



W.H. SHIPMAN, LIMITED

KEAAU
HAWAII ISLAND

June 1, 1998

Ms. Esther Ueda
Executive Officer
Land Use Commission
State of Hawaii
P.O. Box 2359
Honolulu, HI 96804

Re: 1998 Annual Progress Report
LUC Docket No. A84-570
W.H. Shipman, Limited

Dear Ms. Ueda:

Submitted herein is our report for this past year.

General Progress of Project

General economic conditions on Hawaii Island, particularly East Hawaii continue in the doldrums. We have run radio ads on Honolulu radio stations in an effort to attract Honolulu-based businesses to the park. Additionally magazine advertisements have also run in Hawaii Business Magazine. Neither effort has resulted in any lot sale or long term leasing. In order to broaden the projects appeal, the name was changed to the W.H. Shipman Business Park.

During this past year the owners of lots in the project organized their own owners association to handle those matters they are all concerned with. The lots owners continue to enjoy their location and other favorable comments have been received.

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LAND USE COMMISSION
STATE OF HAWAII



Conditions and efforts to comply

Condition 1: Petitioner shall coordinate with the County of Hawaii and the State Department of Health regarding the establishment of appropriate systems to contain spills and prevent materials associated with industrial uses such as petroleum products, chemical or other pollutants, from adversely affecting the ground water.

Response: As mentioned in earlier reports, additional covenants, as recommended by the Department of Health, have been recorded to mitigate this. To our knowledge, all buyers are complying with these.

Condition 2: Petitioner shall comply with the requirements of the State Department of Health and the County of Hawaii Department of Public Works with respect to the installation of the projects sewage system.

Response: To our knowledge, all buyers have complied and have approved sewage systems.

Condition 3: Storage and/or disposal of hazardous wastes shall be approved by the Department of Health prior to their establishment on the Property.

Response: To our knowledge all buyers are complying with this.

Condition 4: Petitioner shall complete the proposed project in substantial compliance with the representations made before the Land Use Commission. Failure to so develop the Property may result in reversion of the Property to its former land use classification, or change to a more appropriate classification.

Response: We will continue to develop the Property in compliance with our representations to the Land Use Commission.

Condition 5: Petitioner shall provide annual reports to the Land Use Commission, the Office of State Planning, and the County of Hawaii Planning Department in connection with the status of the subject property and the Petitioner's progress in complying with the conditions imposed.

Response: We will continue to provide annual reports.



W.H. SHIPMAN, LTD.

Condition 6: The Land Use Commission may fully or partially release these conditions 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 Petitioner.

Response: Some conditions have been released pursuant to a Decision dated July 2, 1993. It should also be noted that the County of Hawaii Planning Department no longer requires annual reports for this project.

Sincerely,

Robert E. Saunders
President

cc: Office of Planning
Planning Dept. County of Hawaii