor, appraiser, legal counsel (including bond counsel and special tax counsel, if applicable), consulting engineers and other professional consultants and advisors (individually a "Consultant" and collectively the "Consultants"); (ii) publication costs and other out-of-pocket expenses; (iii) a reasonable charge (if applicable) for County staff time and administrative costs expended by the County and attributable to facilitating the expeditious formation of the Proposed District and the issuance of the Proposed Bonds.

(b) The County may draw upon the Deposit to pay the County Costs from time to time. The County shall not be obligated to advance any of its funds for purposes of forming the Proposed District or the issuance and sale of the Proposed Bonds.

EXHIBIT D

(c) In the event that the balance of the Deposit falls below \$20,000, or is otherwise insufficient to pay any County Costs due or coming due, the Proponent shall deposit additional monies with the County in the amount necessary to restore the balance of the Deposit to \$75,000 and/or pay the County Costs due or coming due. The Proponent shall deposit such additional monies within ten (10) calendar days of the receipt of written notification from the County of the need for such additional funds. Without limiting any other right of the County to discontinue proceedings relating to the Proposed District or the Proposed Bonds, it is expressly understood and agreed that the County shall have the right to suspend or terminate all proceedings for the establishment of the Proposed District and/or the issuance of the Proposed Bonds in the event that the Proponent fails to deposit such additional monies with the County within said ten (10) calendar days.

(d) The County shall provide monthly statements to the Proponent showing the amount disbursed from the Deposit and the remaining balance thereof. The monthly statements shall include the recipients of the funds disbursed, the amounts paid to each recipient and include the nature of the work performed. The County agrees to keep such records as are reasonably necessary to show the amount of monies disbursed for payment of County Costs, including summaries of County staff and administrative costs paid from the Deposit funds, if any. The County shall make such records available to the Proponent upon request.

Section 2. Consultants, Compensation, and Method of Payment. The County shall retain the Consultants upon such terms as it deems appropriate in its sole discretion. The County shall have the sole discretion to select the persons or firms to be retained as Consultants, and to evaluate their performance and the reasonableness of their compensation. Compensation shall be paid to each Consultant for work performed as specified in their respective contracts with the County. Upon request, the County shall provide the Proponent with a summary of fees paid to the Consultants on a bi-monthly basis, together with copies of the invoices for which consultant payments have been made.

Section 3. Reimbursement to Proponent. If the Proposed District is established and the Proposed Bonds are issued, the Proponent shall be entitled to be reimbursed for Deposit, without interest, from the proceeds of the Proposed Bonds. In the event that the net proceeds of the Proposed Bonds, after deducting the costs of issuance from the proceeds received by the County, are insufficient to fully fund both (i) reimbursement of the Deposit and (ii) financing of the Special Improvements, the Proponent shall advise the County in writing whether it wishes to receive reimbursement of the Deposit or to waive its entitlement to such reimbursement. In the event that the Proposed Bonds are issued in multiple series, waiver of reimbursement with respect to a given series shall not constitute a waiver of reimbursement from the proceeds of any subsequent series. If the proceedings are abandoned for any reason prior to the sale and issuance of the Proposed Bonds, the obligation of the County to reimburse the Proponent for the Deposit or any portion thereof shall be strictly limited to that portion of the Deposit not yet expended; and the provisions of subsection (c) of Section 5 hereof shall govern the application of such unexpended portion of the Deposit.

Section 4. Ownership of Documents. All plans, specifications, reports, appraisals and other documentation prepared as part of the proceedings to establish the Proposed District and to sell and issue the Proposed Bonds shall become the property of the County, regardless of whether the Proposed District is formed and/or the Proposed Bonds are sold and issued; provided, however, that the Proponent shall be entitled to use the information contained in such documents.

Section 5. No Obligation to form an Improvement District; Abandonment of Proceedings.

(a) The County expressly reserves the right to abandon the proceedings for the establishment of the Proposed District and/or issuance of the Proposed Bonds for any reason at any time prior to the completion thereof. Without limiting the generality of the foregoing, the Proponent expressly acknowledges that the decision of the County to form an improvement district and/or to issue improvement bonds under Chapter 12 is an exercise of the legislative authority of the Council of the County, and that the County may not enter into a contract or obligate the Council to exercise its legislative discretion in a particular manner. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the County to approve the formation of the Proposed District or to sell the Proposed Bonds to finance the Project.

(b) Should the Proponent elect to abandon the proceedings, the Proponent shall provide written notification of such election to the County and request the County to terminate all consulting agreements and use reasonable efforts to minimize any and all additional County Costs.

(c) If proceedings to form the Proposed District and/or issue the Proposed Bonds are not completed and are abandoned for any reason at any time, there will be no obligation on the part of the County to reimburse the Proponent for any monies previously advanced pursuant to this Agreement. In such event, the County, however, agrees to return to the Proponent such portion of the remaining balance of the Deposit, without interest, as the County determines to be in excess of the amount necessary to pay any outstanding County Costs which the County is obligated to pay, which determination shall be made as soon as reasonably practicable. If, for any reason, the remaining balance of the Deposit is not sufficient to pay all outstanding County Costs, the Proponent shall deposit such additional amounts as are required to pay all such County Costs.

(d) It is hereby expressly acknowledged and agreed that this Agreement is not a debt or liability of the County, and that the County shall not be obligated to advance any of its funds for purposes of forming the Proposed District or issuing the Proposed Bonds.

Section 6. Authority to Execute Agreement. The County and the Proponent each represents that it has the authority to execute, deliver and perform its obligations under the terms of this Agreement and that the individual(s) signing this Agreement on its behalf have full right and authority to bind said party to this Agreement.

Section 7. Designated Representatives; Notices. The following individuals are hereby designated as representatives for the County and the Proponent, respectively, to act as liaison between the parties:

County:

Director of Finance (or his/her designee)
County of Hawaii
25 Aupuni Street, Suite 2103
Hilo, Hawaii 96720

Proponent:

RCFC Kaloko Heights, LLC
555 California Street, Suite 3450
San Francisco, California 94101

Phillip Russick

Any written notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth above, or at such other address as such party may provide to the other party in writing from time to time. Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether telex, telegram, electronic mail or teletype upon sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States Mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 8. Jurisdiction and Venue. Each of the County and the Proponent (a) agrees that any suit action or other legal proceeding arising out of or relating to this Agreement shall be brought in state court in the County of Hawaii, (b) consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) waives any objection that it may have to the laying of venue or any suit action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum.

Section 9. Amendments. ^{EXHIBIT D} This Agreement may be amended by an instrument in writing executed and delivered by the parties hereto.

Section 10. Waivers. No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

Section 11. Indemnification. The Proponent hereby indemnifies, and agrees that it shall defend and hold harmless, the County and its officials, employees, contractors and agents, from and against any and all actions, claims, damages, losses or expenses of any kind whatsoever arising out of or relating to any acts or omissions on the part of the Proponent or any of its officers, employees, contractors or agents with respect to the Proposed District or the Proposed Bonds.

Section 12. Governing Law. This Agreement has been executed in and shall be governed by the laws of the State of Hawaii.

Section 13. Construction. The parties to this Agreement and their counsel have reviewed and revised this Agreement, and the normal rule of construction to the effect that any ambiguities in an agreement are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

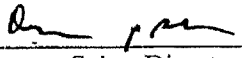
Section 14. Severability. If a provision of this Agreement is found to be void, illegal or unenforceable, then any such provision shall be deemed stricken and the remaining provisions hereof shall, nevertheless, remain in full force and effect.

Section 15. Entire Agreement. This Agreement shall constitute the entire Agreement between the parties. Any amounts to or clarification necessary to this Agreement shall be in writing and acknowledged by all parties to the Agreement.

Section 16. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original, and all of which together shall be considered one and the same instrument.

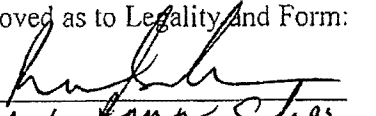
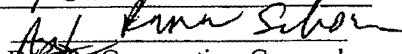
IN WITNESS WHEREOF, the undersigned parties have executed this **this Agreement** effective as of the day and year first above written.

RECOMMEND APPROVAL:



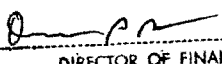
Deanna Sako, Director
Department of Finance

Approved as to Legality and Form:


By 

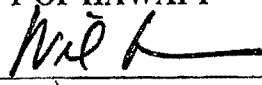
Deputy Corporation Counsel

Approved as to Availability of Funds
in the amounts and for the purposes
set forth herein.



DIRECTOR OF FINANCE
MAY 17 2019

COUNTY OF HAWAII

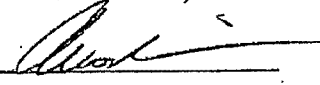
By 

for HARRY KIM
Its Mayor

EXHIBIT D

[Proponent]

RCFC KALOKO HEIGHTS, LLC

By: 

Name: Aaron A. Giovara
Its: Authorized Signatory

AMENDMENT TO DEPOSIT AND REIMBURSEMENT AGREEMENT

THIS AMENDMENT TO DEPOSIT AND REIMBURSEMENT AGREEMENT is made and entered into as of this ___ day of _____, 2021, by and between the County of Hawaii, a municipal corporation and political subdivision of the State of Hawaii (the “County”), and RCFC Kaloko Heights, LLC, a Delaware limited liability company (the “Proponent”).

RECITALS

- A. The Proponent has heretofore requested the assistance of the County in financing the costs of a public sewer extension project (the “Proposed Sewer Extension”) for its Kaloko Heights development under Chapter 12, Hawaii County Code 1983 (2016 Edition, as Amended) (“Chapter 12”). In connection therewith: (i) the County and the Proponent entered into a Deposit and Reimbursement Agreement dated May 17, 2019 (the “Agreement”), pursuant to which the Proponent has agreed to advance funds to allow the County to pay all reasonable costs and expenses of the County relating to the establishment of an improvement district under Chapter 12 (referred to in the Agreement as the “Proposed District”) and the issuance of improvement bonds (referred to in the Agreement as the “Proposed Bonds”) under Chapter 12 to fund the costs of the Proposed Sewer Extension; and (ii) the Proponent submitted a Petition to the County Council dated January 29, 2020 (the “Original Petition”), requesting that the Council initiate proceedings for the formation of the Proposed District as an improvement district under Chapter 12..
- B. Notwithstanding the original intention of the parties to proceed with the financing under Chapter 12, the County and the Proponent now propose to fund the costs of the Proposed Sewer Extension through the establishment of a community facilities district under Chapter 32, Hawaii County Code 1983 (2016 Edition, as Amended) (“Chapter 32”) and the issuance of community facilities district bonds under such Chapter. The Proponent has submitted a new Petition to the County Council dated June 15, 2021, whereby it has withdrawn the Original Petition and request for assistance thereunder and has requested instead that the Council authorize the initiation of proceedings for the formation of a community facilities district and the issuance of community facilities bonds under Chapter 32.
- C. The Proponent has agreed to advance funds for the County’s costs and expenses relating to the establishment of the community facilities district and the issuance of community facilities district bonds upon the same terms as are provided under the Agreement with respect to the Proposed District and the Proposed Bonds. The County and the Proponent are entering into this Amendment to Deposit and Reimbursement Agreement for the purpose of modifying the Agreement so as to apply to the proposed establishment of the community facilities district and issuance of community facilities bonds under Chapter 32.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the County and the Proponent, each intending to be legally bound, do hereby agree as follows:

1. Amendments. The definitions of the following terms under the Agreement are hereby amended as set forth below:

“Proposed Bonds” shall mean and refer to the community facilities district bonds proposed to be issued to fund the costs of the Proposed Sewer Extension under Chapter 32.

“Proposed District” shall mean and refer to the community facilities district proposed to be established with respect to the Proposed Sewer Extension under Chapter 32.

2. Ratification and Confirmation of Agreement. Except as expressly modified hereby, the Agreement is hereby ratified and confirmed, and is and shall remain in full force and effect in all respects. It is expressly agreed and intended that the Agreement, as amended hereby, shall apply in all respects to the establishment of the Proposed District and issuance of the Proposed Bonds for the purpose of funding the costs of the Proposed Sewer Extension under Chapter 32.

IN WITNESS WHEREOF, the County and the Proponent have each caused this Amendment to Deposit and Reimbursement Agreement to be executed and delivered as of the day and year first above written.

Recommend Approval:

COUNTY OF HAWAII

Director of Finance

By: _____
EXHIBIT D Mayor

Approved as to Form and Legality:

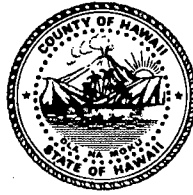
Corporation Counsel

Approved as to Availability of Funds in the amounts and for the purposes set forth herein.

Director of Finance

RCFC KALOKO HEIGHTS, LLC

By: _____
Name: _____
Its: _____

BILL NO. 65ORDINANCE NO. 21 67

AN ORDINANCE AUTHORIZING THE FORMATION OF A COMMUNITY FACILITIES DISTRICT, DESIGNATED AS HAWAI'I COUNTY COMMUNITY FACILITIES DISTRICT NO. 1-2021 (KALOKO HEIGHTS PROJECT), INCLUDING THE TERM AND BOUNDARIES OF THE DISTRICT, THE IMPROVEMENTS AND INCIDENTAL EXPENSES TO BE FUNDED THEREBY AND THE MAXIMUM PRINCIPAL AMOUNT OF BONDS TO BE ISSUED FOR SUCH IMPROVEMENTS AND INCIDENTAL EXPENSES; AUTHORIZING THE LEVY OF A SPECIAL TAX ON PROPERTIES WITHIN SUCH DISTRICT AND THE RATE AND METHOD OF APPORTIONMENT FOR THE SPECIAL TAX; AND MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE DISTRICT, AND AUTHORIZING CERTAIN FURTHER ACTIONS WITH RESPECT THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE COUNTY OF HAWAI'I:

SECTION 1. Purpose of Ordinance; Preliminary Findings and Determinations.

The purpose of this ordinance is to provide for (a) the formation of a community facilities district to be known as the "Hawai'i County Community Facilities District No. 1-2021 (Kaloko Heights Project)" (the "District") pursuant to the provisions of Chapter 32, Hawai'i County Code 1983 (2016 Edition, as Amended) ("Chapter 32," with all references herein to Articles and Sections, unless otherwise defined, being intended to mean and refer to the appropriate Articles and Sections within Chapter 32) and (b) the levy of the special tax on properties within the District (the "Special Tax") pursuant to Chapter 32. In furtherance thereof, the Council (the "Council") of the County of Hawai'i (the "County") hereby finds and determines as follows:

(a) The Council has received a signed petition dated June 24, 2021 (the "Petition") from RCFC Kaloko Heights, LLC, a Delaware limited liability company, Kaloko Heights BIA Holdings, LLC, a Delaware limited liability company, and Kaloko Heights Investors, LLC, a Delaware limited liability company (collectively, the "Petitioner"), requesting that the Council initiate proceedings pursuant to Chapter 32 to form the District, the boundaries of which are shown on a map attached as Exhibit C to the Petition and filed with the Director of Finance of the County (the "Boundary Map"), for the purpose of financing the acquisition and construction of the special improvements (the "Improvements") described in Exhibit B to the Petition.

(b) In response to the Petition, the Council adopted Resolution No. 158-21 on July 7, 2021 (the "Resolution of Intention") to authorize the initiation of proceedings for the establishment of the District, the funding of the cost of the Improvements and incidental expenses pertaining to the District ("Incidental Expenses"), the levy of the Special Tax and the issuance of bonds secured by the Special Tax (the "Bonds").

(c) The Resolution of Intention further directs the Director of the Department of Environmental Management to study the District and the Improvements and prepare and submit to the Council a report thereon (the “CFD Report”) within sixty (60) days after the adoption of the Resolution of Intention as provided in Section 32-21. The CFD Report, dated July 30, 2021, has been prepared and submitted to the Council, as provided in the Resolution of Intention, and has been filed with the records of the meeting of the Council held on August 18, 2021. The Council is relying on the information contained in the CFD Report in making the findings and determinations set forth in this Ordinance.

(d) Pursuant to the Petition, the Petitioner: (i) represents that it is the owner of one hundred percent (100%) of the land shown on the Boundary Map which is not to be exempt from the Special Tax, and there are no lessees of such land who, by the express terms of any existing leases, are obligated to pay the Special Tax; and (ii) waives the right to a public hearing on the establishment of the District as provided in Section 32-24. Accordingly, the Council has determined pursuant to the Resolution of Intention that it is unnecessary to conduct a public hearing or give notice of public hearing prior to the adoption of this Ordinance.

SECTION 2. Further Findings, Determinations and Orders. In accordance with the applicable provisions of Chapter 32, the Council hereby finds, determines and orders as follows:

(a) Formation and Name of the District. The Council hereby finds and determines that the establishment of the District is in the best interest of the people of the County of Hawai‘i and, accordingly, hereby orders the formation of the District in accordance with Chapter 32 and the further provisions hereof. The District shall be known as “Hawai‘i County Community Facilities District No. 1-2021 (Kaloko Heights Project).”

(b) Term of the District. The term of the District shall be sixty (60) years, commencing with the fiscal year ending June 30, 2022; provided that the term of the District shall not expire in any event until such time as all debt service on any Bonds and other debt incurred pursuant to Chapter 32 and all Incidental Expenses that are due and payable with respect to the District have been fully paid or payment duly provided for.

(c) Boundaries of the District. The boundaries of the District shall be as shown on the Boundary Map, a copy of which is on file in the office of the Director of Finance of the County, and shall include the parcels of land more particularly described in **Exhibit D** attached hereto.

(d) The Improvements to be Financed by the District. The Improvements authorized to be financed by proceeds of the Special Tax and/or the proceeds of sale of Bonds, if issued, shall be the special improvements described in **Exhibit A** attached hereto and by this reference incorporated herein. As stated in the CFD Report, the costs of the Improvements are currently estimated to be \$11,496,724. Funds to pay the costs of the Improvements shall be disbursed in accordance with the Project Funding Agreement (as hereinafter defined).

(e) The Incidental Expenses to be Paid from the Special Tax and the Bonds. The Incidental Expenses authorized to be paid from the proceeds of the Special Tax and/or the proceeds of the sale of Bonds, if issued, shall be the Incidental Expenses described in **Exhibit B** attached hereto and by this reference incorporated herein.

(f) The Rate and Method of Apportionment of the Special Tax. The Special Tax shall be determined and apportioned in accordance with the Final Rate and Method of Apportionment (the "RMA") in the form attached as **Exhibit C** hereto and by this reference incorporated herein.

(g) The Principal Amount of Bonds of the District. The aggregate principal amount of Bonds to be issued and sold with respect to the District shall not exceed \$22.0 Million, the proceeds of which Bonds shall be used to pay all or a portion of the costs of the Improvements and the Incidental Expenses relating to the Improvements and the issuance of the Bonds. The issuance of such Bonds shall be authorized by further ordinance enacted pursuant to Article 6.

(h) Project Funding Agreement. Funds to pay the costs of the Improvements shall be disbursed in accordance with a Project Funding Agreement (the "Project Funding Agreement") to be entered into between the County and the Petitioner or Petitioner's authorized representative(s). The form and execution of the Project Funding Agreement shall be subject to approval by the Council.

SECTION 3. Levy of Special Tax. In accordance with Article 5, the Council hereby levies the Special Tax upon all taxable parcels of land within the District. The Special Tax shall be apportioned pursuant to the RMA, and the lien thereof shall be on a parity with the lien of general real property taxes and the lien of assessments levied under Section 46-80, Hawai'i Revised Statutes; provided, however, that if collections of real property taxes, Special Taxes and assessments levied on a property (including any proceeds of foreclosure, if in a single foreclosure sale to satisfy all delinquent real property taxes, Special Taxes and assessments) are insufficient to pay the total amount due with respect to all real property taxes, Special Taxes and assessments on the property, then the Director may apply the amount collected first to real property taxes, second to the Special Tax levied hereunder, and third to assessments. In the event of delinquency, the Special Tax shall be subject to penalties, interest, fees and charges at the same rates as are applicable to delinquent real property taxes, as in effect from time to time. The Director of Finance or such official's designee is hereby appointed as the CFD Administrator, as said term is defined in the RMA, to determine, adjust and levy the annual amount of Special Tax due from each owner of Taxable Property, as said term is defined in the RMA, all in accordance with the provisions of the RMA. Proceeds of the Special Tax shall be used only to pay the costs of the Facilities, to pay debt service on the Bonds or other debt authorized and issued for the District pursuant to Article 5, and to pay Incidental Expenses. The Special Tax shall be levied pursuant to this ordinance only as long as needed to pay such costs, debt service and Incidental Expenses.

SECTION 4. Finding of Validity. The Council hereby finds and determines that all of the proceedings for the formation of the District are valid and in conformity with the requirements of Chapter 32, and this finding shall be final and conclusive.

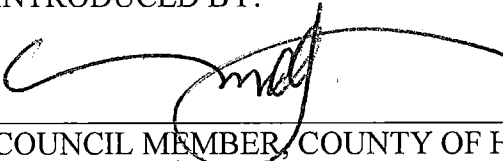
SECTION 5 Notice of Special Tax Authorization. Within 15 days of the effective date of this Ordinance, the Director of Finance shall file a notice of special tax authorization with respect to the District, such notice to be given in the manner and to include the information prescribed by Section 32-32.

SECTION 6 Repeal of Conflicts. All ordinances and resolutions, and any portions of ordinances and resolutions, heretofore enacted or adopted by the Council which are in conflict or inconsistent with any provision of this ordinance shall be and are hereby repealed to the extent of such conflict or inconsistency.

SECTION 7 Severability. If any provision of this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this ordinance are declared to be severable

SECTION 8. This ordinance shall take effect upon its approval.

INTRODUCED BY:

 B/R

COUNCIL MEMBER, COUNTY OF HAWAI'I

 Kona , Hawai'i
Date of Introduction: September 8, 2021
Date of 1st Reading: September 8, 2021
Date of 2nd Reading: September 22, 2021
Effective Date: October 6, 2021

REFERENCE Comm. 377

EXHIBIT A
Description of Authorized Improvements

DESCRIPTION OF AUTHORIZED FACILITIES

The Improvements to be funded for the District shall consist of a sewer line extension and related improvements beginning at the west (makai) boundary of the Project, extending makai within Hina Lani Street and then along Ane Keohokalole Highway to the existing sewer line terminus in the vicinity of the West Hawaii Civic Center. All of the Improvements to be funded will be owned and operated by the County.

EXHIBIT B
DESCRIPTION OF AUTHORIZED INCIDENTAL EXPENSES

A. Initial Incidental Expenses. It is anticipated that the following incidental expenses may be incurred by the County and/or the Petitioner in the proceedings for formation of the District, implementation of the authorized Improvements and related bond financing and will be payable or reimbursable from proceeds of the Special Tax Bonds or directly from the proceeds of the Special Taxes:

- Engineering, Architectural (Building and Landscape), Geotechnical and Environmental and Related, Miscellaneous Consulting services
- Survey, Staking and Contract Administration services
- Archeological and Cultural Monitoring services
- Permits, Plan Check Fees, Entitlement Processing Fees and Expenses
- Special tax consultant services
- County staff review, oversight and administrative services
- Bond Counsel, Special Tax Counsel and Disclosure Counsel services and other legal services
- Financial advisor services
- Special tax administrator services
- Appraiser/Market absorption consultant services
- Initial bond transfer agent, fiscal agent, registrar and paying agent services, and rebate calculation service set up charge
- Escrow services
- Bond printing
- Official Statement printing and mailing
- Publishing, mailing and posting of notices
- Recording fees
- Underwriter's discount, fees and expenses
- Bond reserve fund
- Capitalized interest
- Governmental notification and filing fees
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Other costs of bond issuance or special tax/district administration

B. Recurring Incidental Expenses. The expenses of certain recurring services pertaining to the Proposed District may be included in each annual special tax levy. These may include:

- Trustee, bond transfer agent, registrar and paying agent services
- Rebate calculation services and periodic arbitrage rebate payments
- Special tax administrator services

- Appraisal services
- Other necessary consultant services incidental to the administration of the Proposed District
- Rating agency fees
- Posting, collecting and enforcing payment of the special taxes, including but not limited to foreclosure attorneys' services
- Personnel and administrative services provided by County personnel
- Continuing disclosure services

The enumeration of initial and recurring Incidental Expenses under A and B above is supplemented in its entirety by the items listed in the definition of "Administrative Expenses," set forth in the Rate and Method of Apportionment, and shall not be regarded as exclusive but rather shall be deemed to include any other incidental expenses within the meaning of Chapter 32 which may be incurred from time to time with respect to the District. Without limiting the generality of the foregoing, all expenditures made from the funds deposited by the Petitioner with the County to defray the County's expenses of the proceedings for the District, implementation of authorized Improvements and related bond financings, and all amounts paid by the Petitioner to third parties providing services in connection therewith, shall constitute authorized Incidental Expenses reimbursable to the Petitioner from either proceeds of the Special Taxes or proceeds of sale of the Bonds for the District.

EXHIBIT C

HAWAI‘I COUNTY COMMUNITY FACILITIES DISTRICT No. 1-2021 (KALOKO HEIGHTS PROJECT)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Tax Map Key Parcel in Hawai‘i County Community Facilities District No. 1-2021 (Kaloko Heights Project) (“CFD No. 1-2021”) shall be levied and collected according to the tax liability determined by the County Council of the County of Hawai‘i, through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in CFD No. 1-2021, unless exempted by law or by the provisions of Section F below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Acre**” or “**Acreage**” means the land area of a TMK Parcel as shown on a Tax Map, or if the land area is not shown on a Tax Map, the land area shown on the applicable Final Plat Map, Development Plan, condominium plan, or other recorded parcel map.

“**Administrative Expenses**” means the following actual or reasonably estimated costs directly related to the administration of CFD No. 1-2021: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the County of complying with arbitrage rebate requirements; the costs to the County of complying with disclosure requirements associated with applicable federal and state securities laws and of the Code; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the County related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the County’s administration fees and third party expenses; the costs of County staff time and reasonable overhead relating to CFD No. 1-2021; the costs incurred by the County in connection with the termination of the Special Tax in Tax Zone 2; and amounts estimated or advanced by the County for any other administrative purposes of CFD No. 1-2021, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“Assigned Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.1 below.

“Authorized Improvements” means those facilities that are authorized to be funded by CFD No. 1-2021.

“Backup Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

“Bonds” means bonds or other debt pursuant to Article 6 of the Code, whether in one or more series, issued, incurred, or assumed to fund Authorized Improvements.

“Buildable Lot” means an individual lot within a Final Plat Map, for which a Building Permit may be issued without further subdivision of such lot.

“Building Permit” means a single permit or set of permits required to construct a residential or non-residential structure, other than a permit issued for a foundation, parking, landscaping, or other related facility or amenity if a building permit has not yet been issued for the structure served by these facilities or amenities.

“Capitalized Interest” means funds in any capitalized interest account available to pay interest on Bonds.

“CFD Administrator” means the person or firm designated by the County to administer the Special Taxes according to this RMA.

“CFD Formation” means the date on which the Ordinance of Formation became effective.

“Code” means the Community Facilities Districts Code (1994, Ord. No. 94-77, sec. 3), being Chapter 32 of the Hawai‘i County Code 1983 (2009 Edition, as amended).

“County” means the County of Hawai‘i.

“County Council” means the County Council of the County of Hawai‘i.

“Developed Property” means, for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property and Taxable Property Owner Association Property, for which a Building Permit for new construction was issued prior to March 1 of the preceding Fiscal Year.

“Development Plan” means a site plan or other development plan, which may be updated from time to time, that identifies such information as the type of structure, acreage, and/or square footage that is approved to be developed on Taxable Property within CFD No. 1-2021.

“Expected Land Uses” means the number of Units within each Land Use Class of Residential Property, the Acreage of Other Residential Property, and the Acreage of Non-Residential Property expected within Tax Zone 1, as identified in Attachment 2 of this RMA. Attachment 2 may be updated within 30 days prior to the First Bond Sale and each time there is a Land Use Change thereafter.

“Expected Maximum Special Tax Revenues” means the annual amount of revenue that would be available in Tax Zone 1 if the Maximum Special Tax was levied on the Expected Land Uses. The Expected Maximum Special Tax Revenues at the time of approval of this RMA are shown in Attachment 2, and such amount may be adjusted pursuant to Section C or if TMK Parcels within Tax Zone 1 prepay all or a portion of the Special Tax obligation.

“Final Plat Map” means a final map approved by the County Planning Director pursuant to the Subdivision Control Code (Hawai‘i County Code Chapter 23) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property and Taxable Property Owner Association Property, which as of March 1 of the previous Fiscal Year was located within a Final Plat Map. The term Final Mapped Property shall include any parcel map or Final Plat Map, or portion thereof, that creates individual lots that cannot be further subdivided and for which a Building Permit may be issued (but has not actually been issued).

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from TMK Parcels in Tax Zone 1.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Change” means a change to the Expected Land Uses within Tax Zone 1 after CFD Formation, which shall include but not be limited to, approval of Final Plat Maps that reflect a different number of Buildable Lots, issuance of Building Permits that will result in a different number of Units in a particular Land Use Class, or issuance of Building Permits that reflect a different amount of Other Residential Property Acreage or Non-Residential Property Acreage than that shown in the Expected Land Uses, as determined by the CFD Administrator.

“Land Use Class” means any of the classes listed in Table 1 below.

“Land Value” means the appraised value, or the assessed value on the current County Real Property Tax Office tax roll, of a TMK Parcel, whichever is less. The CFD

Administrator shall direct that a Short Form Appraisal be prepared to determine the appraised value.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on a TMK Parcel in any Fiscal Year determined in accordance with Section C below.

“Maximum Special Tax Revenues” means, at any point in time, the aggregate revenue that can be generated if the Maximum Special Tax is levied on all TMK Parcels of Taxable Property in Tax Zone 1.

“Non-Residential Property” means, for each Fiscal Year, all TMK Parcels of Developed Property for which a Building Permit was issued by the County after January 1, 2020, and before March 1 of the prior Fiscal Year, permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all TMK Parcels of Developed Property for which a Building Permit was issued by the County for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

“Ordinance of Formation” means the ordinance adopted by the County Council to form CFD No. 1-2021.

“Property Owner Association Property” means any property within the boundaries of CFD No. 1-2021 that was owned by a property owner association, including any master or sub-association, as of March 1 of the prior Fiscal Year.

“Proportionately” means (i) for Developed Property in the first step of Section D.1 below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Developed Property; (ii) for Developed Property in the fourth step of Section D.1 below, that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all TMK Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any TMK Parcel(s), then the amount of the increase shall be equal for the remaining TMK Parcels; (iii) for Final Mapped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Final Mapped Property, separately for Tax Zone 1 and Tax Zone 2; (iv) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Undeveloped Property, separately for Tax Zone 1 and Tax Zone 2; and (v) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all TMK Parcels of Taxable Property Owner Association Property, separately for Tax Zone 1 and Tax Zone 2.

“Public Property” means any property within the boundaries of CFD No. 1-2021 that (i) is owned by or irrevocably offered for dedication to the federal government, the State of Hawai‘i, the County, or other public agency, provided however that any property leased by a public agency to a private entity and subject to taxation under Section 32-54 of the

Code shall be classified and taxed in accordance with its use; or (ii) is encumbered by a road, access, public utility easement or other easement or recorded restriction for public use or preservation making impractical its use for any purpose other than that set forth in the easement or recorded restriction.

“Required Coverage” means the percentage by which the Expected Maximum Special Tax Revenues must exceed the sum of annual Bond debt service and annual required Administrative Expenses, as set forth in the Indenture or other formation or Bond document that sets forth the minimum required debt service coverage.

“Residential Floor Area” means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the Building Permit(s) issued for such TMK Parcel, or as set forth in other official records maintained by the County’s Building Division or other appropriate means selected by the CFD Administrator. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for a TMK Parcel, it shall remain fixed in all future Fiscal Years unless an appeal is approved that results in a change in the actual Square Footage.

“Residential Property” means, for each Fiscal Year, a TMK Parcel for which a Building Permit for new construction of one or more Units was issued after January 1, 2020, and before March 1 of the prior Fiscal Year.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“Short Form Appraisal” means a limited appraisal of the land value of a TMK Parcel prepared by a qualified appraiser, as determined by the CFD Administrator, using a form similar to Fannie Mae Form 2055, which is also known as an “exterior-only inspection residential appraisal report” designed to contain a limited amount of data about the subject property and to utilize the sales comparable approach as its sole approach to concluding value.

“Single Family Attached Property” means all TMK Parcels of Developed Property for which a Building Permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Tax Map Keys assigned to them, and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium.

“Single Family Detached Property” means all TMK Parcels of Developed Property for which a Building Permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

“Single Family Property” means all TMK Parcels of Single Family Attached Property and Single Family Detached Property.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Tax Zone 1 Special Tax Requirement or Tax Zone 2 Special Tax Requirement.

“Square Footage” or **“Sq. Ft.”** means the floor area square footage reflected on the original construction Building Permit, or as set forth in other official records maintained by the County’s Building Division or other appropriate means selected by the CFD Administrator, issued for construction of Residential Property or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a Building Permit for expansion or renovation of such building.

“Taxable Property” means all of the TMK Parcels within the boundaries of CFD No. 1-2021 that are not exempt from the Special Tax pursuant to law or Section F below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all TMK Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to law or Section F below.

“Tax Map” means an official map of the County designating parcels by Tax Map Key.

“Tax Map Key” or **“TMK”** means a unique number that is assigned by the County to identify each lot or parcel or condominium within the County’s boundaries.

“Tax Map Key Parcel” or **“TMK Parcel”** means a lot or parcel shown on a Tax Map with an assigned TMK.

“Tax Zone” means a mutually exclusive geographic area, within which particular Special Tax rates may be levied pursuant to this RMA. Attachment 1 identifies the two Tax Zones in CFD No. 1-2021.

“Tax Zone 1” means the geographic area that was identified at CFD Formation by TMK Parcels 3-7-3-009-057, 3-7-3-009-058, 3-7-3-009-059, 3-7-3-009-060, 3-7-3-009-061, 3-7-3-009-062, 3-7-3-009-070, and 3-7-3-009-071, is designated in Attachment 1 of this RMA as Tax Zone 1, and is commonly referred to as Kaloko Heights Phase 1.

“Tax Zone 1 Special Tax Requirement” means the sum of the amounts necessary in any Fiscal Year to: (i) pay Administrative Expenses up to \$50,000, which amount shall escalate at a rate of two percent (2.0%) per year beginning in Fiscal Year 2022-23; (ii) pay principal and interest on Bonds which are due in the calendar year that begins in such Fiscal Year; (iii) create and/or replenish reserve funds for the Bonds; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in prior Fiscal Years or (based on existing delinquencies in the payment of Special Taxes) are expected to occur in the Fiscal Year in which the tax will be collected; (v) pay all remaining Administrative Expenses in excess of the amount determined in (i) above; and (vi) pay the costs of Authorized Improvements provided that Special Taxes shall not be collected from Taxable Property Owner Association Property for this purpose. The

amounts referred to in clauses (ii) and (iii) of the preceding sentence may be reduced in any Fiscal Year by: (i) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against debt service pursuant to the Indenture; (ii) proceeds received by the County for CFD No. 1-2021 from the collection of penalties associated with delinquent Special Taxes; and (iii) any other revenues available to pay debt service on the Bonds as determined by the CFD Administrator.

“Tax Zone 2” means the geographic area that was identified at CFD Formation by TMK Parcel 3-7-3-009-019, is designated in Attachment 1 of this RMA as Tax Zone 2, and is commonly referred to as Kaloko Heights Phase 2.

“Tax Zone 2 Special Tax Requirement” means the amount necessary at any point in time to cure delinquencies in the payment of Special Taxes levied in Tax Zone 1 on Final Mapped Property and Undeveloped Property.

“Trustee” means the trustee or fiscal agent under the Indenture.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2021-22, all Taxable Property within CFD No. 1-2021 shall be assigned to Tax Zone 1 or Tax Zone 2 and, within each Tax Zone, shall be classified as Developed Property, Final Mapped Property, Undeveloped Property, or Taxable Property Owner Association Property, and shall be subject to Special Taxes in accordance with this RMA as determined pursuant to Sections C and D below. TMK Parcels of Developed Property within Tax Zone 1 shall be further classified as Single Family Detached Property, Single Family Attached Property, Other Residential Property, or Non-Residential Property. TMK Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 7, as listed in Table 1 below based on the Residential Floor Area of the Units on such TMK Parcels, and TMK Parcels of Single Family Attached Property shall be assigned to Land Use Class 8. Also, Other Residential Property shall be assigned to Land Use Class 9, and Non-Residential Property shall be assigned to Land Use Class 10.

The Expected Maximum Special Tax Revenues shown in Attachment 2 were calculated based on the Expected Land Uses at the time of adoption of this RMA and are subject to modification upon the occurrence of Land Use Changes and prepayments, as described

below. At least quarterly after the First Bond Sale, the CFD Administrator shall review all new Building Permits, Final Plat Maps, condominium plans, and any other project information that has changed from the prior quarter. In addition, the CFD Administrator shall, on an ongoing basis, review all Land Use Changes. With each review, the CFD Administrator shall compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues. Prior to the First Bond Sale and issuance of any subsequent series of Bonds, and together with the CFD Administrator's review on at least a quarterly basis, the owners of all TMK Parcels for which Building Permits have yet to be issued shall provide the CFD Administrator with a written confirmation of the Expected Land Uses on each TMK Parcel.

C. MAXIMUM SPECIAL TAX

1. Tax Zone 1

a. Developed Property

The Maximum Special Tax that may be levied in any Fiscal Year on each TMK Parcel in Tax Zone 1 classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax.

1) Assigned Special Tax

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown in Table 1 on the following page.

TABLE 1
TAX ZONE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax (Fiscal Year 2021-22)*
1	Single Family Detached Property	< 1,601	\$1,663 per Unit
2	Single Family Detached Property	1,601 – 1,800	\$1,913 per Unit
3	Single Family Detached Property	1,801 – 2,000	\$2,163 per Unit
4	Single Family Detached Property	2,001 – 2,200	\$2,537 per Unit
5	Single Family Detached Property	2,201 – 2,400	\$2,869 per Unit
6	Single Family Detached Property	2,401 – 2,600	\$3,119 per Unit
7	Single Family Detached Property	> 2,600	\$3,410 per Unit
8	Single Family Attached Property		\$1,281 per Unit
9	Other Residential Property		\$11,298 per Acre
10	Non-Residential Property		\$11,298 per Acre

** On July 1, 2022, and on each July 1 thereafter, all of the Assigned Special Tax rates shown in Table 1 above shall be increased by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.*

2) *Backup Special Tax*

Prior to the First Bond Sale, if a Land Use Change occurs that results in a change in Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section C.1.a.2. Upon identification of the Land Use Change, the CFD Administrator shall update Attachment 2 to reflect the revised Expected Maximum Special Tax Revenues, which shall then be the amount used to size the Bonds being issued.

After the First Bond Sale, if a Land Use Change occurs that results in a change in Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section C.1.a.2 as long as the Required Coverage will still be achieved. Upon identification of the Land Use Change, the CFD Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the CFD Administrator determines that a Land Use Change would result in a failure to achieve the Required Coverage, the

Backup Special Tax shall be calculated by application of the following steps:

- Step 1:** Determine the Maximum Special Tax Revenues needed to maintain Required Coverage.
- Step 2:** Increase Proportionately the Assigned Special Tax for each Land Use Class within the Expected Land Uses that was not Developed Property in the prior Fiscal Year up to the amounts needed so that the Expected Maximum Special Tax Revenues equal the amount computed in Step 1.
- Step 3:** The Backup Special Tax for each Land Use Class of Expected Land Uses that was not Developed Property in the prior Fiscal Year shall be the amount calculated in Step 2.
- Step 4:** The Backup Special Taxes identified in Step 3 shall increase on July 1 of the next Fiscal Year, and each July 1 thereafter, by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

After determining the Backup Special Tax, the CFD Administrator shall adjust Attachment 2 to reflect the Expected Land Uses and Expected Maximum Special Tax Revenues after the Land Use Change that necessitated the levy of the Backup Special Tax.

The duties imposed on the CFD Administrator to review Land Use Changes, Final Plat Maps, and Building Permits, and to make the calculations set forth above, are intended only to facilitate administration of the Special Tax and to better ensure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property in CFD No. 1-2021 any right to receive notice of the potential impact of Land Use Changes, but each such developer, subdivider, or owner of property is responsible for understanding that a Backup Special Tax may be levied because of a Land Use Change. Further, each developer, subdivider, or owner of property in CFD No. 1-2021 that is not Developed Property is required to provide information and documentation to, and to coordinate with, the CFD Administrator on at least a quarterly basis to confirm anticipated Land Use Changes and determine Expected Land Uses.

The Backup Special Tax for a TMK Parcel shall not change once a TMK Parcel is classified as Developed Property; provided, however, that the Backup Special Tax on a TMK Parcel of Developed Property shall increase each July 1 by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

3) *Multiple Land Use Classes on a TMK Parcel*

In some instances, a TMK Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such TMK Parcel shall be the sum of the Maximum Special Tax for all Units of Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable Building Permits, Final Plat Map, parcel map, condominium plan, or other recorded County map) located on that TMK Parcel.

b. *Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property*

The Maximum Special Tax for Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property in Tax Zone 1 shall be \$11,298 per Acre in Fiscal Year 2021-22, which amount shall increase on July 1, 2022, and each July 1 thereafter by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

2. **Tax Zone 2**

a. *Developed Property*

No Special Tax shall be levied on Developed Property in Tax Zone 2.

b. *Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property*

The Maximum Special Tax for Final Mapped Property, Undeveloped Property, and Taxable Property Owner Association Property in Tax Zone 2 shall be \$22,596 per Acre in Fiscal Year 2021-22, which amount shall increase on July 1, 2022, and each July 1 thereafter by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

1. Tax Zone 1

Each Fiscal Year, beginning with Fiscal Year 2021-22, the CFD Administrator shall determine the Tax Zone 1 Special Tax Requirement for that Fiscal Year and levy the Special Tax on all TMK Parcels of Taxable Property in Tax Zone 1 as follows:

- Step 1:* If needed to satisfy the Tax Zone 1 Special Tax Requirement, but not accounting for Capitalized Interest, the Special Tax shall be levied Proportionately on each TMK Parcel of Developed Property in Tax Zone 1 up to 100% of the applicable Assigned Special Tax.
- Step 2:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after Step 1 has been completed, and after applying Capitalized Interest, then the Special Tax shall be levied Proportionately on each TMK Parcel of Final Mapped Property in Tax Zone 1 up to 100% of the Maximum Special Tax for Final Mapped Property in Tax Zone 1.
- Step 3:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Undeveloped Property in Tax Zone 1 up to 100% of the Maximum Special Tax for Undeveloped Property in Tax Zone 1.
- Step 4:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each TMK Parcel of Developed Property in Tax Zone 1 whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such TMK Parcel until the amount levied is equal to the Tax Zone 1 Special Tax Requirement.
- Step 5:* If additional monies are needed to satisfy the Tax Zone 1 Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Taxable Property Owner Association Property in Tax Zone 1 up to the Maximum Special Tax for Taxable Property Owner Association Property in Tax Zone 1.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any TMK Parcel of Single Family Property or Other

Residential Property in Tax Zone 1 for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other TMK Parcel or TMK Parcels within Tax Zone 1 by more than ten percent (10.0%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

2. Tax Zone 2

At the earliest possible date on which the County Real Property Tax Office is able to provide information to the CFD Administrator regarding the collection of Special Taxes within Tax Zone 1, the CFD Administrator shall determine the total aggregate Special Taxes levied on Final Mapped Property and Undeveloped Property within Tax Zone 1 that are delinquent. Within five business days after making such determination, the CFD Administrator shall do the following:

- Step 1:* Calculate the Tax Zone 2 Special Tax Requirement.
- Step 2:* If needed to satisfy the Tax Zone 2 Special Tax Requirement, then the Special Tax shall be levied Proportionately on each TMK Parcel of Final Mapped Property in Tax Zone 2 up to 100% of the Maximum Special Tax for Final Mapped Property in Tax Zone 2.
- Step 3:* If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Undeveloped Property in Tax Zone 2 up to 100% of the Maximum Special Tax for Undeveloped Property in Tax Zone 2.
- Step 4:* If additional monies are needed to satisfy the Tax Zone 2 Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each TMK Parcel of Taxable Property Owner Association Property in Tax Zone 2 up to the Maximum Special Tax for Taxable Property Owner Association Property in Tax Zone 2.
- Step 5:* For each TMK Parcel in Tax Zone 2 to be taxed, prepare and send a direct bill via overnight delivery to the record owner of such TMK Parcel based on ownership and address information available from the current County Real Property Tax Office tax roll.

The Special Tax in Tax Zone 2 shall be due and payable within 30 days from the date of delivery of the direct tax bill. If, within 30 days from the date the direct bill was delivered, payment of the Special Tax levied against a TMK Parcel in Tax Zone 2 has not been received by the County or the CFD Administrator, foreclosure proceedings shall commence immediately against such TMK parcel. The Special Tax shall have the same priority and bear the same penalties and

interest after delinquency as do *ad valorem* real property taxes. Notwithstanding the foregoing, the Special Tax may be collected in the same manner and at the same time as ordinary *ad valorem* real property taxes.

E. COLLECTION OF SPECIAL TAX

The Special Taxes in Tax Zone 1 will be collected in the same manner and at the same time as ordinary *ad valorem* real property taxes; provided, however, that prepayments are permitted as set forth in Section G below and provided further that the County may directly bill the Special Taxes and may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent TMK Parcels as permitted by the Code.

F. EXEMPTIONS

No Special Tax shall be levied on up to 60.0 Acres of Property Owner Association Property in Tax Zone 1. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Property Owner Association Property within Tax Zone 1.

Property Owner Association Property that is not exempt from the Special Tax under this section shall be subject to the levy of a Special Tax and shall be taxed Proportionately as part of the fifth step in Section D.1 above, or part of the fourth step in Section D.2 above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property. Also, the nonexempt owner of a leasehold or possessory interest in Public Property shall be subject to the levy of a Special Tax pursuant to Section 32-54 of the Code and shall be classified and taxed as Developed Property, Final Mapped Property, Undeveloped Property, or Taxable Property Owner Association Property.

No Special Tax shall be levied in any Fiscal Year on TMK Parcels in Tax Zone 1 that have fully prepaid the Special Tax obligation pursuant to the formula set forth below in Section G.

G. PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of a TMK Parcel in Tax Zone 1 may be prepaid; however, the Special Tax obligation of a TMK Parcel in Tax Zone 2 cannot be prepaid. The following definitions apply to this Section G:

“Construction Fund” means funds or accounts (regardless of their names) identified in the Indenture to hold monies that are available to acquire or construct public facilities eligible under the Code.

“Outstanding Bonds” means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, a TMK Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the CFD Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

“Previously Issued Bonds” means all Bonds that have been issued on behalf of CFD No. 1-2021 prior to the date of prepayment.

“Public Facilities Requirements” means either \$13,229,000 in 2021 dollars, which shall increase by the Public Facilities Inflation Index on July 1, 2022, and each July 1 thereafter, or such lower number as (i) determined by the CFD Administrator as sufficient to fund the public facilities to be provided under the authorized bonding program for CFD No. 1-2021, or (ii) shall be determined by the County Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this RMA as described in Section D above.

“Public Facilities Inflation Index” means the annual percentage change in the *Honolulu Construction Cost Index: Single Family Residence*, measured as of December of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Public Facilities Inflation Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the *Honolulu Construction Cost Index: Single Family Residence*.

“Remaining Facilities Costs” means the Public Facilities Requirements (as defined above), minus public facility costs funded by Previously Issued Bonds (as defined above), developer equity, Special Tax prepayments, and/or any other source of funding.

1. Full Prepayment

The Special Tax obligation may be prepaid and the obligation of a TMK Parcel in Tax Zone 1 to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such TMK Parcel at the time of prepayment. An owner of a TMK Parcel intending to prepay the Special Tax obligation shall provide the County with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such TMK Parcel; the CFD Administrator may charge a fee for providing this service. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid

Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

	Bond Redemption Amount
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by the CFD Administrator pursuant to the following steps:

- Step 1:** Confirm that no Special Tax delinquencies apply to such TMK Parcel.
- Step 2:** Compute the total Maximum Special Tax that could be levied on the TMK Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the County, as set forth in Section C above. For TMK Parcels of Developed Property, the Maximum Special Tax equals the greater of the Assigned Special Tax and Backup Special Tax.
- Step 3:** (a) Divide the Maximum Special Tax computed pursuant to Step 2 for such TMK Parcel by the total estimated Maximum Special Tax Revenues that could be levied in that Fiscal Year on property within Tax Zone 1, as set forth in Section C above, excluding any TMK Parcels which have prepaid their Special Tax obligation, and
- (b) Divide the Maximum Special Tax computed pursuant to Step 2 for such TMK Parcel by the Maximum Special Tax Revenues that could be generated at buildout for the entire Tax Zone 1 area as determined by the CFD Administrator based on the Development Plan and other information currently available, excluding any TMK Parcels which have prepaid their Special Tax obligation.
- Step 4:** Multiply the larger quotient computed pursuant to Steps 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the “Bond Redemption Amount”*).
- Step 5:** Compute the current Remaining Facilities Costs (if any).
- Step 6:** Multiply the larger quotient computed pursuant to Steps 3(a) or 3(b) by the amount determined pursuant to Step 5 to compute the

amount of Remaining Facilities Costs to be prepaid (*the "Remaining Facilities Amount"*).

- Step 7:* Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the "Redemption Premium"*).
- Step 8:* Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, which, depending on the Bond offering document, may be as early as the next interest payment date.
- Step 9:* Compute the amount of interest the County reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.
- Step 10:* Take the amount computed pursuant to Step 8 and subtract the amount computed pursuant to Step 9 (*the "Defeasance Requirement"*).
- Step 11:* Determine the costs to compute the prepayment amount, the costs to invest the prepayment proceeds, the costs to redeem Bonds, the costs to record any notices to evidence the prepayment and the redemption, and any other administrative costs associated with the prepayment (*the "Administrative Fees and Expenses"*).
- Step 12:* If and to the extent so provided in the Indenture pursuant to which the Outstanding Bonds to be redeemed were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (*the "Reserve Fund Credit"*). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the calculation date.
- Step 13:* The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 10, and 11, less the amount computed pursuant to Step 12 (*the "Prepayment Amount"*).
- Step 14:* From the Prepayment Amount, the amounts computed pursuant to Steps 4, 7, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and used to retire Outstanding Bonds or make debt service payments. The amount computed

pursuant to Step 6 shall be deposited into the Construction Fund. The amount computed pursuant to Step 11 shall be retained by the County for CFD No. 1-2021.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments as provided in the Indenture.

For any TMK Parcel that is prepaid, the County Council shall cause a suitable notice to be recorded and filed with the Bureau of Conveyances and/or Land Court in compliance with the Code, to indicate the prepayment of Special Taxes and the release of the Special Tax lien on such TMK Parcel, and the obligation of such TMK Parcel to pay the Special Tax shall cease. The CFD Administrator shall mail a copy of the notice to the owner and any known lessee of the property.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Assigned Special Tax that may be levied on Taxable Property (excluding Taxable Property Owner Association Property) at buildout of the entire Tax Zone 1 area, as determined by the CFD Administrator based on the Development Plan and other information currently available, both prior to and after the proposed prepayment, is at least 1.1 times the maximum annual debt service on all Outstanding Bonds plus the estimated Administrative Expenses.

2. Partial Prepayment

The Special Tax on a TMK Parcel of Taxable Property in Tax Zone 1 may be partially prepaid. The amount of the prepayment shall be calculated as in Section G.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

- PP = the partial prepayment
- PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section G.1
- AE = the Administrative Fees and Expenses determined pursuant to Step 11 above
- % = the percentage by which the owner of the TMK Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any TMK Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax within thirty (30) days of the request and may charge a fee for providing this service. With respect to any TMK Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section G.1, and (ii) indicate in the records of CFD No. 1-2021 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such TMK Parcel, equal to the outstanding percentage (1.00 – "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such TMK Parcel pursuant to Section D.1.

Notwithstanding the foregoing, no Special Tax partial prepayment shall be allowed unless the amount of Assigned Special Tax that may be levied on Taxable Property (excluding Taxable Property Owner Association Property) at buildout of the entire Tax Zone 1 area, as determined by the CFD Administrator based on the Development Plan and other information currently available, both prior to and after the proposed partial prepayment, is at least 1.1 times the maximum annual debt service on all Outstanding Bonds plus the estimated Administrative Expenses.

H. INTERPRETATION OF SPECIAL TAX FORMULA

The County reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Taxes. In addition, interpretation and application of any section of this document shall be left to the County's discretion. Interpretations may be made by the County by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this RMA.

I. TERM OF SPECIAL TAX

1. Tax Zone 1

The Fiscal Year after which no further Special Tax shall be levied or collected in Tax Zone 1 is Fiscal Year 2060-61, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

2. Tax Zone 2

The Special Tax in Tax Zone 2 shall be levied for the period necessary to fully satisfy the Tax Zone 2 Special Tax Requirement, but in no event shall the Special

Tax be levied in Tax Zone 2 after the earlier of (i) June 30, 2081, or (ii) the date on which the CFD Administrator files with the County Council a written notification (which the CFD Administrator shall file as soon as reasonably practicable after the close of a Fiscal Year) that the following events all occurred in the prior Fiscal Year:

- a. **Debt Service Test.** The County Council has resolved or covenanted that it will not issue any additional Bonds for CFD No. 1-2021 except for refunding purposes, provided that the debt service in any Fiscal Year on all outstanding Bonds after such issuance does not exceed the debt service on the Bonds before the refunding; and
- b. **Special Tax Revenue Test – Developed Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property for such Fiscal Year were not less than 50% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- c. **Special Tax Revenue Test – Developed Property Plus Final Mapped Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property or as Final Mapped Property for such Fiscal Year were not less than 75% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- d. **Special Tax Revenue Test – Developed Property Plus Final Mapped Property Plus Undeveloped Property.** The aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Developed Property, as Final Mapped Property, or as Undeveloped Property for such Fiscal Year were not less than 100% of such Fiscal Year’s Tax Zone 1 Special Tax Requirement; and
- e. **Value Test.** The “value of real property,” as defined in Section 32-57(c) of the Code, of the Taxable Property in Tax Zone 1 is at least three times the principal amount of Bonds then outstanding; and

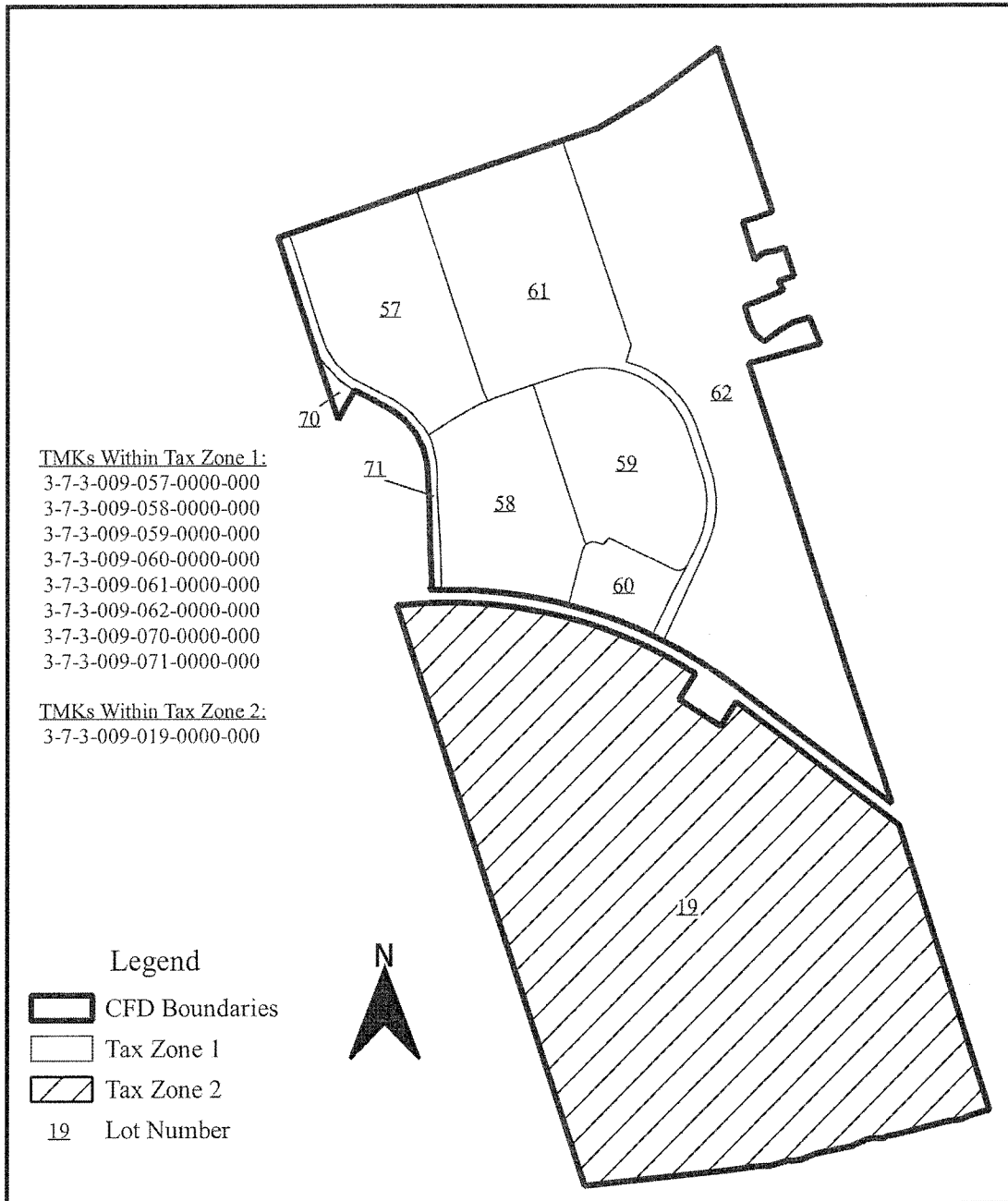
- f. **Value Test – Undeveloped Property.** The aggregate Land Value of the non-delinquent TMK Parcels in Tax Zone 1 that were classified as Undeveloped Property for such Fiscal Year is not less than three times the product of the principal amount of Outstanding Bonds multiplied by a fraction, the numerator of which is the aggregate Special Taxes received from Taxable Property in CFD No. 1-2021 from the levy of such Fiscal Year’s Special Tax (as opposed to receipts from prior Fiscal Years and penalties and interest) on TMK Parcels in Tax Zone 1 that were classified as Undeveloped Property for such Fiscal Year, and the denominator of which is such Fiscal Year’s Tax Zone 1 Special Tax Requirement.

The satisfaction of the conditions listed above in the CFD Administrator’s written notification to the County Council would, for purposes of Section 32-56 of the Code, be deemed a prepayment and permanent satisfaction of the obligation to pay the Special Tax applicable to the TMK Parcels in Tax Zone 2. Accordingly, the County Council shall promptly cause to be prepared and filed with the Bureau of Conveyances and/or Land Court a notice of cancellation of Special Tax for all TMK Parcels in Tax Zone 2, all as provided for in said Section 32-56 of the Code.

ATTACHMENT 1

HAWAI'I COUNTY COMMUNITY FACILITIES DISTRICT No. 1-2021 (KALOKO HEIGHTS PROJECT)

IDENTIFICATION OF TAX ZONES



ATTACHMENT 2

**HAWAI'I COUNTY
COMMUNITY FACILITIES DISTRICT NO. 1-2021
(KALOKO HEIGHTS PROJECT)**

**TAX ZONE 1
EXPECTED LAND USES AND EXPECTED MAXIMUM SPECIAL TAX REVENUES
>> AT CFD FORMATION <<**

<i>Expected Land Uses</i>	<i>Number of Expected Residential Units & Acres of Other Residential / Non-Residential Property</i>	<i>Maximum Special Tax per Unit or Acre for Fiscal Year 2021-22*</i>	<i>Total Expected Maximum Special Tax Revenues * (FY 2021-22*)</i>
Single Family Detached Property			
Residential Floor Area < 1,601 SF	10 Units	\$1,663 per Unit	\$16,630
Residential Floor Area 1,601 - 1,800 SF	57 Units	\$1,913 per Unit	\$109,041
Residential Floor Area 1,801 - 2,000 SF	20 Units	\$2,163 per Unit	\$43,260
Residential Floor Area 2,001 - 2,200 SF	66 Units	\$2,537 per Unit	\$167,442
Residential Floor Area 2,201 - 2,400 SF	77 Units	\$2,869 per Unit	\$220,913
Residential Floor Area 2,401 - 2,600 SF	81 Units	\$3,119 per Unit	\$252,639
Residential Floor Area > 2,600 SF	60 Units	\$3,410 per Unit	\$204,600
<hr/>			
Single Family Attached Property	150 Units	\$1,281 per Unit	\$192,150
<hr/>			
Other Residential Property	0.0 Acres	\$11,298 per Acre	\$0
<hr/>			
Non-Residential Property	0.0 Acres	\$11,298 per Acre	\$0
<hr/>			
Total	521 Units 0.0 Acres		\$1,206,675

* On July 1, 2022, and on each July 1 thereafter, all dollar amounts shown in the table above shall be increased by an amount equal to two percent (2.0%) of the amount in effect for the prior Fiscal Year.

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:019

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patent Number 8214, Land Commission Award Number 7715, Apana 11 to Lota Kamehameha) situate, lying and being on the westerly side of Hina Lani Street at Kaloko, District of North Kona, Island and County of Hawaii, State of Hawaii, consisting of **LOT 3-A**, the same being a subdivision of Lot 3 of File Plan Number 2092, as shown on the plat map of Subdivision No. 7416 approved by the County of Hawaii on May 22, 2001, and thus bounded and described as per survey dated June 1, 2001 (recorded in Document No. 2001-089545), to-wit:

Beginning at the southeast corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA", being 17,980.76 feet South and 9,827.20 feet West, and running by azimuths measured clockwise from true South:

1. 75° 24' 06" 134.50 feet along Royal Patent 7587, Land Commission Award 11216, Apana 36 to Kekaunohi;
2. 67° 03' 45" 54.20 feet along same;
3. 82° 52' 45" 97.50 feet along same;
4. 76° 53' 15" 312.20 feet along same;
5. 79° 26' 45" 85.70 feet along same;
6. 58° 09' 45" 21.30 feet along same;
7. 90° 25' 45" 71.05 feet along same;
8. 79° 12' 25" 43.60 feet along same;
9. 67° 11' 25" 105.60 feet along same;
10. 79° 33' 45" 230.20 feet along same;
11. 69° 35' 45" 96.95 feet along same;
12. 82° 14' 45" 64.50 feet along same;

13. 100° 20' 45" 22.00 feet along same;
14. 76° 01' 05" 120.69 feet along same;
15. 88° 23' 45" 76.80 feet along same;
16. 83° 22' 15" 187.10 feet along same;
17. 85° 16' 35" 930.46 feet along same;
18. 162° 56' 05" 3,858.19 feet along the remainder of Royal Patent 214, Land Commission Award 7715, Apana 11 to Lota Kamehameha;

Thence along the southerly side of Hina Lani Street on a curve to the right with a radius of 2,960.00 feet, the chord azimuth and distance being:

19. 283° 50' 36" 1,958.79 feet;
20. 33° 41' 196.00 feet along Lot 3-B;
21. 303° 41' 315.00 feet along same;
22. 213° 41' 182.75 feet along same;
23. 308° 01' 35" 1,300.37 feet along the southerly side of Hina Lani Street;
24. 342° 56' 05" 1,892.98 feet along Kona Heavens Subdivision, Unit I, File Plan 1423 to the point of beginning and containing an area of 8,447,641 square feet or **193.9311 acres**, more or less.

END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:019

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:057

LOT 2-A

Kaloko Heights Affordable Housing Subdivision (SUB-19-001903)

Being a portion of Grant 2942 to Hulikoa
Situate at Kaloko, North Kona, Hawaii, Hawaii

Beginning at the North corner of this parcel of land, being also the Northwest corner of Lot 6 of Kaloko Heights Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA" being 12,084.36 feet South and 13,376.81 feet West thence running by azimuths measured clockwise from true South:

1. 342° 54' 30" 1,355.82 feet along Lot 6 of Kaloko Heights Subdivision, along the remainder of Gr. 2942 to Hulikoa;

2. 334° 19' 46" 56.68 feet along same;

Thence along Lot 3-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa on a curve to the left with a radius of 1,075.00 feet, the chord azimuth and distance being:

3. 64° 40' 04" 152.51 feet ;

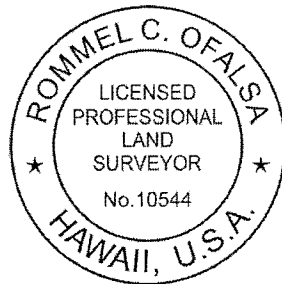
4. 60° 36' 268.78 feet along Lot 3-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942;

Thence along the same on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:

5. 18° 25' 40.29 feet ;

Thence along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa on a curve to the left with a radius of 530.00 feet, the chord azimuth and distance being:

6. 137° 19' 343.64 feet ;
7. 118° 24' 242.79 feet along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa;
- Thence along same on a curve to the right with a radius of 470.00 feet, the chord azimuth and distance being:
8. 140° 40' 356.18 feet ;
9. 162° 56' 700.90 feet along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa;
10. 252° 14' 30" 870.48 feet along Lot 59, along Gr. 9468 to Mrs. Hottie Kinoulou;
11. 252° 43' 20" 11.21 feet along Lot 57, along Gr. 5912 to John Brooch to the point of beginning and containing an area of **25.994 Acres**.



Description Prepared By:

Rommel C. Ofalsa Exp. 4/30/22

Rommel C. Ofalsa
 Licensed Professional Land Surveyor
 Certificate No. 10544

July 19, 2021
 TMK: (3) 7-3-009: 057

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END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:057

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:058

LOT 3-A

Kaloko Heights Affordable Housing Subdivision (SUB-19-001903)

Being portions of Grant 2942 to Hulikoa and
Royal Patent 8214, Land Commission Award 7715,
Apana 11 to Lota Kamehameha
Situate at Kaloko, North Kona, Hawaii, Hawaii

Beginning at the Southeast corner of this parcel of land, being also the West corner of Lot 5 of Kaloko Heights Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA" being 14,733.05 feet South and 12,463.69 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|--------------|-------------|---|--|
| 1. | 98° 01' 53" | 799.68 feet | ; | Thence along Hina Lani Street, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the left with a radius of 3,040.00 feet, the chord azimuth and distance being: |
| 2. | 134° 43' 25" | 42.15 feet | ; | Thence along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being: |
| 3. | 179° 21' | 717.31 feet | | along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha and Gr. 2942 to Hulikoa; |

Thence along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa on a curve to the left with a radius of 530.00 feet, the chord azimuth and distance being:

4. 167° 47' 30" 212.39 feet ;

Thence along Lot 2-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:

5. 198° 25' 40.29 feet ;

6. 240° 36' 268.78 feet

along Lot 2-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa;

Thence along the same on a curve to the right with a radius of 1,075.00 feet, the chord azimuth and distance being:

7. 244° 40' 04" 152.51 feet ;

8. 334° 19' 46" 3.32 feet

along Lot 6 of Kaloko Heights Subdivision, along the remainder of Gr. 2942 to Hulikoa;

Thence along the same on a curve to the right with a radius of 600.00 feet, the chord azimuth and distance being:

9. 248° 42' 23" 91.58 feet ;

10. 253° 05' 214.11 feet

along Lot 6 of Kaloko Heights Subdivision, along the remainder of Gr. 2942 to Hulikoa;

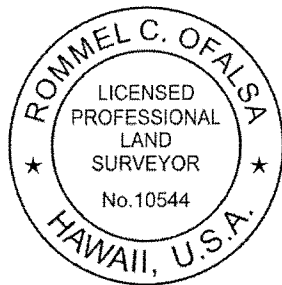
11. 342° 54' 30" 1065.99 feet

along Lot 4 of Kaloko Heights Subdivision, along the remainder of Gr. 2942 to Hulikoa and R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha;


Thence along Lot 5 of Kaloko Heights Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the left with a radius of 70.00 feet, the chord azimuth and distance being:

12. 31° 16' 22" 38.06 feet ;

13. 15° 30' 355.73 feet along Lot 5 of Kaloko Heights Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha to the point of beginning and containing an area of **22.952 Acres.**



Description Prepared By:

 Exp. 4/30/22

Rommel C. Ofalsa
Licensed Professional Land Surveyor
Certificate No. 10544

July 19, 2021
TMK: (3) 7-3-009: 058

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END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:058

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:059

All of that certain parcel of land (being portions of the lands described in and covered by Grant 2942 to Hulikoa and Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha) situate, lying and being at Kaloko and Kohanaiki, South Kona, Island of Hawaii, State of Hawaii, consisting of **LOT 4** of the "**KALOKO HEIGHTS SUBDIVISION**", as shown on the plat map of Subdivision No. SUB-05-000031 approved by the County of Hawaii on February 24, 2006, and thus bounded and described per survey dated March 14, 2006 (recorded in Document No. 2006-085222), to-wit:

Beginning at the southeast corner of this parcel of land, being also the northeast corner of Lot 5 of Kaloko Heights Subdivision, the same being a portion of Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA", being 14,501.46 feet South and 11,702.55 feet West, and thence running by azimuths measured clockwise from true South:

1. Along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 60.00 feet, the chord azimuth and distance being:

72° 42' 82.91 feet;

2. 116° 24' 465.61 feet along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

3. 47° 10' 55.00 feet along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

4. 107° 50' 43.19 feet along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

5. Thence along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 70.00 feet, the chord azimuth and distance being:

77° 26' 22" 70.83 feet;

6. 162° 54' 30" 1065.99 feet along Lot 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

7. 253° 05' 251.96 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

8. Thence feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 600.00 feet, the chord azimuth distance being:

297° 59' 45" 847.23 feet;

9. 342° 54' 30" 271.54 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

10. Thence along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 600.00 feet, the chord azimuth and distance being:

4° 59' 45" 451.23 feet;

11. 27° 05' 39.86 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap.1 to Lota Kamehameha;

12. 29° 00' 106.08 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, to the point of beginning and containing an area of **22.010 acres**, more or less.

EXCEPTING AND EXCLUDING all of that portion of the Road To The Sea Trail (10.00 feet wide), a Government Trail within Grant 2942 to Hulikoa pursuant to the Highway Act, 1892, and Section 264-1, Hawaii Revised Statutes, as referenced on C.S.F. Map No. 24,587.

END OF DESCRIPTION

Parcel designated as TMK (3) 7-3-009:059

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:060

All of that certain parcel of land (being a portion of the lands described in and covered by Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha) situate, lying and being at Kaloko, South Kona, Island of Hawaii, State of Hawaii, consisting of **LOT 5** of the "**KALOKO HEIGHTS SUBDIVISION**", as shown on the plat map of Subdivision No. SUB-05-000031 approved by the County of Hawaii on February 24, 2006, and thus bounded and described as per survey dated March 14, 2006 (recorded in Document No. 2006-085222), to-wit:

Beginning at the southeast corner of this parcel of land, being also the south corner of Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha, and along the north side of Hina Lani Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA", being 14,928.88 feet South and 11,950.38 feet West, and thence running by azimuths measured clockwise from true South:

1. Along the north side of Hina Lani Street, on a curve to the left with a radius of 3040.00 feet, the chord azimuth and distance being:

110°	46'	28"	549.50 feet;
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2. 195° 30' 355.73 feet along Lot 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
3. Thence along Lot 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 70.00 feet, the chord azimuth and distance being:

241°	40'	100.99 feet;
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4. 287° 50' 43.19 feet along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lot Kamehameha;
5. 227° 10' 55.00 feet along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

6. 296° 24' 465.61 feet along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
7. Thence along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 60.00 feet, the chord azimuth and distance being:
- 252° 42' 82.91 feet;
8. 29° 00' 192.91 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
9. 27° 05' 280.59 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
10. Thence along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being:
- 71° 31' 18" 28.01 feet to the point of beginning and containing an area of **6.270 acres**, more or less.

END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:060

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:061

All of that certain parcel of land (being portions of the lands described in and covered by Grant 2942 to Hulikoa and Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha) situate, lying and being at Kaloko and Kohanaiki, South Kona, Island of Hawaii, State of Hawaii, consisting of **LOT 6** of the "**KALOKO HEIGHTS SUBDIVISION**", as shown on the plat map of Subdivision No. SUB-05-000031 approved by the County of Hawaii on February 24, 2006, and thus bounded and described as per survey dated March 14, 2006 (recorded in Document No. 2006-085222), to-wit:

Beginning at the south corner of this parcel of land, being also the southeast corner of Lot 5 of Kaloko Heights Subdivision, same being a portion of Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha, and along the north side of Hina Lani Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA", being 14,928.88 feet South and 11,950.38 feet West, and thence running by azimuths measured clockwise from true South:

1. Along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 20.00 feet, the chord azimuth and distance being:

251°	31°	18"	28.01	feet;
------	-----	-----	-------	-------
2.

207°	05°		280.59	feet along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
------	-----	--	--------	--
3.

209°	00'		298.99	feet along Lot 5 of Kaloko Heights Subdivision, same being a portion of R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha and Lot 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
------	-----	--	--------	--
4.

207°	05'		39.86	feet along lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
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5. Thence along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 600.00 feet, the chord azimuth and distance being:

184°	59'	45"	451.23	feet;
------	-----	-----	--------	-------
6. 162° 54' 30" 271.54 feet along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
7. Thence along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 600.00 feet, the chord azimuth and distance being:

117°	59'	45"	847.23	feet;
------	-----	-----	--------	-------
8. 73° 05' 466.08 feet along Lots 4 and 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
9. Thence along Lot 4 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 660.00 feet, the chord azimuth and distance being:

68°	42'	23"	91.58	feet;
-----	-----	-----	-------	-------
10. 154° 19' 46" 60.00 feet along Lot 3 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
11. 162° 54' 30" 1355.82 feet along Lot 2 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
12. 252° 43' 20" 989.70 feet along Grant 5912 to John Broach;
13. 342° 54' 30" 1372.54 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

14. 16° 29' 108.80 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
15. Thence along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 660.00 feet, the chord azimuth and distance being:
314° 41' 45" 624.02 feet;
16. 342° 54' 30" 271.54 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
17. Thence along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 660.00 feet, the chord azimuth and distance being:
4° 59' 45" 496.35 feet;
18. 27° 05' 39.86 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
19. 25° 10' 298.99 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
20. 27° 05' 280.59 feet along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
21. Thence along Lot 7 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 20.00 feet, the chord azimuth and distance being:
342° 38' 42" 28.01 feet;
22. Thence along the north side of Hina Lani Street, on a curve to the left with a radius of 3040.00 feet, the chord azimuth and distance being:

117° 05'

119.22 feet to the point of beginning and containing an area of **35.354 acres**, more or less.

END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:061

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:062

All of that certain parcel of land (being portions of the lands described in and covered by Grant 2942 to Hulikoa and Royal Patent 8214, Land Commission Award 7715, Apana 1 to Lota Kamehameha) situate, lying and being at Kaloko and Kohanaiki, South Kona, Island of Hawaii, State of Hawaii, consisting of **LOT 7** of the "**KALOKO HEIGHTS SUBDIVISION**", as shown on the plat map of Subdivision No. SUB-05-000031 approved by the County of Hawaii on February 24, 2006, and thus bounded and described as per survey dated March 14, 2006 (recorded in Document No. 2006-085222), to-wit:

Beginning at the southeast corner of this parcel of land, being also the southwest corner of Lot 31 of Kona Heavens Unit II (File Plan 1537) and along the north side of Hina Lani Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA", being 16,037.48 feet South and 10,423.75 feet West, and thence running by azimuths measured clockwise from true South:

1. 128° 01' 35" 1250.00 feet along the north side of Hina Lani Street;
2. Thence along the north side of Hina Lani Street, on a curve to the left with a radius of 3040.00 feet, the chord azimuth and distance being:
 123° 07' 520.36 feet;
3. Thence along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being:
 162° 38' 42" 28.01 feet;
4. 207° 05' 280.59 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
5. 205° 10' 298.99 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;

6. 207° 05' 39.86 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
7. Thence along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 660.00 feet, the chord azimuth and distance being:
 - 184° 59' 45" 496.35 feet;
8. 162° 54' 30" 271.54 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
9. Thence along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha, on a curve to the left with a radius of 660.00 feet, the chord azimuth and distance being:
 - 134° 41' 45" 624.02 feet;
10. 196° 29' 108.80 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
11. 162° 54' 30" 1372.54 feet along Lot 6 of Kaloko Heights Subdivision, same being portions of Grant 2942 to Hulikoa and R.P. 8214, L.C.Aw. 7715, Ap. 1 to Lota Kamehameha;
12. 252° 43' 20" 236.42 feet along Grant 5912 to John Broach to a spike in concrete (fnd);
13. 241° 10' 408.91 feet along Grant 5912 to John Broach to a 1/2" pipe (fnd);
14. 234° 45' 20" 514.16 feet along Grant 5912 to John Broach to 1/2" pipe in concrete (fnd);
15. 343° 02' 28" 1094.77 feet along Grant 2030 to Kaiakoili and Lot B, same being a portion of Grant 2030 to Kaiakoili, to a 1/2" pipe in concrete (fnd);

Boundary follows along the middle of stone wall, same being along Grant 2942 to Hulikoa for the next three (3) courses, the direct azimuth and distance between said middle of stone wall being:

- | | | | | | |
|-----|------|-----|-----|--------|--|
| 16. | 71° | 27' | 50" | 120.74 | feet; |
| 17. | 73° | 45' | | 25.67 | feet; |
| 18. | 73° | 14' | | 52.58 | feet to a 1/2" pipe in concrete (fnd); |
| 19. | 344° | 45' | 40" | 252.51 | feet along a portion of Grant 2942 to Hulikoa to a nail in concrete (fnd); |

Boundary follows along the middle of stone wall, same being along Grant 2942 to Hulikoa for the next eight (8) courses, the direct azimuth and distance between said middle of stone wall being:

- | | | | | | |
|-----|------|-----|-----|--------|---|
| 20. | 231° | 28' | 30" | 50.60 | feet to a nail on concrete (fnd); |
| 21. | 244° | 41' | | 19.06 | feet to a nail in concrete (fnd); |
| 22. | 250° | 32' | | 25.05 | feet to a 1/2" pipe in concrete (fnd); |
| 23. | 262° | 21' | 30" | 45.45 | feet; |
| 24. | 256° | 24' | 30" | 33.01 | feet; |
| 25. | 255° | 05' | 30" | 29.30 | feet; |
| 26. | 165° | 13' | 30" | 5.89 | feet; |
| 27. | 273° | 01' | | 8.80 | feet; |
| 28. | 343° | 02' | 28" | 191.65 | feet along a portion of Grant 2030 to Kaiakoili; |
| 29. | 71° | 55' | | 104.49 | feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a 1/2" pipe in concrete (fnd); |
| 30. | 332° | 16' | 30" | 63.04 | feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a spike in concrete (fnd); |
| 31. | 68° | 10' | 15" | 209.40 | feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a 3/4" pipe in concrete (fnd); |
| 32. | 90° | 18' | 45" | 16.00 | feet along Lot A, being a portion of Grant 2942 to Hulikoa, to 1/2" pipe (fnd); |
| 33. | 61° | 45' | 45" | 41.20 | feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a 3/4" pipe in concrete (fnd); |

34.	344°	31'	45"	110.70	feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a nail in concrete (fnd);
35.	337°	41'	45"	42.20	feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a nail in concrete (fnd);
36.	326°	27'	45"	44.70	feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a nail in concrete (fnd);
37.	310°	58'	45"	66.00	feet along Lot A, being a portion of Grant 2942 to Hulikoa;
38.	233°	55'	45"	117.20	feet along Lot A, being a portion of Grant 2942 to Hulikoa;
39.	240°	35'	45"	101.10	feet along Lot A, being a portion of Grant 2942 to Hulikoa;
40.	255°	16'	15"	112.15	feet along Lot A, being a portion of Grant 2942 to Hulikoa, to a 1/2" pipe in concrete (fnd);
41.	338°	20'	20"	182.00	feet along Lot 2, being a portion of Grant 2030 to Kaiakoili;
42.	76°	11'	35"	476.60	feet along Lot 21, Anini Street and Lot 22 of Kona Heavens Unit III (File Plan 1837) to a 1/2" pipe (fnd);
43.	342°	56'	05"	2931.57	feet along Lots 22, 23, 24, 25, 26, Roadway Lot, 27, 28 and 29 of Kona Heavens Unit III (File Plan 1837) and Lots 27, 28, 29, Hamiha Street, 30 and 31 of Kona Heavens Unit II (File Plan 1537) to the point of beginning and containing an area of 80.114 acres , more or less.

END OF DESCRIPTION

Parcel designated as TMK (3) 7-3-009:062

DESCRIPTION

Parcel designated as TMK (3) 7-3-009:070

LOT 1-B

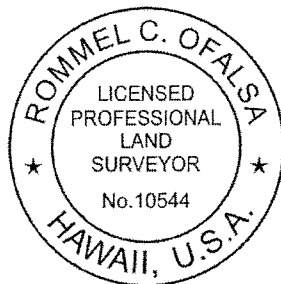
Kaloko Heights Affordable Housing Subdivision (SUB-19-001903)

Being a portion of Grant 2942 to Hulikoa
Situate at Kaloko, North Kona, Hawaii, Hawaii

Beginning at the South corner of this parcel of land, being also the Northwest corner of Lot 1-A of Kaloko Heights Affordable Housing Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA" being 13,545.46 feet South and 13,922.20 feet West thence running by azimuths measured clockwise from true South:

- 1. 162° 56' 05" 430.38 feet along Lot 7-C-1, along the remainder of Gr. 2942 to Hulikoa;
 - 2. 252° 56' 05" 17.10 feet along Lot R-1 of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa;
- Thence along same on a curve to the left with a radius of 530.00 feet, the chord azimuth and distance being:
- 3. 315° 38' 10" 309.67 feet ;
 - 4. 28° 39' 222.27 feet along Lot 1-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa to the point of beginning and containing an area of **0.730 Acres.**

Description Prepared By:



Rommel C. Ofalsa Exp. 4/30/22
 Rommel C. Ofalsa
 Licensed Professional Land Surveyor
 Certificate No. 10544

July 19, 2021

TMK: (3) 7-3-009: 070

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END OF DESCRIPTION

Parcel designated as TMK (3) 7-3-009:070

SAM O. HIROTA, INC.

Engineers & Surveyors

864 South Beretania Street

Honolulu, Hawaii 96813

Phone: (808) 537-9971

Fax: (808) 524-6313

DESCRIPTION
Parcel designated as TMK (3) 7-3-009:071

LOT R-1

Kaloko Heights Affordable Housing Subdivision (SUB-19-001903)

Being portions of Grant 2942 to Hulikoa and
Royal Patent 8214, Land Commission Award 7715,
Apana 11 to Lota Kamehameha
Situate at Kaloko, North Kona, Hawaii, Hawaii

Beginning at the Northwest corner of this parcel of land, being also the Northeast corner of Lot 7-C-1 of Kaloko Heights Subdivision, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOANUIAHEA" being 12,374.09 feet South and 14,281.79 feet West thence running by azimuths measured clockwise from true South:

- | | | | |
|----|--------------|-------------|--|
| 1. | 252° 14' 30" | 68.52 feet | along Lot 59, along Grant 9468 to Mrs. Hottie Kinoulu; |
| 2. | 342° 43' 25" | 700.90 feet | along Lot 2-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa; |
| | | | Thence along same on a curve to the left with a radius of 470.00 feet, the chord azimuth and distance being: |
| 3. | 320° 40' | 356.18 feet | ; |
| 4. | 298° 24' | 242.79 feet | along Lot 2-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Hulikoa; |
| | | | Thence along Lot 2-A and Lot 3-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko on a curve to the right with a radius of 530.00 feet, the chord azimuth and distance being: |
| 5. | 328° 52' 30" | 537.59 feet | ; |
| 6. | 359° 21' | 717.31 feet | along Lot 3-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko and R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha; |

Thence along Lot 3-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:

7. 314° 43' 25" 42.15 feet ;

Thence along the North side of Hina Lani Street, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the left with a radius of 3,040.00 feet, the chord azimuth and distance being:

8. 89° 21' 07" 119.02 feet ;

Thence along Lot 1-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:

9. 223° 47' 24.5" 42.01 feet ;

10. 179° 21' 717.31 feet

along Lot 1-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of R. P. 8214, L. C. Aw. 7715, Ap. 11 to Lota Kamehameha and Gr. 2942 to Huliko;

Thence along Lot 1-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko on a curve to the left with a radius of 470.00 feet, the chord azimuth and distance being:

11. 148° 52' 30" 476.73 feet ;

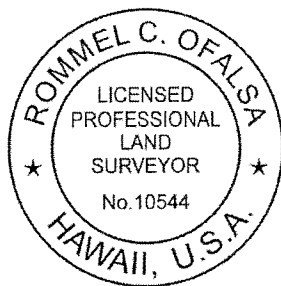
12. 118° 24' 242.79 feet along Lot 1-A of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko;

Thence along Lot 1-A and Lot 1-B of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko on a curve to the right with a radius of 530.00 feet, the chord azimuth and distance being:

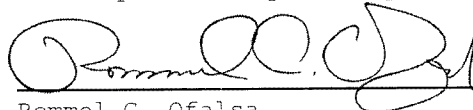
13. 135° 30' 40" 311.88 feet ;

14. 72° 56' 05" 17.10 feet along Lot 1-B of Kaloko Heights Affordable Housing Subdivision, along the remainder of Gr. 2942 to Huliko;

15. 162° 56' 05" 794.94 feet along Lot 7-C-1, along the remainder of Gr. 2942 to Huliko to the point of beginning and containing an area of 3.766 Acres.



Description Prepared By:

 Exp. 4/30/22

Rommel C. Ofalsa
Licensed Professional Land Surveyor
Certificate No. 10544

July 19, 2021
TMK: (3) 7-3-009: 071

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END OF DESCRIPTION
Parcel designated as TMK (3) 7-3-009:071

OFFICE OF THE COUNTY CLERK
 County of Hawai'i
 Kona, Hawai'i

COUNTY CLERK
 COUNTY OF HAWAII

2021 OCT -7 AM 9:12

Introduced By: Matt Kāneali'i-Kleinfelder (B/R)
 Date Introduced: September 8, 2021
 First Reading: September 8, 2021
 Published: September 17, 2021

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Chung	X			
David	X			
Inaba	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Lee Loy	X			
Richards	X			
Villegas	X			
	9	0	0	0

REMARKS: _____

Second Reading: September 22, 2021
 To Mayor: September 30, 2021
 Returned: October 7, 2021
 Effective: October 6, 2021
 Published: October 22, 2021

ROLL CALL VOTE				
	AYES	NOES	ABS	EX
Chung	X			
David			X	
Inaba	X			
Kāneali'i-Kleinfelder	X			
Kierkiewicz	X			
Kimball	X			
Lee Loy	X			
Richards	X			
Villegas			X	
	7	0	2	0

REMARKS: _____

I DO HEREBY CERTIFY that the foregoing BILL was adopted by the County Council published as indicated above.



COUNCIL CHAIRPERSON

Approved Disapproved this 6th day
 of October, 2021



COUNTY CLERK



MAYOR, COUNTY OF HAWAII

Bill No.: 65
 Reference: C-377/Waived FC
 Ord No.: 21 67