

HONUA`ULA PARTNERS, LLC  
P.O. BOX 880267  
PUKALANI, HAWAII 96788

December 30, 2023

VIA EMAIL  
DANIEL.E.ORODENKER@HAWAII.GOV

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



Subject: Annual Report of Kaonoulu Ranch, LLC, Docket No.: A94-706

Dear Mr. Orodener:

The following report is sent to the Commission in compliance with Condition No. 17 of the Decision and Order (the "D&O") entered in the above-referenced docket on February 10, 1995. The last report was sent in 2020, this report will cover the successive years and covers through this year, 2023. We apologize this comes in arrears.

As the Commission is aware, Honua`ula Partners ("HP") became a successor petitioner with the purchase of the property in 2009. This report pertains only to a single property within the petition area, Maui TMK (2)3-9-001:169.

The following summarizes the status of compliance with conditions of the subject D&O.

**Condition #1 of the D&O states.**

"1. The Petitioner shall obtain a Community Plan Amendment and Change in Zoning from the County of Maui."

**Response:** This condition has been satisfied. The Kihei Makena Community Plan showing the properties as "light industrial" was approved in March of 1998. The Change in Zoning application was approved by the Maui County Council through Ordinance 2772, effective on May 25, 1999.

**Condition #2 of the D&O states:**

“2. Petitioner shall cooperate with the State Department of Health and the County of Maui Department of Public Works and Waste Management to conform to the program goals and objectives of the Integrated Solid Waste Management Act, Chapter 342G, Hawaii Revised Statutes.”

**Response:** Successor Petitioner will work with the State Department of Health (“DOH”) and the Department of Environmental Management (“DEM”), Solid Waste Division (formerly Public Works Waste Management) when appropriate to fulfill this condition.

**Condition #3 of the D&O states:**

“3. Petitioner shall contribute its pro-rata share to fund and construct adequate wastewater treatment, transmission and disposal facilities, as determined by the State Department of Health and the County of Maui Department of Public Works and Waste Management.”

**Response:** Successor Petitioner understands the condition and will contribute their pro-rata share to fund and construct adequate wastewater treatment, transmission and disposal facilities as determined by DOH and DEM.

**Condition #4 of the D&O states:**

“4. Petitioner shall fund and construct adequate civil defense measures as determined by the State and County Civil Defense agencies.”

**Response:** Successor Petitioner intends to fund and construct adequate civil defense measures as determined by state and county emergency agencies.

**Condition #5 of the D&O states:**

“5. Petitioner shall fund, design and construct necessary local and regional roadway improvements necessitated by the proposed development in designs and schedules accepted by the State Department of Transportation and the County of Maui. Petitioner shall provide traffic signals at the intersection of Piilani Highway and Kaonoulu Street, and shall submit a warrant study in coordination with the Department of Transportation. Petitioner shall also install a fence and appropriate screening, i.e. landscaping, etc., along the highway right-of-way in coordination with the State Department of Transportation. Petitioner shall provide for a frontage road parallel to Piilani Highway and other connector roads within the Petition Area, in coordination with other

developments in the area with the review and approval of the State Department of Transportation and the County of Maui.”

**Response:** The successor petitioner intends to comply with this condition through participation with the adjacent owners, Piilani Promenade North LLC and Piilani Promenade South LLC at the time they move forward with improvements. Said improvement designs and schedules will be approved by the State Department of Transportation and the County of Maui.

**Condition #6 of the D&O states:**

“6. Petitioner shall fund and construct adequate potable and non-potable water source, storage, and transmission facilities and improvements to accommodate the proposed project. Water transmission facilities and improvements shall be coordinated and approved by the appropriate State and County agencies.”

**Response:** Successor Petitioner understands the condition and intends to fund and construct adequate potable and nonpotable water source, storage, and transmission facilities and improvements to accommodate the proposed project.

As a part of subdivision approval, File 2.2995, onsite and offsite water system designs were approved by the Maui Department of Water Supply. Further, the Department of Public Works (“DPW”) required a bond of \$22,058,826 to secure the construction of the improvements.

**Condition #7 of the D&O states:**

“7. Petitioner shall participate in an air quality monitoring program as determined by the State Department of Health.”

**Response:** Successor Petitioner intends to participate in an air quality monitoring program if required by the DOH.

**Condition #8 of the D&O states:**

“8. Petitioner shall fund the design and construction of its pro-rata share of drainage improvements required as a result of the development of the Property, including oil water separators and other filters as appropriate, and other best management practices as necessary to minimize non-point source pollution into Kulanihakoi Gulch, in coordination with appropriate state and county agencies, such as the following:

**a.** All cleaning, repairs and maintenance of equipment involving the use of industrial liquids, such as gasoline, diesel, solvent, motor oil, hydraulic oil, gear oil~ brake fluid, acidic or caustic liquids, antifreeze, detergents, degreasers, etc., shall be conducted on a concrete floor, where roofed or unroofed. The concrete floor shall be constructed so as to be able to contain any drips or spills and to provide for the recovery of any spilled liquid. Water drainage from these concrete floors, if necessary, shall pass through a separator sump before being discharged.”

**Response:** The Successor Petitioner understands the condition and intends to comply with it. The original petitioner received design approval for the design of storm drainage improvements.

**“b.** All employees shall be instructed to immediately collect and contain any industrial liquid spills on the concrete floor and should be informed against discharging or spilling any industrial liquids. Employees shall be instructed to prevent any industrial liquid spills onto the bare ground.”

**Response:** The Successor Petitioner intends to comply with this condition.

**“c.** Barrels for the temporary storage of used oil or other industrial liquids shall be kept on a concrete surface. The surface shall be bermed to prevent the loss of liquid in the event of spills or leaks. The barrels shall be sealed and kept under shelter from the rain. (The Department of Labor and Industrial Relations' Occupational Safety and Health regulations, sections titled, "Housekeeping Standards" and "Storage of Flammable or Combustible Liquids," shall be followed, along with the local fire code.)”

**Response:** The Successor Petitioner intends to comply with this condition.

**Condition #9 of the D&O states:**

“9. Should any human burials or any historic artifacts, charcoal deposits, or stone platforms, pavings or walls be founds, the Petitioner shall stop work in the immediate vicinity and contact the State Historic Preservation District. The significance of these finds shall then be determined and approved by the Division, and an acceptable mitigation plan shall be approved by the Division. The Division must verify that the fieldwork portion of the mitigation plan has been successfully executed prior to work proceeding in the immediate vicinity of the find. Burials must be treated under specific provisions of Chapter 6E, Hawaii Revised Statutes.”

**Response:** The Successor Petitioners will comply with this condition.

**Condition #10 of the D&O states:**

“10. A long term preservation plan for the petroglyph stone (Site 50-10-3746) that was removed from the project area shall be reviewed and approved by the State Historic Preservation Division. Long term preservation measures shall be implemented within 60 days after final approval of the preservation plan.”

**Response:** As stated in the Fifth Annual Report, the original Petitioner prepared a long-term preservation plan which has been approved by the State Historic Preservation Division, Department of Land and Natural Resources, State of Hawaii, a copy of which was transmitted to the Land Use Commission.

**Condition #11 of the D&O states:**

“11. Petitioner shall contribute its pro-rata share to a nearshore water quality monitoring program as determined by the State Department of Health and the State Division of Aquatic Resources, Department of Land and Natural Resources.”

**Response:** Successor Petitioners intend to contribute its pro-rata share to a nearshore water quality monitoring program as it is determined.

**Condition #12 of the D&O states:**

“12. Petitioner shall implement effective soil erosion and dust control methods during construction in compliance with the rules and regulations of the State Department of Health and the County of Maui.”

**Response:** Successor Petitioners intend to implement effective soil erosion and dust control methods during construction.

**Condition #13 of the D&O states:**

“13. Petitioner shall create a buffer zone between lands designated as SF (Single-Family) by the County’s Kihei-Makena Community Plan and industrial uses on the Property to mitigate impacts between future residential activities and the proposed industrial development.”

**Response:** To the extent this condition is still applicable, or will be in the future, the Successor Petitioner will comply with it.

The designations around the petition area have changed with the adoption of the 1998 Kihei-Makena Community plan. The adjacent properties to the North are designated for light industrial uses, the properties to the East (mauka) and immediately South are designated as "Agriculture." As Maui County is in the process of updating this plan, the designations may change again.

**Condition #14 of the D&O states:**

"14. In the event Petitioner sells its interest in the Project, Petitioner shall subject the Property to deed restrictions to run with the land which shall require the successors and assigns to comply with the terms and conditions set forth in the Commission's Decision and Order."

**Response:** Successor Petitioners intend to comply with the terms and conditions if the Commission's Decision and Order and understands its obligation to comply with this condition.

**Condition #15 of the D&O states:**

"15. Petitioner shall develop the Property in substantial compliance with the representations made to the Commission. Failure to so develop the Property may result in reversion of the Property to its former classification, or change to a more appropriate classification."

**Response:** Successor Petitioner understands this condition.

**Condition #16 of the D&O states:**

"16. Petitioner shall give notice to the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interests in the Property, prior to development of the Property."

**Response:** Successor Petitioner will comply with this condition.

**Condition #17 of the D&O states:**

"17. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of Planning, and the County of Maui Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall include written documentation from each State and County agency responsible, indicating that the terms of the condition(s) are progressing satisfactorily or have been completed to the

Mr. Daniel Orodener  
December 30, 2023  
Page 7

satisfaction of the agency. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.”

**Response:** Successor Petitioner understands its obligation to comply with this condition, and submits this annual report in compliance therewith.

**Condition #18 of the D&O states:**

“18. Petitioner shall record the conditions imposed herein by the Commission with the Bureau of Conveyances pursuant to Section 15-15-92 Hawaii Administrative Rules.”

**Response:** Petitioner has recorded a Notice of Imposition of Conditions with the Bureau of Conveyances of the State of Hawaii pursuant to Section 15-15-92 Hawaii Administrative Rules.

**Condition #19 of the D&O states:**

“19. Within seven (7) days of the issuance of the Commission's Decision and Order for the subject reclassification, Petitioner shall (a) record with the Bureau of Conveyances a statement that the Property is subject to conditions imposed herein by the Land Use Commission in the reclassification of the Property; and (b) shall file a copy of such recorded statement with the Commission.”

**Response:** Petitioner has recorded a Document Listing Conditions to Reclassification of Land with the Bureau of Conveyances of the State of Hawaii and has filed a copy of the recorded document with the Commission.

**Condition #20 of the D&O states:**

“20. The Commission may fully or partially release the conditions provided herein as to all or any portion of the Property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.”

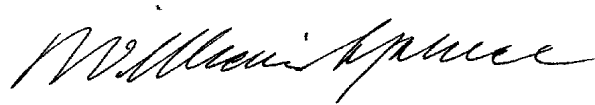
**Response:** The Successor Petitioner acknowledges that the Commission may fully or partially release the conditions provided herein.

On behalf of Honu`aula Partners, LLC, I respectfully request your acknowledgement that this annual report satisfies Condition No. 17 for this reporting period. Should you have any questions or require additional information, please feel free to contact me at 808-280-2724 or via email at [mauiwill@gmail.com](mailto:mauiwill@gmail.com).

Mr. Daniel Orodener  
December 30, 2023  
Page 8

Sincerely,

HONUA'ULA PARTNERS, LLC

A handwritten signature in black ink, appearing to read "William Spence". The signature is written in a cursive style with a large, sweeping initial "W".

By William Spence  
It's Authorized Representative

cc: Ms. Mary Alice Evans, Administrator, State Office of Planning  
Ms. Kathleen Aoki , Planning Director, or Acting Director, County of Maui