



HASEKO ROYAL KUNIA, LLC



October 4, 2023

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

Re: Royal Kunia Phase II
Compliance with Conditions for Amended Decision and Order
Docket No. A92-683 / Annual Status Report

Dear Mr. Orodener:

Haseko Royal Kunia, LLC ("Haseko") is the owner of approximately 211 acres of land at Royal Kunia II identified by TMK Nos. (1) 9-4-002:070, (1) 9-4-002:071, and (1) 9-4-002:078 which it acquired on August 12, 2020. Haseko hereby submits its initial Status Report on its Compliance with Conditions of Amended Decision and Order (Docket No. A92-683, as amended).

If you have any questions or require further information, please feel free to call me at (808) 689-7772.

Sincerely,

HASEKO ROYAL KUNIA, LLC,
By Haseko Development, Inc.
Its Manager

Craig McGinnis
Its Executive Vice President and Chief Operating Officer

cc with enclosures:
Imanaka Asato LLLC

**Status Report on Royal Kunia Phase II Development Compliance with Conditions
State of Hawaii Land Use Commission Amended Decision and Order (Docket No. A92-683, October 1, 1996) (D&O)
Submitted by Haseko Royal Kunia, LLC (Haseko), October 2023**

BACKGROUND. Haseko Royal Kunia, LLC (“Haseko”) is the owner of approximately 211 acres of land which it acquired on August 12, 2020 (the “Lands” or “Property”).¹ The Lands constitutes a portion of the original planned development referred to as Royal Kunia Phase II (“RKII”) located on Oahu, Hawaii.

RKII has had a long and difficult history. As originally envisioned, RKII comprised approximately 655 acres² with plans for single-family, two-family, and multi-family residences, an agricultural park, industrial area, public park, and a public-school site. Its original developer went bankrupt and, just as it was emerging from bankruptcy, the development was buffeted by the 2007/2008 financial crisis. This caused RKII to proceed in fits and starts with different developers and, ultimately, to stall for decades leaving the lands of RKII mostly vacant, overgrown, and undeveloped.

Despite this history, in 2008, the Honolulu City Council took the unusual step of overlooking RKII’s technical non-compliance with its two underlying Unilateral Agreements for Conditional Zoning (“Unilateral Agreement”) because the City Council decided that the housing and regional infrastructure benefits of the project outweighed strict compliance with the Unilateral Agreement conditions. In adopting Resolution 08-198, CD1, the City Council provided the Department of Planning and Permitting (“DPP”) with discretion to allow the developer to proceed with the project despite the passing of deadlines for several of the Unilateral Agreement conditions, as long as the developer continues to make reasonable progress in complying with the remaining conditions. Similarly, in approving an update to the Central Oahu Sustainable Communities Plan in early 2021, the City Council confirmed that RKII, especially its residential and regional infrastructure components, remains a Central Oahu development priority.³

This status report is Haseko’s second annual report to the Land Use Commission (“LUC”) since acquiring the Lands and addresses the conditions imposed under the LUC’s Amended Decision and Order (Docket No. A92-683, October 1, 1996), and as further amended.⁴

PROJECT STATUS: Since acquiring the Lands on August 12, 2020, Haseko has been in discussions with various City and State agencies including the State Department of Transportation (“DOT”) and the State Department of Agriculture (“DOA”). Additionally, Haseko has had meetings with adjoining landowners Robinson Kunia Land LLC (“RKL”) and its lessee Ho’ohana Solar I, LLC (“Ho’ohana Solar”) and RK II Partners LLC, the purchaser of the B-1/I-1 zoned lot located *mauka* Haseko’s Property and an affiliate of Jupiter Holding Investors II, LLC, to discuss the various agreements relating to Haseko’s development of its Property. Based partially on those discussions, Haseko has developed a draft Conceptual Site Plan for the Property.

On August 1, 2022, the DPP issued Cluster Housing Permit No. 2022/CL-2 approving Haseko’s development of the first residential neighborhood on that portion of its Property rezoned by Ordinance No. 95-08, commonly identified as “Parcel D”. This first residential neighborhood will be a cluster housing development consisting of not more than 324 single family, two family, and multi-family dwelling units, with a mix of affordable and market-rate housing targeting home buyers in the middle-income ranges, enhanced by an internal linear park system and open space having active recreational and play facilities and connecting walkways. Haseko is currently in the process of obtaining its development permits and, barring any unanticipated circumstances, construction of its first production residential units is anticipated to commence in late-2026.

¹ Oahu TMKs 9-4-002: 070 (13.304 acres), 9-4-002:071 (161.360 acres), & 9-4-002:078 (36.660 acres).

² “Total Phase II Development Area” reflected in Land Use Commission’s Amended Findings of Fact, Conclusions of Law, and Decision and Order filed on October 1, 1996, in Docket No. A92-683.

³ Central Oahu Sustainable Communities Plan, approved March 30, 2021 (Ordinance 21-6), Table 2.1 and Section 2.2.10.

⁴ The LUC D&O was further amended by a First Amendment issued on 10/7/2013. Some conditions were also impacted by LUC Order Granting Successor Petitioner (As to Parcel 52) Ho’ohana Solar 1, LLC’s Motion for Modification and Time Extension dated September 29, 2021, and as further amended on November 1, 2021.

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1. Affordable Housing	<p>Petitioner shall provide affordable housing opportunities for low to moderate income residents of the State of Hawai'i to the satisfaction of the City and County of Honolulu (City). Details as to the location, distribution and other provisions for affordable housing shall be as mutually agreed between Petitioner and City. [The basic affordable housing program requirement is to provide: (a) 10% of the project housing units affordable to households with incomes not exceeding 80% of the City's median income, and (b) an additional 20% of the project's housing units affordable to families with incomes between 81% and 120% of the City's median income.]</p>	<p>Future compliance.</p> <p>Discussions were initiated by Haseko's predecessor, but further action was deferred while the Property was in bankruptcy.</p> <p>Haseko is currently in discussions with the Department of Planning and Permitting (DPP) on the terms of the agreement in compliance with the Unilateral Agreements (UAs).</p>	<p>The affordable housing requirements are set forth in greater detail in the UAs that rezoned the RKII lands (Ordinances 95-08 and 97-12).</p> <p>Haseko's predecessor-in-interest, Halekua-Kunia, LLC (HK) submitted a Draft Affordable Housing Agreement as Attachment 1 in the May 2009 UA Project Status submittal. Comments were received from DPP in June 2009 and an updated version of the Agreement was included as Attachment 1 in the June 2010 UA Project Status submittal.</p> <p>Since acquiring the Lands in August 2020, Haseko has been working with DPP regarding the terms of a binding affordable housing agreement. Such agreement between Haseko and DPP will provide details on the general location of the affordable housing units, anticipated construction schedule, size, distribution, and any required buyback or shared appreciation conditions. Haseko submitted the proposed affordable housing agreement to DPP in December 2022, and resubmitted the revised agreement in September 2023. Haseko will make reasonable progress to finalize such an agreement prior to applying for building permits.</p>
2. Transportation Improvements	<p>Amended Condition per Land Use Commission (LUC) 10/7/2013 First Amendment to the D&O:</p> <p>Petitioner shall fund, design, and construct the local transportation improvements necessitated by the proposed development, north of the Cane Haul Road intersection with Kunia Road, as determined and approved by the State Department of Transportation (DOT) and the City and County of Honolulu Department of Transportation Services (DTS), including without limitation the dedication of any rights-of-way to the State or County. Petitioner shall provide its fair share contribution toward regional</p>	<p>Partial completion and future compliance.</p> <p>Construction of a third northbound lane on Kunia Road between Kunia Interchange and the south Kupuna Loop intersection has been completed. Steps toward meeting other portions of this requirement were deferred while the property was in bankruptcy.</p>	<p>HK held initial meetings with DOT, DTS and DPP TRB representatives and RP2, Haseko's immediate predecessor in interest to TMK Parcel 71, followed up as needed to mutually determine and reach agreement on:</p> <ol style="list-style-type: none"> a. Right-of-way acquisition, funding and construction of various roadway and traffic improvements to be provided by HK at project access points and at other on-site and off-site locations. b. Preparation of periodic traffic monitoring reports assessing project-generated impacts on Kunia Interchange.

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	<p>transportation mitigation improvements, including but not limited to the Interstate H-1 Kunia Interchange and Kunia Road, south of the intersection with the Cane Haul Road, as determined and approved by DOT. Petitioner shall also be required to provide the following:</p> <p>A. All of the other improvements needed (which will not be provided by the Village Park and Royal Kunia, Phase I projects) to make Kunia Road a 4-lane highway with auxiliary lanes for both left and right turning movements (between Cane Haul Road Intersection and the northernmost boundary of Royal Kunia, Phase II) and a third northbound lane between Cane Haul Road Intersection and the north Kupuna Loop intersection, provided that interim measures prior to full build out may be allowed with the approval of DOT.</p> <p>B. A report that analyzes the impact of the proposed Phase II project's traffic on the Kunia Interchange and evaluates alternatives that will mitigate the impacts.</p> <p>C. Petitioner shall submit a revised Traffic Impact Study, including the Kunia Interchange Alternatives Report, and obtain DOT's acceptance prior to preliminary subdivision application.</p> <p>D. Plans for construction work within the State highway right-of-way must be submitted to the DOT, Highways Division for review and approval.</p> <p>Agreement by the DOT on the level of funding and participation shall be obtained prior to the Petitioner applying for county zoning.</p>	<p>Haseko has met with the DOT and DTS on several occasions.</p> <p>Its traffic consultant is preparing a separate Kunia Interchange regional study identifying the Property's percentage traffic contribution to the interchange.</p> <p>In August 2021, Haseko's traffic consultant submitted a TIAR to DPP/DTS based on a traffic study technical scope approved by DOT in 2020. DPP/DTS provided its comments and the TIAR was submitted to DOT for its final approval.</p>	<p>c. HK's participation with other Ewa area developments landowners and developers in fair-share funding of regional transportation improvements.</p> <p>Such an agreement will be executed prior to the submittal to DPP of any applications for the subdivision of building lots.</p> <p>An updated traffic study was completed in May 2008 and submitted in the Planned Development-Housing (PD-H) Application. The Traffic Impact Assessment Report (TIAR) (WOA, May 2013) was updated and provided to DPP-TRB and DOT. DPP-TRB did not provide any comments on the TIAR. DOT requested that two separate studies be completed (1) Kunia Road and (2) Kunia Interchange. HK retained Wilson Okamoto and Associates (WOA) to update the TIAR. In May 2015 WOA took updated traffic counts which showed conditions have remained consistent with the original analysis.</p> <p>A regional analysis was also prepared to assist with the analysis of cost-sharing responsibilities for the required improvements. Meetings with DOT were held in 2015 to discuss the project. RM Towill Corporation (RMTC) prepared conceptual roadway plans based on queuing analysis and submitted them to DOT for review in 2014. Comments were addressed and plans/responses were submitted, with a follow-up meeting with DOT held in mid-2015.</p> <p>RP2 met with DOT multiple times in 2019 and 2020. In January 2020, DOT confirmed its willingness to work with RP2 to finalize access and highway plans DOT can support with LUC. In April 2020, an agreement was reached with DOT on the scope of the required traffic study. DOT also confirmed its willingness to get involved with condemnation proceedings if needed to acquire non-RP2 property for the widening of Kunia Road.</p>

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			<p>Since acquiring the Lands in August 2020, Haseko has been taking steps toward confirming prior agreements and understandings previously reached by its predecessors. Haseko had had several meetings with the DOT to address the entire RKII and the development's impacts on the Kunia Interchange and the future widening of Kunia Road. Haseko's traffic consultant, WOA, is in the process of preparing a separate Kunia Interchange regional study identifying the Property's percentage traffic contribution to the interchange.</p> <p>In addition, on August 23, 2021, Haseko's traffic consultant also submitted a TIAR to DPP/DTS to identify and assess the traffic impacts related to the development of RKII, based on a traffic study technical scope approved by DOT in 2020. DPP/DTS has provided its comments and the TIAR was submitted to DOT for its final approval.</p> <p>At the appropriate time, plans for construction work within the State highway right-of-way will be submitted to the DOT Highways Division for review and approval.</p>
3. Regional Transportation Management Program	<p>Petitioner shall appoint a permanent transportation manager whose function is the formulation, use, and continuation of alternative transportation opportunities that would optimize the use of existing and proposed transportation systems. In the alternative, Petitioner may participate in a regional program for transportation management with other developers and/or landowners. This program shall address the transportation opportunities that would optimize the use of existing and proposed transportation systems. The program for either option shall be reviewed and approved by DOT prior to implementation and will continue to be in effect unless otherwise directed by DOT. Petitioner shall conduct a yearly evaluation of the program's effectiveness and shall make a written report of its</p>	<p>Prior & future compliance.</p> <p>HDC was an active participant in Ewa Region Highway Transportation Master Plan Working Group and an active member of Leeward Oahu Transportation Management Association (LOTMA), but this activity was suspended while the property was in bankruptcy.</p> <p>Future compliance to the extent applicable.</p>	<p>To the extent applicable, Haseko will participate in regional highway and transportation planning, including participation with LOTMA and the Ewa Region Highway Transportation Master Plan Working Group.</p>

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	evaluation available to DOT for program review and modification, if necessary.		
4. Traffic Monitoring	Petitioner shall monitor the traffic attributable to the proposed project at on-site and off-site locations and shall undertake subsequent mitigative measures that may be required. The mitigative measures shall be coordinated with and approved by DOT and DTS.	Future compliance. In August 2021, Haseko's traffic consultant submitted a TIAR to DPP/DTS based on a traffic study technical scope approved by DOT in 2020. DPP/DTS provided its comments and the TIAR was submitted to DOT for its final approval.	A monitoring program will be drafted and submitted to DOT & DTS for review and approval no later than when home construction is initiated. Approval will be obtained prior to occupancy of any homes on its Lands. In addition, on August 23, 2021, Haseko's traffic consultant also submitted a TIAR to DPP/DTS to identify and assess the traffic impacts related to the development of RKII based on a traffic study technical scope approved by DOT in 2020. DPP/DTS has provided its comments and the TIAR was submitted to DOT for its final approval.
5. Integrated Solid Waste Management Act	Petitioner shall cooperate with the State Department of Health (DOH) and the City and County of Honolulu Department of Public Works [now Department of Environmental Services (DES)] to conform to the program goals and objectives of the Integrated Solid Waste Management Act, Chapter 342G, Hawai'i Revised Statutes, in accordance with a schedule satisfactory to the DOH and DES.	Future compliance, as necessary in light of the City's Automated Cart Collection program.	With DES implementation of its Automated Cart Collection program, participating residences receive a set of three carts for sorting refuse, green waste, and mixed recyclables. This program eliminates the need for the development of a waste management plan since Haseko intends to design its various residential developments to qualify for the City's Automated Cart Collection program. Haseko has received preliminary approval from DES to have its first cluster housing project eligible for the Automated Cart Collection program.
6. School Facilities	Petitioner shall contribute to the development, funding, and/or construction of school facilities on a pro rata basis as a result of the development on the Property, as determined by and to the satisfaction of the Department of Education (DOE). Agreement by DOE on the level of funding and participation shall be obtained prior to Petitioner applying for county zoning.	Partial completion and future compliance. Per the March 6, 2007, School Site Agreement, the 12-acre school site has been conveyed to RKES, LLC	HDC and DOE entered into a letter agreement dated September 26, 1996, that outlined the terms of HDC's contribution to the development of school facilities in satisfaction of this condition. The letter agreement was subsequently replaced with an updated "School Site Agreement" executed by HDC, RKES, LLC, and DOE on March 6, 2007. The School Site Agreement provides for the (a) transfer of a 12-acre elementary school site to RKES, LLC in satisfaction of the dedication component of DOE's fair share requirement, and (b) the payment to DOE of a total

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			<p>of \$500,000 in five installments that are due upon the closing of: (1) the 1,000th unit, (2) the 1,250th unit, (3) the 1,500th unit, (4) the 1,750th unit, and (5) the last unit. The amounts due will be escalated over time based on the Consumer Price Index.</p> <p>The 12-acre site has been conveyed to RKES, LLC, and a copy of the March 6, 2007, School Site Agreement will be filed with DPP concurrently with the submittal of initial subdivision plans.</p> <p>The required cash contributions will be made in accordance with the schedule of installments outlined in the March 6, 2007, School Site Agreement.</p>
7. Water Requirements	Petitioner shall coordinate with the Honolulu Board of Water Supply (BWS) and the State Department of Land and Natural Resources (DLNR) to obtain water required for the project. If water is not available from existing sources due to insufficient supply, Petitioner shall fund and develop the necessary water source, storage, and transmission systems and facilities.	Prior and future compliance.	HK met with BWS in August 2016 to discuss compliance with requirements for the project. Haseko will coordinate with BWS as necessary to obtain the required water from the existing BWS system and develop additional water resources and/or supply system improvements for dedication to BWS. Haseko submitted an updated water master plan to BWS in June 2021 which reflects the projected water demand based on BWS' system standards applied to the projected development for the various areas of RKII.
8. Civil Defense Measures	Petitioner shall participate, on a pro rata basis, in the funding for construction and installation of appropriate civil defense measures as determined by State and City civil defense agencies.	Future compliance. Haseko is working with the State Hawaii Emergency Management Agency on coming to an agreement for the funding, installation, and conveyance of a Civil Defense siren.	Since acquiring the Lands in August 2020, Haseko has been working with the Hawaii Emergency Management Agency, a division of the State of Hawaii, Department of Defense, to reach an agreement for the funding, installation, and conveyance of a Civil Defense siren to be located on an adjacent property within RKII
9. Chain Link Fence	Petitioner shall erect a chain link fence along the eastern boundary of the Property that is common with the Waikele Branch of Naval Magazine, Lualualei.	Future compliance by others.	HDC never acquired the land on which this fence and cleared area would be located, and Haseko does not plan to add it to its Lands. Title is still held by RKL and it is

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10. Clearance and Maintenance of Land	Petitioner shall clear and maintain the land situated within 20 feet of the eastern boundary of the Property, free of trees and vegetation taller than eight inches high.		still zoned for agricultural use. Future erection of a fence and maintenance of clear area along this boundary, if still required (it is noted that the high-security Naval Magazine in Waikele Gulch is no longer in operation and ownership is being transferred to a private developer), will be the responsibility of any future developer of RKL.
11. Pollutants	Petitioner shall coordinate with the DOH and DES to establish appropriate systems to contain spills and prevent materials, such as petroleum products, chemicals, solvents, or other pollutants from leaching into the storm drainage system and adversely affecting the groundwater and coastal waters.	Future compliance.	Haseko will meet with DOH and DES prior to initiating construction on its Lands to agree upon a plan and program for compliance with this requirement and will establish pollution control systems and implement such other actions as are called for in the approved plan and program.
12. Wastewater Treatment	Petitioner shall participate on a pro rata basis in the funding and construction of adequate wastewater treatment, transmission, and disposal facilities, as determined by the DOH and DES.	Future compliance.	Haseko will meet with DOH and DES prior to initiating construction on its Lands to establish an approved program for compliance with this requirement and will implement this program. Haseko submitted an updated wastewater master plan to DES in June 2021 which reflects the wastewater demand estimates based on the DES wastewater system design standards (July 2017) against the projected development of the various areas of RKII.
13. Soil Erosion and Dust Control	Petitioner shall implement effective soil erosion and dust control measures both during and after construction to the satisfaction of the DOH.	Future compliance.	Haseko will meet with DOH prior to initiating construction on its Lands to establish an approved soil erosion and dust control program and will implement this program.
14. Air Quality Monitoring	Petitioner shall participate in an air quality monitoring program as specified by the DOH.	Future compliance.	Haseko will meet with DOH prior to initiating construction on its Lands to establish an agreement defining its participation in a DOH-specified air quality monitoring program for the area where the construction site is located.
15. Agricultural District Pollution	Petitioner shall provide notification to all owners and occupants of the Property of the potential odor, noise, and dust pollution resulting from surrounding	Future compliance.	Haseko will provide such notification along with any sales or leases of residential lots or other portions of the Property to other parties. It will be the responsibility of

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	Agricultural District lands, and that the Hawai'i Right-to-Farm Act, Chapter 165 HRS, limits the circumstances under which pre-existing farming activities may be deemed a nuisance.		these other parties to notify any new occupants of their properties that result from their resale, sub-lease and/or rental.
16. Drainage Improvements	Petitioner shall provide drainage improvements for the subject project and shall coordinate off-site improvements with adjoining landowners and developers, and/or other Federal, State, and City agencies.	Partial completion and future compliance. HDC completed the majority of required off-site drainage improvements for the RKII property in connection with the infrastructure construction for Village Park and Royal Kunia Phase I.	HDC completed the majority of required off-site drainage improvements for the Royal Kunia Phase II property in connection with the infrastructure construction for Village Park and Royal Kunia Phase I. Prior to the initiation of construction at RKII, Haseko will work with adjoining landowners and developers, and with appropriate Federal, State and City agencies, to coordinate and agree on the type and completion schedule for any future required off-site drainage improvements. Haseko submitted updated drainage master plans to the Civil Engineering Branch of DPP in July 2021, which reflects the new master plan for Royal Kunia Phase II. Such drainage master plans were approved by DPP on August 11, 2021.
17. Archaeological Resources	Should any archaeological resources such as artifacts, shell, bone or charcoal deposits, human burials, or rock or coral alignments, paving or walls of historic or prehistoric significance be encountered during the development of the Property, Petitioner shall immediately stop work on the impacted area and contact the DLNR Historic Preservation Division (SHPD).	Partial completion and future compliance.	Haseko will fully comply with all established procedures to protect any archaeological resources that might be encountered during development of its Lands. Haseko retained SWCA Environmental Consultants (SWCA) to assist Haseko in its compliance with HRS Chapter 6E. In early September 2021, SWCA initiated a HRS 6E-42 historic preservation review for the Lands pursuant to DPP's new process through the SHPD's HICRIS computerized system. Despite SHPD indicating that the DPP's new process does not comply with HRS 6E, SWCA was able to initiate discussions with SHPD staff on the historic preservation review, including mitigation procedures. Based on these discussions, if significant historic sites are present, SWCA will work with SHPD to devise mitigation commitments as needed.

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			<p>In a meeting with SHPD in April 2023, SHPD requested that Haseko submit an Archaeological Inventory Survey testing strategy, an Archaeological Inventory Survey report, and a Reconnaissance Level Survey report before HRS 6E approval. In September 2023, Haseko filed the Reconnaissance Level Survey report in HICRIS for SHPD’s review. Haseko will continue working with SHPD to fulfill its requirements with the HRS 6E review.</p>
18. Development Plan Approvals	Petitioner shall obtain Development Plan approvals from the City within five (5) years from the date of this Order.	Fully met.	<p>All required Development Plan approvals have been obtained, and the RKII project is in full compliance with the current Central Oahu Sustainable Communities Plan. No further action is required.</p> <p>In 2009, HK obtained PD-H approval from DPP. The PD-H permit has since expired.</p> <p>Since acquiring the Lands in August 2020, Haseko has been diligently working on its overall plans for its Lands. The DPP issued Cluster Housing Permit No. 2022/CL-2 for development of Haseko’s first residential neighborhood on a portion of its Lands commonly known as “Parcel D”. This first residential neighborhood will consist of not more than 324 single family, two family, and multi-family dwelling units, with a mix of affordable and market-rate housing targeting home buyers in the middle-income ranges, enhanced by an internal linear park system and open space having active recreational and play facilities and connecting walkways. Haseko is currently in the process of obtaining its development permits and, barring any unanticipated circumstances, construction of its first production residential units is anticipated to commence in late-2026.</p>
19. Agricultural Park	Amended and new conditions per LUC 11/1/2021 Amended Order Granting Successor Petitioner (as to Parcel 52), Ho’Ohana Solar 1, LLC’s Motion for Modification and Time Extension	Partial completion and future compliance.	HK previously met with DOA on May 9, 2007, to begin the process of establishing an agreed-upon plan and program to implement the provisions of the Amended MOU.

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	<p><u>Royal Kunia Agricultural Park Offsite Infrastructure.</u> Within six (6) months of the date of the LUC's Order, the landowner(s) within the Petition Area shall execute an amendment to the Memorandum of Understanding (MOU) (dated 1993 and subsequent amendments in 2007, 2009, 2012, 2015 and 2020) with the DOA, and comply with this amended MOU. This MOU shall require that off-site infrastructure to the State of Hawai'i's Kunia Agricultural Park be completed no later than June 30, 2023. "Offsite-infrastructure" includes, but is not limited to, all utilities and appurtenant works, roadways, potable water lines, electrical utilities, sewer lines, utility connections, and the non-potable waterline appurtenances in place, complete.</p> <p><u>Revised Master Plan.</u> All landowners within the Petition Area shall submit revised master plan(s) and schedule(s) for the development of their respective Increments 1, 2, and 3, comprising the Royal Kunia Phase II project to the LUC no later than December 31, 2021.</p> <p><u>Status Report.</u> By March 31, 2021, all landowners within the Petition area shall submit to the LUC a status report on the development of their respective parcels of land and their construction or contribution to the construction of the off-site infrastructure.</p> <p><u>Notice to LUC.</u> Petitioner shall provide notice to the LUC of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the subject property prior to or during development of the subject property, excluding, however, sales or leases of the 53 individual lots or condominium units in a residential development, or leases in an industrial development.</p>	<p>Title to the 150-acre agricultural park was transferred to the State of Hawai'i in 2004.</p>	<p>HK subsequently worked with DOA regarding compliance with the MOU conditions and amending deadlines, which were set forth in the following: -1st Amendment to Amended MOA 2009 -2nd Amendment to Amended MOU 2011 -3rd Amendment to Amended MOU 2015.</p> <p>HK submitted the preliminary site plan and design of the off-site infrastructure improvements to DOA for review in October 2016.</p> <p>Since acquiring a portion of RKII, RP2 worked with DOA towards satisfying this condition. Most recently, RP2, Haseko's predecessor in interest, held status calls with DOA every two weeks and reached an agreement to extend the deadlines for RP2 to obtain DOA's approval of RP2's offsite infrastructure plans and to construct irrigation infrastructure and other offsite infrastructure. On February 20, 2020, RP2 submitted an executed 4th Amendment to the Amended MOU, which incorporated these extended deadlines.</p> <p>Since acquiring the Lands in August 2020, Haseko has had several virtual meetings with DOA to discuss the terms of a proposed 5th Amendment to the Amended MOU. Haseko's infrastructure master plan includes infrastructure facilities to serve the Agricultural Park which will be provided in conjunction with the development of an interior roadway (Roadway Y). The utility infrastructure will be brought to the <i>makai</i> boundary of Agricultural Park. Haseko has been in discussion with DOA to coordinate Roadway Y and related infrastructure that will allow the utility infrastructure to be brought to the boundary of the Agricultural Park. In addition, Haseko, with Ho'ohana Solar 1, LLC, started construction on an irrigation water line in July 2023 to provide irrigation water to the</p>

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	<p><u>Compliance with Representations.</u> Failure of the landowners to construct the off-site infrastructure for the Kunia Agricultural Park will constitute good cause for the LUC to issue an Order to Show Cause to the landowners pursuant to HAR §15-15-93 of the Commission’s Rules.</p> <p><u>Failure of Solar Project.</u> Should Ho‘ohana fail to construct and complete the Solar Project, the easement(s), construction, maintenance, and cost of the non-potable waterline described under Condition B.1. shall revert to the responsibility and expense of the landowners.</p>		<p>Agricultural Park at the time the Agricultural Park is expected to require such irrigation water.</p> <p>Haseko intends to fully comply with the required conditions set forth in the revised LUC Order issued on November 1, 2021.</p>
20. Compliance with Representations	Petitioner shall develop the Property in substantial compliance with the representations made to the Land Use Commission (LUC). Petitioner's or its successor's failure to so develop the Property may result in reversion of the Property to its former classification or change to a more appropriate classification.	Partial completion and future compliance.	Haseko fully intends to continue to fulfill the requirement to develop the Haseko-owned portions of RKII in substantial compliance with representations made by its predecessors in interest to the LUC. Haseko understands that failure on its part (or on the part of the other owners of property within the reclassification area) to develop the reclassified lands in substantial compliance with such representations could result in a reversion of part or all the subject land to its former land use classification, or in a change to different land classification.
21. Transfer of Petitioner's Interest in the Property	<p>Amended Condition per LUC 1/28/2015 Order Granting Successor Petitioner (to Parcel 52), Ho‘Ohana Solar 1, LLC’s Motion for Order Amending the D&O and First Amendment to the D&O:</p> <p>Petitioner shall provide notice to the LUC of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the subject property prior to or during the development of the subject Property, excluding, however, sales or leases of the individual lots or condominium units in a residential development, or leases in an industrial development.</p>	Partial completion and future compliance.	Haseko will provide notice to the LUC of any transfer or conveyance of the Lands it acquired in August 2020.

**Status Report on Royal Kunia Phase II Development Compliance with Conditions
State of Hawaii Land Use Commission Amended Decision and Order (Docket No. A92-683, October 1, 1996) (D&O)
Submitted by Haseko Royal Kunia, LLC (Haseko), October 2023**

Type of Condition	Description of Requirements	Compliance Status as of October 2023	Action Plan for Achieving Full Compliance
22. Annual Reports	Petitioner shall promptly provide, without any prior notice, annual reports to the LUC, OSP and DPP in connection with the status of the project and Petitioner's progress in complying with the conditions imposed. The annual reports shall summarize: (1) Petitioner's progress in complying with the conditions imposed; and (2) changes to the project as represented to the LUC. They shall also include a written statement from each State and City and County agency affected by these conditions that Petitioner's representations in the annual report related to the respective state or county agency being affected are true and accurate.	Partial completion and future compliance.	This annual report is submitted pursuant to this condition. Haseko will submit future annual reports in compliance with this condition.
23. Release of Conditions	<p>The LUC may fully or partially release these conditions as to all or any portions of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by Petitioner.</p> <p>Adequate assurance of satisfaction may be evidenced by execution of a certificate of satisfaction in recordable form stating that such condition has been satisfied, in whole or in part. OSP will certify for itself and all state departments and agencies, and DPP will certify for itself and all County departments and agencies. Any other party to the boundary amendment proceeding may be asked to indicate whether they concur in the certification of satisfaction.</p>	Future compliance. No motions for a full or partial release of conditions have been filed to date.	Haseko intends to apply to the LUC for such releases in the future, as appropriate.
24. Recording of Statement Re Property Subject to Conditions	Within 7 days of the issuance of the LUC's Decision and Order for the subject reclassification, Petitioner shall (1) record with the Bureau of Conveyances a statement to the effect that the Property is subject to conditions imposed by the LUC in the reclassification of the property; and (2) shall file a copy of such recorded statement with the LUC.	Fully met.	No further action is required.

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25. Recording of Conditions	Petitioner shall record the conditions imposed by the LUC with the Bureau of Conveyances pursuant to Section 15-15-92, Hawai'i Administrative Rules.	Fully met.	No further action is required.

LIST OF ACRONYMS

BWS	City and County of Honolulu Board of Water Supply	LUC	State of Hawaii Land Use Commission
DES	City and County of Honolulu Department of Environmental Services	MOU	Memorandum of Understanding
DLNR	State of Hawaii Department of Land and Natural Resources	PD-H	Planned Development-Housing
D&O	Decision and Order	OSP	State of Hawaii Office of Planning and Sustainable Development
DOA	State of Hawaii Department of Agriculture	RKL	Robinson Kunia Land LLC
DOE	State of Hawaii Department of Education	RMTC	RM Towill Corporation
DOH	State of Hawaii Department of Health	RP2	RP2 Ventures, LLC
DOT	State of Hawaii Department of Transportation	UA	Unilateral Agreement
DPP	City and County of Honolulu Department of Planning and Permitting	SHPD	State Historic Preservation Department
DTS	City and County of Honolulu Department of Transportation Services	SWCA	SWCA Environmental Consultants
HDC	Halekua Development Corporation	TIAR	Traffic Impact Analysis Report
HK	Halekua-Kunia LLC	TRB	City and County of Honolulu Department of Planning and Permitting Traffic Review Branch
LOTMA	Leeward Oahu Transportation Management Association	WOA	Wilson Okamoto and Associates