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STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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HONOLULU, HAWAII 96809

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Memorandum

Land Division

OFFICE OF ENVIRONMENTAL
QUALITY CONTROL

To: Genevieve Salmonson, Director
Office of Environmental Quality Control

From: Harry Yada, Acting Administrator 
Land Division, Department of Land and Natural Resources

Subject: Final Environmental Assessment (EA) / Finding of No Significant Impact
(FONSI) for a Single Family Residence located in the District of North
Hilo, Hawaii County, parcel TMK (3) 3-2-04:45

The Department of Land and Natural Resources has reviewed the comments received during the 30-day public comment period that began December 8, 2001 for the subject project. We have determined that this project will not have significant environmental effects, and have therefore issued a FONSI. Please publish this notice in the March 8 issue of the Environmental Notice.

We have enclosed a completed OEQC Bulletin Publication Form and four copies of the Final EA for the project. Comments on the draft EA were sought from relevant agencies and included in the final EA.

Please contact Masa Alkire of our Planning Branch at 587-0385 if you have any questions on this matter.

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MAR 8 2002

Final Environmental Assessment

Steven T. & Gale Elizabeth Hawkins

FILE COPY

FINAL ENVIRONMENTAL ASSESSMENT
Steven T. Hawkins & Gale Elizabeth Hawkins
District of North Hilo, Hawaii
TMK No: (3) 3-2-04:45

2002-03-08-HI-~~FEA-~~

Prepared for:

Steven T. Hawkins & Gale Elizabeth Hawkins Single Family Residence

Prepared by:

Steven T. Hawkins

February 2002

Final Environmental Assessment

Steven T. & Gale Elizabeth Hawkins

7939 717

Applicant/Owner: Steven T. Hawkins & Gale Elizabeth Hawkins, applicants/ David Broyles, owner

Property Location: Property located at 1250' to 1350' elevation above Ninole town on the Hamakua Coast between Kalaeha or Piha (the stream currently listed on maps as Piha was called Kaleaha on the land grant) and Waikaumalo Streams

Tax Map Keys: TMK 3-3-2-04:45

Area of Parcel: 6.80 acres (approximately)

Approving Agency: Department of Land and Natural Resources, PO Box 621, Honolulu, HI 96813

Proposed Action: Applicants Steven T. Hawkins & Gale Elizabeth Hawkins seek approval to build a single family residence on the parcel totaling approximately 8.8 acres located between Kalaeha (Piha) Stream and Waikaumalo River. The Property is in the Conservation District Subzone G. The Property is accessed via Piha Kahuku Road in Ninole, Hawaii.

Determination: The proposed action is expected to have no significant impact on the environment; therefore, a Finding of No Significant Impact (FONSI) is anticipated subject to provisions of Section 11-200-9, HAR.

Agencies Consulted:

U.S. Government

- * U.S. Department of Agriculture
- * Federal Soil Conservation Service
- * U.S. Fish and Wildlife Service

State of Hawaii

- * The Department of Land and Natural Resources
- * The Office of Planning
- * Environmental Planning Office
- * The Land Use Planner
- * The Land Use Commission
- * Office of Planning at DBEDT
- * Department of Agriculture

County of Hawaii

- *The Office of Planning
- *The Office of Building

1. Identification of Applicant and Ownership

The applicants are Steven T. Hawkins & Gale Elizabeth Hawkins, whose mailing address is PO Box 344, Laupahoehoe, HI 96764. The applicants are currently in escrow on the property and expect to be deeded owners of the property by February 15, 2002. The current owner of the property is David Broyles. (See Exhibit 1, DROA)

1.2 Identification of Approving Agency

This environmental assessment is being submitted in conjunction with an application to the Board of Land & Natural Resources for a Conservation District Use Application (CDUA), in accordance with Sections 13-5-10, 13-5-14, 13-5-18, 13-5-17, and 13-5-25 of the Department of Land Natural Resources (DLNR) Administrative Rules. The approving agency for this environmental assessment is the Department of Land Natural Resources.

1.3 Identification of Agencies/Personnel Consulted in Making Assessment

The following agencies provided assistance or information in preparing this assessment:

U.S. Government

- * U.S. Fish and Wildlife Service

State of Hawai'i

- * The Department of Land and Natural Resources
- * The Office of Planning
- * Environmental Planning Office,
- * The Land Use Planner
- * Department of Business,
- * Economic Development, & Tourism,
- * The Land Use Commission
- * Office of Planning at DBEDT
- * Department of Agriculture

County of Hawai'i

- * Planning Department
- * The Sierra Club
- * Grant Gerrish - Biologist
- * Mike and Therese Pacheco - Neighbors
- * Jerome Ganske - Neighbor
- * Ann Fong - Neighbor
- * David Broyles - Neighbor
- * GB Hajim - Neighbor

2.0 PROJECT DESCRIPTION

2.1 Location

The property, which totals approximately 6.8 acres, is situated between Kalaeha (Piha) Stream and Stone Road, ("Property) (see, Exhibit 3-Location Map; Exhibit 4-Tax Map; Exhibit 5- Detailed Map of Property). The Property is located on Stone Road, which runs

parallel to Piha Kahuku Road about 1/2 mile north, between 1250 ft. and 1350 ft. elevations and about 1 mile mauka of Ninole town. (See Exhibit 2-Topographical Map) The property is flanked on the north by the Stone Road, on the south by Kalaeha Stream, on the easterly and westerly boundaries by privately owned properties. The Property is classified "Conservation" in the General Subzone.

2.2 Existing Uses and Activities

The Property is an undeveloped, odd shaped parcel largely covered by small trees, ferns and shrubs. Historically it was used for general agriculture and cattle grazing. There is no fencing. Entrance to the property is via a county road known as Stone Road. An unimproved jeep road transverses most of the mauka boundary.

2.3 Surrounding Uses and Activities

The surrounding land areas are characterized by privately owned lots of comparable size. They are classified "Conservation" and "Agriculture" by the State Land Use Commission. Approximately half of surrounding lots have private homes and half are vacant. Agricultural uses in the area include fenced lots with grazing cattle and orchards. In August of 1983, a CDUA was approved for neighboring parcel 3-2-04:26. The application was for construction of a single family dwelling close to the border of Waikamaulo Stream. The owner at the time, Mr. Douglas A. Bruce sold the property before making the improvements and nothing has been done with it since.

2.4 Proposed Uses and Activities (see, Exhibit 6- Site Plan)

The Applicant is seeking approval of the building of a single family dwelling with a water catchment system. The residence will be an approximately 750 square foot house, not including the exterior deck. The preliminary plans for the single-family residence with pertinent details shown thereon are attached (See Exhibit 6-Floor Plan; Exhibit 7-Elevations). The house will be situated where the house will have the lowest impact on the surrounding lands. (See Exhibit 8-Site Plan)

A licensed contractor will erect the house on the site. The construction plans and specifications will conform to the County building code, including electrical and plumbing systems.

Upon approval of the CDUA, site clearing, but no grading, will commence. Following this, a grading plan and plot plan together with full construction drawings and specifications will be submitted for approval to the respective government agencies before any work begins. Grading on the property will be of an area approximately 2500 square feet, enough to construct the house and driveway. A site map, exhibit 8, shows the proposed location of the house site.

The Proposed Use is consistent with uses outlined in the General (G) subzone, under Section 13-5-25, HAR: "R-8 Single Family Residence. A single family residence that conforms to design standards as outlined in this chapter (D-1)."

For the purposes of this assessment, the improvements being proposed by the Applicant will be called either the "Project" or the "Proposed Action", and the

Conservation District land on which the Project is proposed will be called the "Project Area" or "Property".

2.5 Timetable for Development

The Applicant proposes to begin work on the project upon receipt of all required permits from the State and County. It is anticipated that these improvements should be completed within 1 year from commencement.

2.6 Applicant's Objectives for the Project

The Applicant has the following objectives with this Project:

To construct a single-family residence for the applicants' family.

To, by being a permanent resident, maintain and improve the health of the land in its natural beauty.

3.0 ENVIRONMENTAL SETTING, IMPACTS & MITIGATION MEASURES

3.1 Physical Characteristics

3.1.1 Physiography and Soils

The elevation of the property ranges from 1250 feet to 1350 feet above sea level. (See Exhibit 2-Topographical Map, Exhibit 2A -Detailed Topographical Map) The Northern and Southern borders are Stone Road and 40' from the Kalaeha Stream Gulch respectively. Steep falls extend from the 40' property border down to the Kalaeha (Piha) Stream.

The soil is classified as inceptisols, one of two soil classifications that make up almost 40% of the area of the state. (McCall, 1975) The soil is currently being analyzed further for its content.

Impacts and Mitigation: With the guidance of the Soil Conservation service, every care will be taken to minimize erosion, groundwater contamination and non-point source pollution into the Waikaumalo and Kalaeha streams.

3.1.2 Natural Hazards

Flood Hazards. The U.S. Corps of Engineers Flood Insurance Rate Map (FIRM) designates the Property in the Zone X. Zone "X" is designated for those areas outside of the 500-year flood plain.

Volcanic and Earthquake Hazards. According to the United States Geological Survey map, the Property is located within the Lava Flow Hazard Zone 8, on a scale of ascending risk 9 to 1. Zone 8 includes little activity in the past 10,000 years.

The Building Code designates the entire island of Hawaii in Earthquake Zone 3 and contains certain structural requirements to address the relative seismic hazards.

Impacts and Mitigation: All building code requirements will be followed to ensure the structural soundness and safety of the dwelling.

The Property Area is not located in any high hazard area, and thus the risk to human life is minimal.

3.1.3 Flora

A flora and fauna study was conducted and prepared by Grant Gerrish, PhD (see, Exhibit G- Plant Species List). Few native species were observed, and those that are present are common species. Of the native species, four were from the ferns and their allies, one was a sedge and one was a tree. All are common and no threatened or endangered species were observed. Malabar molastome (*Melestome candidum*), and guavas (*Peldium guajava*, *Psidium cattleianum* f. *lucidium*, *Psidium cattleianum*).

Impacts and Mitigation: Native species will be protected and supported.

3.1.4 Fauna

Grant Gerrish, PhD, conducted a fauna study. No native species were observed. Dr. Gerrish observed few birds and stated that elevations were too low for native forest birds to be present. Damaging evidence of wild pigs (*Sus scrofa*) was found. Other evidence of mammals, cats, mongoose and black rats were found and are common species found throughout the island.

Impacts and Mitigation: The proposed improvements would not disrupt the wildlife on this site. No rare or endangered species would be affected.

3.1.5 Historical/ Cultural and Archaeological Resources

Consultation with the Hawaii State Historic Preservation Division revealed that based upon the land area and prior land use history, chances are very remote that there would be any culturally or historically significant sites on the property. This information was obtained via phone call on July 15, 2001 to the DLNR Historic Preservation Division. The archaeologist from the agency informed me of the remoteness of finding any culturally significant artifacts on the land. This was further validated by the correspondence I received from them dated 12/31/01, which states, "...no historic properties present because intensive cultivation has altered the land." (See attached correspondence in Appendix A)

Any and all gathering and sacred ritual rights to the land by Native Hawaiians will be respected. Access to the property for such purposes will, of course, be seen as the right of the Native Hawaiians.

3.1.6 Air and Noise Quality

The Proposed Action should not affect either noise or air quality in the area. Some construction noise will occur, but it will be short-term.

3.1.7 Scenic and Open Space Resources

The Property is located in an area used largely for agriculture. Though the Property has not been in sugarcane production in recent decades, as many surrounding parcels were,

evidence suggests it was in sugar cane prior to 1940. Many surrounding parcels have houses, and the landscape is open and scenic.

Impacts and Mitigation: The Proposed Action is anticipated to change the visual attributes of the Project Area minimally. A small portion of the treed area will be altered to construct the single-family residence.

3.1.8 Coastal Resources

At 1250 to 1350 feet elevation, and 2 miles from the coastline, the Property lies well away from the Hamakua Coastline. However, the nearby streams, Kalaeha (Piha) and Waikaumalo, do follow a meandering course and empty into the ocean. (See Exhibit 2, Topographic Map)

Mitigation. All efforts will be made throughout the construction of the home to plan for soil erosion and runoff that may enter the stream(s). The building contractor and the house designer will work with the applicants to ensure the clarity of the streams throughout the construction and through the life of the residence.

3.2 Socioeconomic Considerations

The Project should generate minor improvements to the economy from the creation of construction related jobs involving the construction of the proposed single-family residence.

3.3 Public Facilities and Services

3.3.1 Access

Access to the Property is provided by a spur road off of Piha Kahuku Road, which is a county owned and maintained road that has a 20 ft. wide paved roadway surface. The spur road, which is maintained by the County of Hawaii and is informally known as the 1000 Foot Road, is a 10-foot wide gravel roadway that is partially paved. The "1000 Foot Road" leads to an unclaimed and unmaintained public road known as Stone Road that runs up to the top of the property (see, Exhibit 5- Detailed Map of Property).

Impacts and Mitigation: The Proposed Action is not anticipated to create any substantial adverse impact upon access.

3.3.2 Water Resources

The nearest County of Hawaii municipal water source is located on the Old Mamalahoa Highway, approximately 2 miles from the Project Area. Therefore, no municipal water system is available to the Project Area. The Applicant proposes to construct a private water catchment system.

Impacts and Mitigation: Since there is no municipal water service to the Project Area there will be no adverse impact upon the municipal system by reason of the Proposed Action.

3.3.3 Utilities

Neither electricity nor telephone services are presently available in the vicinity of the Property. Generator power is proposed for initial construction of the residence. A photovoltaic system will be installed to supply power to the residence.

Impacts and Mitigation: Since neither electrical nor telephone services are available to the Property, there is no adverse impact upon electrical and telephone utility services by reason of the Proposed Action.

3.3.4 Police and Fire Protection

Police services are provided from the Laupahoehoe Police Station located approximately 9 miles north of the Property. The Laupahoehoe Volunteer Fire Department, also located 9 miles north of the Property, provides fire protection services.

Impacts and Mitigation: The Proposed Action is not anticipated to increase the demand for police and fire services.

4.0 RELATIONSHIP OF THE PROPOSED ACTION TO LAND USE PLANS AND CONTROLS FOR THE AFFECTED AREA

4.1 Chapter 205, Hawaii Revised Statutes, State Land Use Law

All lands within the State have been classified into one of our land use districts: Urban, Rural, Agricultural and Conservation, by the State Land Use Commission, pursuant to Chapter 205, HRS. The Property is within the Conservation District as delineated on Boundary Interpretation No. 97-17.

Section 205-2(e), provides that Conservation District shall include:

Areas necessary for protecting watersheds and water sources; preserving scenic and historic areas; providing park land, wilderness, and beach reserves; conserving indigenous or endemic plants, fish, and wildlife, including those which are threatened or endangered; preventing floods and soil erosion; forestry; open space areas whose existing openness, natural condition, or present state of use, if retained, would enhance the present or potential value of abutting or surrounding communities, or would maintain or enhance the conservation of natural or scenic resources; areas of value for recreational purposes; other related activities; and other permitted uses not detrimental to a multiple use conservation concept.

4.2 State Administrative Rules Governing Land Uses within Conservation Districts, Section 13-5-14, Hawaii Administrative Rules

Title 13 of the Hawaii Administrative Rules ("HAR"), for the Department of Land and Natural Resources, under Subtitle 1, Chapter 5, regulates land uses within the Conservation District. The rules establish five subzones within the Conservation District: the Protective (P), Limited (L), Resource (R), General (G) and Specific subzones. All

land within the Conservation District has been designated within one of the five subzones by the DLNR. The Property is designated within the General (G) subzone

Section 13-5-14, HAR, maintains that the objective of the General (G) subzone. "Is to designate open space where specific conservation uses may not be defined, but where urban use would be premature." Lands included in the General (G) subzone include "Lands with topography, soils, climate, or other related environmental factors that may not be normally adaptable or presently needed for urban, rural, or agricultural use." Further, all identified land uses for the Protective (P)(Section 13-5-22), Limited (L)(Section 13-5-23) and Resource (R)(Section 13-5-24) subzones also apply to the General (G) subzone under 13-5-25, HAR.

The action proposed in the Project is a permitted land use within the Limited (L), Resource (R), and General (G) subzones under Sections 13-5-22, 23, 24, and 25, FLAR.

4.3 Hawaii State Plan, Chapter 266, Hawaii Revised Statutes

The Hawaii State Plan, Chapter 266, HRS, establishes a set of objectives to serve as guidelines for the growth and development of the State. The following sections of the Hawaii State Plan contain relevant guidelines to the Proposed Action.

Section 226-3. An overall theme for the State Plan.

Objectives: Hawaii's people generally accept and live by a number of principles or values, which are an integral part of society.

Policies: The rights of people to maintain as much self-reliance as possible.

Analysis: The Proposed Action will allow the Applicants and their small family to live in a simple way, focusing on the conservation of Hawaii's resources.

Section 226-12 Objectives and policies for the physical environment-scenic, natural beauty, and historic resources.

Objectives: Planning for the State's physical environment shall be directed towards achievement of the objective of enhancement of Hawaii's scenic assets, natural beauty, and multi-cultural/historical resources.

Policies: Promote the preservation and restoration of significant natural and historic resources. Promote the preservation of views and vistas to enhance the visual and aesthetic enjoyment of mountains, ocean, scenic landscapes, and other natural features. Encourage the design of developments and activities that complement the natural beauty of the islands.

Analysis: The Proposed Action will preserve the natural beauty and enhance the view and vistas of the ocean and of Mauna Kea.

4.4 Hawaii County General Plan

The Hawaii County General Plan is a policy document for the long-range comprehensive development of all land within the County of Hawaii. The plan contains goals, policies,

and standards, as well as a set of land use maps, designated as the General Plan Land Use Pattern Allocation Guide ("LUPAG") maps, showing the location of desired land uses. The LUPAG map shows the Property as being in the midst of areas of Intensive Agriculture as well as Extensive Agriculture. Extensive Agricultural designation includes pasture and range lands. The Proposed Action does not conflict with the Intensive and Extensive Agricultural designations of the General Plan.

4.5 Hawaii County Zoning

The Property is zoned under the Hawaii County Zoning code (Chapter 25, Hawaii County Code) as Agricultural. The Proposed Action is permitted under this zoning district.

4.6 County Special Management Area

The Property is not within the Special Management Area (see, Exhibit I 0- SMA Exemption)

4.7 Environmental Impact Statement

Section 343-5(a)(2), HRS, provides that any use that is proposed within land in the Conservation District by the State Land Use Commission under Chapter 205 is subject to the Environmental Impact Statement law, Chapter 343, HRS.

Section 343-5(c), HRS, provides that applicants proposing action subject to Chapter 343, HRS.

"...Shall prepare an environmental assessment of such proposed action at the earliest practicable time to determine whether an environmental impact statement shall be required."

This environmental assessment has been prepared to fulfill these requirements.

5.0 IDENTIFICATION OF MAJOR IMPACTS AND ALTERNATIVES CONSIDERED

5.1 Major Impacts

Due to the limited scope of the Proposed Action, it is not expected to contribute to any economic, social, or environmental concerns, or cause adverse environmental impacts. In addition, no major long-term impacts are anticipated as a result of the implementation of the Applicant's proposal since the Proposed Action involves permitted uses within the (G) Subzone, pursuant to Sections 13-5-24 and 25, HAR.

5.2 Alternatives to Proposed Action

Under the "No Action" alternative, the Property would continue to remain unimproved and the Applicant would have no alternative but to abandon the Proposed Action, thereby depriving the Applicant of reasonable use of the Property.

6.0 AGENCY ANTICIPATED DETERMINATION AND FINDINGS AND REASONS SUPPORTING ANTICIPATED DETERMINATION

Based on the information described herein, the Proposed Action will not result in significant social, economic, cultural, or environmental impacts. Consequently a Finding

of No Significant impact ("FONSI") is anticipated, subject to the public review provisions of Section 11-200-9-1, HAR.

In considering the significance of potential environmental effects, the Applicant has considered the sum of effects on the quality of the environment and evaluated the overall cumulative effects of the proposed action. The Applicant has considered the expected consequences, both primary and secondary, and the cumulative, as well as, the short- and long-term effects of the Proposed Action. As a result of these considerations, the Applicant has determined that the approval of the Proposed Action will have no significant effect on the environment since:

1. The Proposed Action does not involve the degradation of environmental quality, as the Proposed improvements do not compromise the character of the Property and surrounding area.
2. The preparation of the environmental assessment is in compliance with Chapter 344, HRS, and the Proposed Action does not conflict with the short or long term policies, goals and guidelines of Chapter 343, HRS.
3. The economic or social welfare of the community will be positively affected from the creation of construction related jobs.
4. Public Health will not be affected.
5. The Proposed Action will not cause substantial secondary impacts, nor adversely affect population changes on public facilities. Access is provided off of Piha Kahuku Road, a County owned and maintained roadway. Electrical and telephone services are not available to the Project Area. There are no additional burdens on public facilities anticipated from the Proposed Action.
6. The Property will remain consistent in character and size with other properties in the area, and will neither conflict with or intensify existing land uses, nor burden the existing area resources and available public services, and therefore does not have a cumulative effect upon the environment or involve a commitment for larger action.
7. There are no known rare, threatened, or endangered plant or animal species currently on the property.
8. The Proposed Action will not detrimentally affect air or water quality or ambient noise levels.
9. The Property is not located in a flood area and is in one of the lowest volcano hazard zones.
10. The Proposed Action is consistent with the character and size of other parcels in the area, does not substantially impact upon the scenic vistas and viewplanes of

surrounding properties, and will enhance the scenic and open space resources of the Project Area.

11. There are no known archaeological cultural resources in the area that would involve an irrevocable commitment to loss or destruction of any natural or cultural resources.
12. The project does not curtail the range of beneficial uses of the environment. On the contrary, this project will create more beneficial uses of the environment. The proposed small house and yard will provide a living space for a small family who will caretake the environment and be actively involved in protecting and promoting the growth of the native species on the property.
13. This house project will not consume a great deal of energy. Being that the property has no electrical services to it, the house will be powered strictly by photovoltaic and wind energy gathering. The energy will be produced and consumed as part of a closed system that is clean and environmental toxin free.

C-2 Description: Tax Map Key: Div. 3 /Zone 3 /Sec. 2 /Plat 4 /Parcel 5 /CPR na (If applicable).
 All of that FEE SIMPLE Property situated at: Off Piha Kahuku Road
leasehold/fee simple
Near Waikaumalo, Ninole, North Hilo, County and State of
 Hawaii, described as follows: All of the Fee Simple more or less 6.52 acres of unimproved land

C-3 Sale Includes: All built-in furniture, attached existing fixtures, built-in appliances, water heater, electrical and/or gas and plumbing fixtures, attached carpeting, and the following items if checked: Air Conditioner [na]; Ceiling Fan [na]; Chandelier [na]; Dishwasher [na]; Disposal [na]; Dryer [na]; Existing Furnishings as per attached Inventory [na]; Existing Window Coverings [na]; Microwave [na]; Pool Equipment [na]; Range [na]; Refrigerator [na]; Smoke/Heat Detectors [na]; Solar Heating System [na]; TV Antenna [na]; TV Cable Outlet [na]; Washer [na]; and

C-4 Specifically Excluded:

CLOSING

C-5 For purposes of this DROA, closing shall be the date when all appropriate conveyance documents are recorded. Buyer and Seller agree to promptly execute appropriate or customary documents when requested by Escrow to do so.

C-6 The "Scheduled Closing Date" shall be on or before February 15, 2002

[na] C-7 Any Change to the Scheduled Closing Date Shall Be Handled as Follows: (Choose C-7 OR C-8)
 Extensions. There is no automatic right to extend. If, for reasons beyond a Buyer's or Seller's control, a party cannot perform the obligation to close by the Scheduled Closing Date, then such party may extend the Scheduled Closing Date up to _____ days by delivery of written notice to Escrow and the other party to this DROA prior to the Scheduled Closing Date. Thereafter, time shall be of the essence and if a party fails to perform by the extended Scheduled Closing Date, such party shall be considered in default and the Default Provision shall apply. The extended Scheduled Closing Date may not be further extended unless both Buyer and Seller so agree in writing. This provision relates only to the extension of the Scheduled Closing Date.

X C-8 Time is of the essence and the Scheduled Closing Date may not be extended unless both Buyer and Seller so agree in writing.

C-9 Escrow. This transaction shall be escrowed by: First Hawaii Title ("Escrow").
Kamuela Branch

C-10 Prorations and Closing Adjustments. At closing, Escrow shall prorate the following, if applicable, as of the date of closing: real property tax, lease rents, interest on assumed obligations, mortgage and other insurance premiums, maintenance fees, tenant rents, and no others. When applicable, Escrow shall charge to Seller and credit to Buyer the amount of any tenant's security deposit.

C-11 Closing Costs. The following are customary closing costs and are not intended to be an all-inclusive list. Escrow may charge the appropriate party other closing costs as directed by the parties.

Charge to Buyer, if applicable:

- 40% of the premium for standard coverage title insurance and any additional costs relating to the issuance of extended coverage policy (including a lender's policy)
- Cost of drafting of agreement of sale or mortgage and note
- Cost of obtaining Buyer's consents
- Buyer's notary fees
- All recording fees except documents to clear Seller's title
- 50% of Escrow's fees
- Condominium ownership transfer fees
- FHA or VA discount points and any mortgage fees
- Hawaii Hurricane Relief Fund (special mortgage recording fee)
- Hawaii General Excise Tax

Charge to Seller, if applicable:

- 60% of the premium for standard coverage title insurance
- Cost of drafting of conveyance documents and bills of sale
- Cost of obtaining Seller's consents
- Seller's notary fees
- Conveyance tax
- 50% of Escrow's fees
- Cost of required staking or survey
- FHA or VA discount points, and other applicable charges
- Recording fees to clear Seller's Title
- FIRPTA (Federal withholding tax)
- HARPTA (State withholding tax)
- Hawaii General Excise Tax

[Signature] 6/10/01 #6/10/01
 BUYER'S INITIALS & DATE

ARB 6/14/01
 SELLER'S INITIALS & DATE

Exhibit 1 - DROA

For purposes of Paragraphs C-12, C-13, and C-14, an assessment is defined as any obligation (not including payments in C-10) for payment made against the Property which has been duly AUTHORIZED by a homeowners' association, a governmental entity or any other organization or entity which may do so. Assessments, if any, shall be charged as follows:

- C-12 Any lump sum assessments against the Property authorized as of the Acceptance Date shall be paid by Seller or assumed by Buyer [na].
 Exceptions, if any: No Exceptions
- C-13 Any assessments against the Property authorized as of the Acceptance Date which are being paid in installments shall be paid in full by Seller or pro-rated by Escrow as of the date of closing [na].
 Exceptions, if any: No Exceptions
- C-14 If a new assessment is authorized against the Property between the Acceptance Date and the Scheduled Closing Date, such assessment shall be paid as Buyer and Seller shall agree, and if Buyer and Seller cannot reach an agreement within five (5) days of both parties being aware of the new assessment, either party may terminate this DROA and the Termination Provision shall apply.

OTHER CLOSING MATTERS

- C-15 **Risk of Loss.** Risk of loss passes to Buyer upon closing or possession, whichever occurs sooner.
- C-16 **Consents.** The obligations of Buyer or Seller hereunder may be conditioned upon obtaining consents of vendors, existing mortgagees, lessors and/or condominium, co-op or other such associations. Buyer or Seller agree to cooperate and take all reasonable action to obtain such consents.
- C-17 **Possession.** Seller agrees to give Buyer possession at closing or xx
- C-18 **Keys to the Property.** Seller, at Seller's sole cost and expense, shall provide Buyer at closing with all existing, but at least one set of functioning keys (entry, interior, mail box, pool, security, parking area, and any garage door opener). Buyer shall pay all deposits which may be required for any of these items. Unless Buyer and Seller agree otherwise, all keys and garage door opener controls will be released to Buyer only after Escrow has verbally notified Seller or Seller's Broker that the closing has occurred.
- C-19 **Tenancy and Vesting.** Title shall vest in Buyer(s) as follows: (insert full legal name(s) and marital status for title documents)

Steven T. Hawkins and Gale Elizabeth Hawkins
Husband and Wife

Tenancy by the Entireties

Tenancy: [na] Tenancy to be determined. If Buyer has not yet determined the vesting and/or tenancy, Buyer shall provide Escrow in writing with the selected names and tenancy within fifteen (15) days after the Acceptance Date.

CONTINGENCY PROCEDURES AND TERMINATION PROVISIONS

- C-20 **Contingencies.** Buyer's obligation to buy and Seller's obligation to sell the Property may be subject in this DROA to satisfaction of one or more conditions (each called a "Contingency"). As used in this DROA, the term "Benefited Party" shall mean (a) Buyer, as to each Contingency which must be satisfied before Buyer is required to close on the purchase of the Property from Seller; and (b) Seller, as to each Contingency which must be satisfied before Seller is required to close on the sale of the Property to Buyer. If a Contingency is not satisfied within the specified time period for meeting such Contingency ("Contingency Period"), the Benefited Party may elect (a) to terminate this DROA and Paragraph C-21 ("Termination Provision") shall apply; or (b) to waive the Contingency. If the Benefited Party wishes to terminate this DROA because a Contingency for that party's benefit has not been satisfied, the Benefited Party must deliver to Escrow a written notice terminating this DROA prior to the expiration of the Contingency Period or such other termination period which may be set forth in a specific contingency in this DROA. If the Benefited Party fails to deliver the written notice to Escrow within such time period, the Contingency shall be deemed to be waived. Each party understands the requirement to act upon each Contingency according to the strict deadlines described herein.
- C-21 **Termination Provision.** If a Benefited Party elects to terminate this DROA because a Contingency has not been satisfied then: (a) Buyer or Seller shall promptly execute all cancellation documents requested by Escrow; and (b) Escrow shall return to Buyer all deposits previously made, less the amount of any escrow expenses or fees chargeable to Buyer. Thereafter, neither Buyer nor Seller shall have any further rights or obligations under this DROA. This Provision is subject to the special provisions for Financing Contingencies set forth in Paragraphs C-24 to C-27. Any termination shall be in writing and delivered to Escrow to be effective.

[Signature] #6/10/01
 BUYER'S INITIALS & DATE

6/14/01 DRB
 SELLER'S INITIALS & DATE

Exhibit 1 - DROA

C-22 **No Contingency for Obtaining "Cash Funds."** Buyer represents that there are no contingencies to Buyer's obtaining the cash portions of the purchase price and closing costs to buy the Property (collectively the "Cash Funds"). Buyer shall neither delay nor extend the Scheduled Closing Date to obtain the Cash Funds.

[na] C-23 **Contingency on Obtaining "Cash Funds."** Buyer's obligation to buy the Property is subject to the following contingencies to Buyer obtaining the Cash Funds: _____

C-24 **FINANCING CONTINGENCIES (Choose all that apply)**
Financing Contingency. Buyer's obligation to buy the Property is subject to Buyer obtaining final written approval for the loan described in this DROA ("Mortgage Loan"). If Buyer does not obtain final written loan approval in the time specified, Buyer may terminate this DROA and the Termination Provision shall apply. Buyer may increase the amount of Buyer's Cash Funds and thereby reduce the amount of Buyer's Mortgage Loan or waive this Financing Contingency and purchase the Property on an all cash basis. If Buyer elects either of these two options, Buyer shall promptly give written notice of such election to Escrow and to Seller, together with evidence of Buyer's ability to do so.

C-25 **Buyer's Agreements Relating to Buyer's Mortgage Loan.** Seller's obligation to sell the Property is subject to:
(a) Buyer making Buyer's best efforts to obtain the Mortgage Loan, which efforts shall include such things as submitting a complete loan application package (including the payment of fees for credit report, appraisal, and applying for such insurance's as may be required) within 10 days after the Acceptance Date; (b) Buyer's delivery to Seller of a loan pre-qualification letter from the Lender by 15 days after the Acceptance Date. Such loan pre-qualification letter shall state that it is subject to verification of loan application items, the credit report, and the Property appraisal; and (c) Buyer's delivery to Seller of the final written loan approval by December 15, 2001 (Date). Final loan approval shall state that Buyer is qualified for and Lender can make the loan. Buyer hereby authorizes Seller and Seller's Broker to contact Buyer's lender and Escrow regarding the status of Buyer's loan application.

[na] C-26 **Contingency on Assumption of Seller's Existing Mortgage(s).** Buyer's obligation to buy the Property is subject to Buyer's assumption of Seller's existing loan(s) ("Seller's Mortgage") on the terms described in Paragraph C-1 of this DROA. Buyer shall make application to assume Seller's Mortgage within _____ days after the Acceptance Date and shall provide evidence of approval for the assumption no later than _____ days after the Acceptance Date. Buyer understands Seller does not warrant the assumability, the terms and conditions of Seller's Mortgage or the assumption terms. If the terms to assume Seller's Mortgage materially differ from those set forth in this DROA, then Buyer may either elect to terminate this DROA or to assume Seller's Mortgage on such terms. Buyer shall reimburse Seller at closing for Seller's existing reserve account balances. If a Lender does not release Seller from liability under Seller's Mortgage, Seller may elect to terminate this DROA and the Termination Provision shall apply.

C-27 **Seller's Right to Terminate DROA on Financing Contingencies.** Seller's obligation to sell the Property is contingent upon Buyer meeting each of the deadlines set forth in Paragraphs C-25(a), C-25(b) and C-26 or other financing deadlines set forth in this DROA. If any such Contingency is not met by the end of the Contingency Period, Seller may elect to terminate this DROA WITHIN FIVE (5) DAYS AFTER THE END OF THE CONTINGENCY PERIOD and the Termination Provision will apply. However, this right of Seller to terminate shall no longer apply if Buyer has elected to proceed on an all cash basis pursuant to Paragraph C-24 and Buyer has indicated in writing an intention to proceed and has provided Seller with reasonable assurance of Buyer's ability to do so. IF THROUGH NO FAULT OF BUYER, Buyer is unable to deliver to Seller the final written loan approval by the end of the Contingency Period as stated in Paragraph C-25(c), or Buyer is unable to provide evidence of approval for the assumption of Seller's Mortgage by the end of the Contingency Period as stated in Paragraph C-26, then the deadline period shall be extended for a reasonable period of time but not for more than 30 days. If Buyer is unable to deliver to Seller the final written loan approval by the end of the extended period or Buyer is unable to provide evidence of approval for the assumption of Seller's Mortgage by the end of the extended period, Seller may elect to terminate this DROA WITHIN FIVE (5) DAYS AFTER THE END OF THE CONTINGENCY PERIOD and the Termination Provision shall apply. In no event shall the original Scheduled Closing Date stated in Paragraph C-8 be extended unless agreed upon in writing by all parties involved.

DEFAULT PROVISIONS
C-28 In the event Buyer fails to perform Buyer's obligations under this DROA (Seller not being in default), Seller may (a) bring an action for damages for breach of contract (b) retain the initial deposit and all additional deposits provided for herein as liquidated damages, and (c) Buyer shall be responsible for any costs incurred in accordance with this DROA.

C-29 In the event Seller fails to perform Seller's obligations under this DROA (Buyer not being in default), Buyer may (a) bring an action for damages for breach of contract, (b) seek specific performance of this DROA, and (c) Seller shall be responsible for any costs incurred in accordance with this DROA.

BA 6/10/01
BUYER'S INITIALS & DATE

6/14/01 DEB
SELLER'S INITIALS & DATE

3.4
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C-30 The foregoing shall not exclude any other remedies available under this DROA to either Seller or Buyer on account of the other party's default.

C-31 In the event of default by a party and/or a legal action or arbitration (including a claim by a Broker for commission), the prevailing party shall be entitled to recover all costs incurred including reasonable attorney's fees.

MEDIATION AND ARBITRATION

C-32 **Mediation.** If any dispute or claim arises out of this DROA during this transaction or at any time after closing, between Buyer and Seller, or between Buyer and/or Seller and a Broker or the Broker's sales agents assisting in this transaction, and the parties to such dispute or claim are unable to resolve the dispute, Buyer and Seller agree in good faith to attempt to settle such dispute or claim by non-binding mediation. This paragraph shall not apply to any complaint of unethical conduct against a Broker or the Broker's sales agents who are obligated to comply with the Code of Ethics of the National Association of REALTORS®. Such complaints must be brought before the Local Board of REALTORS®, of which the Broker or sales agent is a member.

C-33 **Arbitration.** If any dispute or claim arises out of this DROA during this transaction or at any time after closing between Buyer and Seller, or between Buyer and/or Seller and a Broker or the Broker's sales agents assisting in this transaction, and the parties to such dispute or claim are unable to resolve the dispute through mediation as stated in Paragraph C-32, then such dispute or claim shall be decided by neutral binding arbitration before a single arbitrator, acting under the commercial arbitration rules of a Hawaii dispute resolution provider. Judgment upon an award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may award reasonable attorney's fees and costs to the prevailing party.

In the event of an unresolved dispute or claim, we elect arbitration and waive our right to litigation. (Initial below.)

[Signature] #6/10/01
Buyer(s)

Seller(s)

C-34 **Third Party Claims.** It is understood that if such dispute or claim is made by or against a third party who is not obligated or willing to mediate or arbitrate such dispute or claim, then Buyer and Seller shall not be required to mediate or arbitrate such dispute or claim.

TITLE

Preliminary Title Report. Escrow is instructed to promptly order a Preliminary Title Report on the Property for delivery by Seller to Buyer.

C-35 **Title.** Seller agrees, subject to Paragraph C-36 if selected, to convey the Property with warranties vesting marketable title in Buyer, free and clear of all liens and encumbrances EXCEPT: (a) easements, covenants, conditions, reservations or restrictions now of record WHICH DO NOT MATERIALLY AFFECT THE VALUE OF THE PROPERTY and (b) _____

(Choose C-36 OR C-37)

C-36 If the preliminary title report, or any other report reveals that title cannot be delivered by Seller in accordance with Paragraph C-35, Seller shall use Seller's best efforts to cure any defects. If, within 30 days following receipt of any reported discrepancies Seller is unable to cure such defects in title, Buyer may elect to purchase the Property with such defect(s) in title and Seller shall not be liable if Seller had acted in good faith. If Buyer elects not to accept the Property with such defects, either Buyer or Seller may terminate this DROA and the Termination Provision shall apply.

[] C-37 If after Buyer's review of the preliminary title report, Buyer is not satisfied with the condition of the title to the Property, Buyer may elect, within _____ days of Buyer's receipt of the preliminary title report, to terminate this DROA and the Termination Provision shall apply.

TRANSACTIONS INVOLVING FOREIGN OR NON-RESIDENT BUYER AND SELLER

C-38 **HARPTA Withholding Required if Seller is a Non-Resident of the State of Hawaii.** Under Hawaii law, if Seller is a non-resident person or entity (corporation, partnership, trust, or estate) of the State of Hawaii, Buyer must withhold a specified percentage of the "amount realized" by Seller on the sale of the Property and forward the amount with the appropriate form to the State Department of Taxation. Such withholding may not be required if Seller obtains and provides Buyer with an authorized exemption or waiver from withholding. If Seller does not provide Buyer with a certificate of exemption or waiver from HARPTA within fourteen (14) days of the Acceptance Date, Escrow is hereby authorized and instructed to withhold/collect from Seller the required amount at closing and forward it to the State Department of Taxation.

[Signature] #6/10/01 #6/10/01
BUYER'S INITIALS & DATE

[Signature] 6/14/01
SELLER'S INITIALS & DATE

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person or entity (non-resident alien, corporation, partnership, trust, or estate), Buyer must generally withhold a specified percentage of the "amount realized" by Seller on the sale of the Property and forward this amount to the Internal Revenue Service ("IRS"). Such withholding may not be required if Seller obtains and provides Buyer with an authorized exemption or waiver from withholding. If Seller does not provide Buyer with a certificate of exemption or waiver from FIRPTA within fourteen (14) days of Acceptance Date, Escrow is hereby authorized and instructed to withhold/collect from Seller the required amount at closing and forward it to the IRS.

C-40 **Additional Disclosures Required by Foreign Buyers and Sellers.** Buyer and Seller understand that under statutes and ordinances such as the Agricultural Foreign Investment Disclosure Act of 1978, the International Investment and Trade in Services Survey Act, and the revised Ordinances of the City and County of Honolulu, among others, disclosures are required by foreign Buyers and/or Sellers under certain conditions.

STAKING & SURVEY (Choose C-41 OR C-42) This may/may not apply to condominiums or cooperatives.

[na] C-41 **Staking (Boundary Markers).** Prior to the Scheduled Closing Date, Seller shall, at Seller's sole cost and expense, have a registered land surveyor stake the Property. Buyer may have a registered land surveyor verify the accuracy of the location of the stakes prior to closing. Seller shall reimburse Buyer for the cost of this verification at closing ONLY if the location of the original stakes proves to be inaccurate. Buyer understands that staking is not a survey and does not confirm the accuracy of the description or the land area of Property, or the absence of encroachments onto the Property or onto a neighboring property.

C-42 **Survey.** Prior to the Scheduled Closing Date, Seller shall, at Seller's sole cost and expense, have a registered land surveyor (a) stake the Property even if the stakes are visible and (b) if improvements exist along the Property line, provide Buyer with a map (with surveyor's stamp) and accompanying report to show the perimeters of the Property and the location of any improvements in the vicinity of the perimeter Property lines. This survey and map may not address whether improvements on the Property are in compliance with State and/or County requirements and/or subdivision covenants.

C-43 **Boundary Encroachment.** If an encroachment onto an adjoining property or onto the Property by an adjoining owner is revealed or discovered, such encroachment either shall be removed or Seller shall obtain an encroachment agreement(s) with the adjoining owner(s) which is contingent on Buyer's approval. If neither occurs within 30 days of discovery or by the Scheduled Closing Date, whichever occurs earlier, Buyer may accept the encroachment(s) or elect to terminate this DROA and the Termination Provision shall apply. Buyer should be aware that, under certain circumstances, Hawaii law allows acceptable tolerances for discrepancies involving improvements built in the vicinity of the perimeter of the Property lines. This paragraph is not applicable unless either Paragraph C-41 or C-42 is checked.

SELLER'S DISCLOSURES (Required by Hawaii Statute)

C-44 **Seller's Obligation to Disclose.** Under Hawaii law, Seller is obligated to fully and accurately disclose in writing to Buyer any fact, defect, or condition, past or present, which materially affects the value of the Property. Within 14 days from the Acceptance Date, Seller shall provide Buyer with a written disclosure statement signed and dated by Seller within six (6) months before or ten (10) days after the Acceptance Date. Such Disclosure shall be prepared in good faith and with due care and shall disclose all material facts relating to the Property that: (i) are within the knowledge or control of the Seller; (ii) are disclosed by documents recorded in the Bureau of Conveyances; or (iii) can be observed from visible, accessible areas. When the Property lies: (i) within the boundaries of a special flood hazard area as officially designated on Flood Insurance Administration maps promulgated by the appropriate Federal agencies for the purposes of determining eligibility for emergency flood insurance programs; (ii) within the boundaries of the noise exposure area shown on maps prepared by the Department of Transportation in accordance with Federal Aviation Regulation Part 150-Airport Noise Compatibility Planning (14 Code of Federal Regulations Part 150) for any public airport; (iii) within the boundaries of the Air Installation Compatibility Use Zone of any Air Force, Army, Navy, or Marine Corps airport as officially designated by military authorities; or (iv) within the anticipated inundation areas designated on the Department of Defense's Civil Defense Tsunami Inundation Maps; subject to the availability of maps that designate the four areas by tax map key (zone, section, plat, parcel), Seller shall include such material fact information in the disclosure statement. If not available, no information will be provided.

C-44A **Later Discovered Information.** Under Hawaii law, if after Seller delivers a disclosure statement to Buyer and prior to closing, Seller becomes aware of information which was not previously disclosed or which makes any statement in the disclosure statement inaccurate, and said information materially affects the value of the Property, then Seller shall provide an amended disclosure statement (a written statement prepared by Seller or at Seller's direction) to Buyer within ten (10) days after the discovery of the inaccuracy, and in any event, no later than twelve noon of the last business day prior to the recorded sale of the Property. Buyer's rights upon receipt of the amended disclosure statement are found in Paragraph C-47.

[Signature] # 6/10/01
BUYER'S INITIALS & DATE

[Signature] 6/14/01
SELLER'S INITIALS & DATE

Exhibit 1 - DROA

the disclosure statement shall not be construed as a substitute for any expert inspection, professional advice, or warranty that Buyer may wish to obtain.

C-46 **Absentee Owners.** As stated in Paragraph C-44, Seller is obligated to fully and accurately disclose in writing to Buyer any fact, defect, or condition, past or present, which materially affects the value of the Property. If Seller has not lived in the Property for at least one hundred eighty (180) days prior to the date of receipt of the DROA, Seller may notify Buyer in writing that Seller does not have the requisite personal knowledge to make accurate disclosures about the Property, or Seller may make a reasonable effort to ascertain the information requested in the disclosure statement. Thereafter, Buyer may elect to: (i) substitute an inspection report by a home inspector, licensed contractor, or licensed appraiser covering the same matters as would have been included in a disclosure statement at the Buyer's expense; or (ii) provide the Seller written notification that the Buyer waives the applicability of the Mandatory Seller's Disclosure Statute.

C-47 **Buyer's Rights Upon Receipt of Disclosure Statement.** Unless Seller does not provide a disclosure statement in accordance with Paragraph C-46, Seller is required by law to obtain from Buyer an acknowledgment of receipt of the disclosure statement in writing. Buyer shall acknowledge receipt of the disclosure statement in writing. Upon receipt of the disclosure statement, Buyer shall have 7 days to examine the statement and to rescind the DROA. Should Buyer elect to rescind the DROA, Buyer must give Seller directly or Seller's agent written notice of such rescission within the stated time period. Upon receipt by Buyer of an amended disclosure statement, or upon discovery by Buyer of a failure by Seller to disclose material facts, or upon discovery by Buyer that the disclosure statement contains an inaccurate assertion which materially affects the value of the Property, Buyer may elect to rescind the DROA. Buyer shall have fifteen (15) days from discovery thereof or the receipt of the amended disclosure statement, whichever is earlier, to indicate in writing an election to rescind the DROA or Buyer may elect, in writing, to accept the amended disclosure statement prior to the fifteenth (15th) day.

C-47A **Buyer's Remedies If Seller Fails to Comply with C-44 or C-44A.** Buyer may elect to complete the purchase of the Property even if Seller fails to comply with Sections C-44 or C-44A. When Buyer is provided a disclosure statement or amended disclosure statement and Buyer decides to rescind the DROA, Buyer is limited in damages to the return of all deposits; and in such case, Buyer's deposits shall be immediately returned. If Seller negligently fails to provide the required disclosure statement or amended disclosure statement, Seller shall be liable to Buyer for the amount of actual damages suffered as a result of the negligence. In addition to the above remedies, a court may also award the prevailing party's attorney's fees, court costs, and administrative fees.

C-48 **Mediation and/or Arbitration.** Under Hawaii law, any dispute pertaining to the Mandatory Seller's Disclosure Statute shall be handled in the same manner as agreed upon in the DROA.

C-49 **Asbestos Disclosure.** Buyer is aware that asbestos materials are hazardous to one's health, particularly if asbestos fibers are released into the air and inhaled. In the past (before 1979, but possibly since) asbestos was a commonly used insulation material in heating facilities and in certain types of floor and ceiling materials, shingles, plaster products, cement and other building materials. Buyer is aware that Buyer should make appropriate inquiry into the possible existence of asbestos on the Property. Structures having "popcorn" or "cottage cheese" type ceilings may contain asbestos fibers or asbestos-containing material. Such ceilings should not be disturbed since it could release asbestos fibers in the air. Any disturbance should be done only by licensed abatement contractors.

C-49A **Hazardous Waste and Toxic Substances Disclosure.** Buyer is aware that federal and state laws place strict liability on property owners for dangers caused by hazardous waste management and may require that such owner pay for the cost of the cleanup of hazardous substances and other toxic substances. Buyer is aware that Buyer should make appropriate inquiries into the past use of the Property and should seek an environmental assessment to ascertain the possible existence of such hazardous substances or materials on or under the Property. Buyer is aware Buyer may have liability for hazardous substances located on or under the Property even if Buyer did not cause such substances to be on or under the Property.

C-50 **Sex Offender Registration ("Megan's Law").** Hawaii has enacted a law requiring sex offenders to register with the Attorney General's office and allowing public access to relevant information regarding sex offenders. A sex offender must provide certain relevant information including the street name and zip code of the sex offender's current and future residence and place of employment. This information is available at the Hawaii Criminal Justice Data Center and at one or more designated police stations in each county. Neither Seller, nor any real estate agent is required to obtain information regarding sex offenders.

W. Auguztus Elliott # 6/10/01
BUYER'S INITIALS & DATE

DRB 6/14/01
SELLER'S INITIALS & DATE

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E.L.H. 1 - DROA

INSPECTIONS, MAINTENANCE AND WARRANTIES

C-51 **Inspection of Property.** At Buyer's sole cost and expense Buyer may (personally or by any expert, professional, or other representative of Buyer's choice): (a) inspect the Property or any portion thereof; (b) inspect all major appliances and fixtures (plumbing, electric, and gas) included in the sale; (c) inspect all public records relating to the Property; and (d) inspect all applicable laws and regulations which may affect the property. Seller shall provide Buyer and Buyer's representatives access to the Property for this purpose, during reasonable hours with reasonable prior notice to Seller. The obligation of Buyer to purchase the Property is contingent upon Buyer's approval of the results of such inspection within 30 days after the Acceptance Date. All inspections must be completed within this time period. If Buyer disapproves of the results within such time period, Buyer may elect to terminate this DROA pursuant to Paragraphs C-20 and C-21. If Buyer fails to so elect, Buyer will have waived this contingency.

C-52 **Property Condition Maintenance.** Seller shall maintain until closing the interior and exterior of the Property in the same condition and repair as they were on the date that Buyer inspected the Property pursuant to Paragraph C-51, or as agreed upon between Buyer and Seller, pursuant to Buyer's inspection under Paragraph C-51.

[na] C-53 **Final Walk Through.** Buyer and/or Buyer's representative shall have the right to conduct a final walk through of the Property no later than na days prior to closing: (a) to confirm that the Property is in the same condition and repair that it was on the date that Buyer inspected the Property pursuant to Paragraph C-51 and/or (b) to inspect the repairs and/or replacements made by Seller, as agreed between Buyer and Seller, pursuant to Buyer's inspection under Paragraph C-51. If Buyer and/or Buyer's representative fail to conduct the final walk through of the Property within the time period, Buyer will have waived this right, and Paragraph C-53 will be deemed null and void. If Seller does not maintain the Property as stated in Paragraph C-52, such that repairs and maintenance are required, then prior to closing, Seller shall repair those items to return them to the same condition and repair as they were on the date that Buyer inspected the Property pursuant to Paragraph C-51. If any repairs and maintenance required have not been made by closing, Seller agrees that an amount equal to 150% of the estimated cost of repair and maintenance shall be held in Escrow until the repairs are completed; provided however, that any remaining funds held will be automatically disbursed to Buyer by Escrow if all repairs and maintenance are not completed within na days after closing. All repairs and maintenance bills will be paid through Escrow and any balance remaining after completion of all repairs and maintenance shall be returned to Seller.

C-54 **No Continuing Warranty.** Buyer understands that no continuing warranty after closing regarding the interior or exterior of the Property is expressed or implied.

C-55 **Home Warranty Programs.** Buyer understands that Buyer may obtain from a third party, for a fee, home warranties covering appliances, electrical and plumbing equipment and other items included with the Property. If such a home warranty is available, it may be obtained at Buyer's expense from any provider of Buyer's choice.

[na] C-56 **Existing Warranties, Plans, etc.** Seller shall provide to Buyer at closing all existing warranty documents in Seller's possession covering the improvements and personal property being sold to Buyer; instruction booklets in Seller's possession covering the appliances being sold and all originals and copies in Seller's possession of blueprints, specifications, and copies of architectural or engineering drawings relating to the Property. Buyer understands: (a) any warranties delivered by Seller to Buyer represent obligations of other persons, not Seller; (b) the warranty and other documents are provided for informational purposes only; (c) may not reflect improvements as built; and (d) Seller does not promise that any such warranties are transferable to Buyer, and that Buyer must contact the providers of such warranties to determine whether the warranties are transferable to Buyer.

[na] C-57 **Interior and Exterior Cleaning.** Prior to closing, Seller shall, at Seller's expense, have cleaned the interior of the improvements on the Property. Such cleaning shall include all appliances, carpets, cupboards, drawers, floors, jalousies, screens and windows. Seller shall also dispose of all trash, junk, and brush both within or outside any improvements located on the Property.

[na] C-58 **Pet Related Treatment.** Prior to closing, Seller shall at Seller's expense remove any pets from the Property, have the carpets within the improvements on the Property professionally cleaned, and the interior of the Property treated for fleas/ticks by a professional. If Seller does not have the interior of the Property treated for fleas/ticks by a professional as stated, then Seller agrees that an amount equal to 150% of the estimated cost of professionally treating the Property for fleas/ticks shall be held in Escrow until completed; provided however, that any remaining funds held will be automatically disbursed to Buyer by Escrow if the Property is not professionally treated for fleas/ticks within na days after closing. All professional treatment bills will be paid through Escrow and any balance remaining after completion of professional treatment shall be returned to Seller.

W. Auguztus Elliott #6/10/01
BUYER'S INITIALS & DATE

DRR 6/14/01
SELLER'S INITIALS & DATE

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Amended - DROA

TERMITE PROVISIONS

Buyer is aware that the State-approved Termite Inspection Report (TIR) addresses only visible evidence of active termite infestation and visible damage in accessible areas. It does not address infestation or damage occurring in inaccessible areas of the improvements described in this DROA. Seller agrees to disclose, in Seller's disclosures, any prior and/or current infestation and damage of which Seller is aware.

C-59 **Termite Inspection Contingency.** Within na days of the Acceptance Date na shall select a ^{Buyer or Seller} licensed pest control company ("Company"), to conduct an inspection and issue a TIR on the improvements which are part of the Property. Should such party fail to select a Company and notify the other party in writing of the name of a Company within the time stated, the other party shall select a Company within five (5) days thereafter. Seller shall promptly order the inspection and TIR from the selected Company. The TIR shall be delivered to Buyer by na ^{Buyer or Seller} shall pay for the inspection and the issuance of the TIR at a cost not to exceed na. If Buyer's lender requires an updated TIR prior to funding Buyer's loan, Buyer shall pay for the updated report.

If the TIR indicates visible evidence of active termite infestation, Seller shall order and pay for recommended treatment for that condition (not to include preventative maintenance). Buyer and Seller understand such treatment may cause damage to plants. The obligation of the Buyer to purchase the Property is contingent upon the delivery to Buyer within the time specified above of a TIR stating that there is no visible evidence of active termite infestation or the treatment of such improvements by no later than five (5) days prior to the Scheduled Closing Date. If the Contingency is not fulfilled in a timely manner, Buyer may terminate this DROA and the Termination Provision shall apply.

C-60 **Termite Damage.** In the event the TIR indicates there is visible damage to the improvements caused by termite infestation, and said damage materially affects the value of the Property (e.g. structural or significant damage), then Seller shall make appropriate disclosures under Paragraph C-44A.

RENTAL PROPERTY MATTERS (Choose C-61 OR C-63)

[na] C-61 **Existing Leases.** Buyer shall accept title to the Property subject to the existing: *(Choose all that apply)*

[na] Inventory and Condition Form	[na] Short Term Vacation Rental Reservation(s)
[na] Lease(s)	[na] Other <u>na</u>
[na] Rental Management Contract(s)	[na] Other <u>na</u>

Copies of such documents shall be delivered to Buyer within na days of Acceptance Date. If within na days of receipt of these item(s), Buyer does not accept the Property based upon information in these documents, Buyer may terminate this DROA and the Termination Provision shall apply. Any security deposits or vacation deposits will be transferred to Buyer at closing.

C-62 **Lease Changes During Escrow.** During the escrow period, Seller shall not, without the written consent of Buyer, make any changes to existing leases or enter into any new leases that extend beyond the Scheduled Closing Date.

~~C-63~~ **Possession of Property at Closing.** Seller shall deliver possession of the Property at closing vacant and free of tenants, leases, rental management contract, short term rental reservation or any other rental commitments.

CONDOMINIUMS/SUBDIVISIONS/HOMEOWNER ORGANIZATIONS (Choose all that apply)

[na] C-64 **Contingency on Homeowner Organization Documentation Approval.** Buyer's obligation to purchase the Property is contingent upon Seller providing the following applicable information to the Buyer for review and approval:

[na] Approved Minutes of the last three (3) Board of Directors Meeting	[na] Current and/or Proposed Budget
[na] Articles of Incorporation/Association and Amendments, if any	[na] Current Financial Statement
[na] Board of Directors and Association minutes issued during the escrow period, if applicable	[na] Current House Rules
[na] By-laws and Amendments	[na] Declaration and Amendments
[na] Copy of any and all pending litigation complaints filed by or against the Owner's Association and/or its directors that are currently unresolved, if any	[na] Inventory of Furniture and Furnishings
	[na] Minutes of the last Annual Meeting
	[na] Property Information Form RR105c, if obtainable
	[na] Reserve Study or Summary, if obtainable
	[na] Other <u>na</u>
	[na] Other <u>na</u>

Seller, at Seller's expense, shall furnish these documents to the Buyer within na days of Acceptance Date. If within na days of receipt of these documents, Buyer does not accept the Property based on information contained in these documents, Buyer may terminate this DROA and the Termination Provision shall apply. In the event that this DROA is canceled, Buyer agrees to return all documents to Seller or Seller's Agent, including any others provided to Buyer during the escrow period. (Note: Seller shall provide any and all pertinent information on parking stalls, storage spaces, maintenance fees, and any other material disclosures to Buyer.)

AE 6/10/01 # 6/10/01
BUYER'S INITIALS & DATE

6/14/01 DRP
SELLER'S INITIALS & DATE

3.4
 Fxh.hst 1 - DROA

elements and limited common elements. Seller is only responsible for reporting any defects or damages to the Association of Apartment Owners or other governing body insofar as Seller's unit is affected.

C-66 **Contingency on Subdivision Documentation Approval.** Buyer's obligation to purchase the Property is contingent upon Seller providing the CC&R's (Conditions, Covenants, and Restrictions) and any other applicable title documents to the Buyer for review and approval. Seller, at Seller's expense, shall furnish the documents to the Buyer within _____ days of Acceptance Date. If within _____ days of receipt of the documents, Buyer does not accept the Property based on information contained in the documents, Buyer may terminate this DROA and the Termination Provision shall apply. In the event that this DROA is canceled, Buyer agrees to return the documents to Seller or Seller's Agent.

C-67 **OTHER SPECIAL TERMS (Please number)**
1) Seller agrees to sign on behalf of the Buyers for a Conservation Use Application with DLNR.
2) This offer is contingent on the County Acceptance of the Subdivision Reconsolidation Application.
3) BUYER'S ACCEPT THE 100 FT X 100 FT UNDERGROUND EASEMENT IN FAVOR OF PARCEL # 46
4) BUYER'S OFFER IS CONTINGENT ON THE INCLUSION OF A 50 FT RECREATIONAL EASEMENT ACROSS PARCEL # 46 FOR ACCESS TO THE WAIKAIHALOA STREAM.

BROKERS SERVICES AND DISCLAIMERS

C-68 **Scope of Service.** The Brokers assisting in this sale, including their owners, agents and employees (collectively the "Brokers"), recommend that Buyer and Seller each consult their own accountant, appraiser, architect, attorney, contractor, designer, estate planner, home inspector, insurance advisor, land use professional, pest control expert, surveyor, title insurer, zoning expert, and other professionals should they have any questions within those fields about this sale. Buyer and Seller understand and acknowledge that neither party is relying upon the Brokers for any of the foregoing services or advice.

C-69 **Disclaimers by Brokers.** Buyer and Seller understand that the Brokers have not made any representations or warranties, and have not rendered any opinions about: (a) the legal or tax consequences of this transaction; (b) the legality, validity, correctness, status or lack of any building permits which may have been required for the Property; or (c) the size of any improvements on the Property, or the land area of the Property or the location of the boundaries.

C-70 **Rental Property.** If the Property is rented, Buyer understands that Seller and the Brokers are not offering to sell or selling the Property together with any existing or future rental pool or other rental arrangement. Seller and the Broker make no representations or guarantees about future rents or future resale value. Buyer understands that Buyer is assuming all risks relating to the foregoing, including the rental of the Property, should Buyer wish to rent it out. This sale includes real property only and the intent is not to convey a security or investment security as defined by the U.S. Securities and Exchange Commission or other governmental agency.

C-71 **Obligations.** Broker shall not be held liable to either Buyer or Seller for the failure of either Buyer or Seller to perform their obligations pursuant to this DROA.

C-72 **Permission.** The parties grant the Broker(s) permission to supply data to the Multiple Listing Service regarding the sales price, terms, and listing status of this transaction for use by other brokers and real estate professionals in making market studies, providing service to the public and advising their clients.

[na] C-73 **Disclosure of Real Estate Licensing Status.** Hawaii law requires that licensees disclose that they hold a real estate license in any transaction in which they are purchasing or selling real property as a principal, or in which they are buying for themselves, immediate relatives, or an entity in which they have an interest. If applicable, the licensee(s) in this transaction disclose the following:

FACSIMILE (FAX) SIGNATURES AND COUNTERPARTS

C-74 Fax executed copies of this DROA and any related documents shall be fully binding and effective for all purposes whether or not originally executed documents are transmitted to Escrow. Fax signatures on documents will be treated the same as original signatures, however, each party agrees to promptly forward original executed documents to Escrow. The parties understand conveyance, mortgage and other recordable documents must be delivered in original form and will not be acceptable if signed only on facsimile.

C-75 This DROA and any addenda and related documents may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so signed, shall be deemed to be an original, and all of which taken together shall constitute one and the same document, binding upon all of the parties, notwithstanding that all of the parties do not sign the original or the same counterpart.

W. Auguztus Elliott
BUYER'S INITIALS & DATE

ARP 6/14/01
SELLER'S INITIALS & DATE

Exhibit I - DROA

"ACCEPTANCE DATE" AND OTHER DEFINITIONS

- C-76 As used in this DROA, the term "Acceptance Date" means the date on which this DROA becomes binding upon the parties (i.e. when Buyer's Offer is accepted by Seller or Seller's Counter Offer is accepted by Buyer.)
- C-77 As used in this DROA, the term "day" means a calendar day. All dates and times are based on Hawaiian Standard Time.
- C-78 **Time is of the Essence.** Except as otherwise provided in this DROA, time is of the essence in the performance by all parties in their respective obligations to this DROA.
- C-79 **Complete Agreement.** This DROA constitutes the entire agreement between Buyer and Seller and supersedes and cancels any and all prior negotiations, representations, warranties, understandings or agreements (both written and oral) of Buyer and Seller. No variation or amendment of this DROA shall be valid or enforceable without written approval by Buyer and Seller. All agreements and representations about the Property must be set forth in writing and the parties agree that to be effective any representation made by a Broker or any party hereto must be set forth in writing in this DROA or an amendment hereto or in any required Disclosure Statement. Buyer and Seller shall each hold harmless and release the Broker(s) from any claims based upon any alleged representation which is not set forth in writing as stated in this paragraph.

Offer Date June 8, 2001 AM/PM Buyer's Name Steven T. Hawkins
 Buyer's Address P.O. Box 344 Signature [Signature]
Laupahoehoe, HI 96764 SS# or Tax ID 139-40-6001
 Phones 962-6920 (775-8919 wk) 800 Buyer's Name Gale Elizabeth Hawkins
 Fax 775-8842 (till July 1) wk Signature [Signature]
 E-Mail elyhawkins@Yahoo.Com SS# or Tax ID 552-27-6091

SECTION D: ACCEPTANCE OR COUNTER OFFER

X)
N/A

ACCEPTANCE OF OFFER. Seller agrees to sell the Property at the price and terms offered above and acknowledges receipt of a copy of this Offer and acceptance.
COUNTER OFFER. Seller agrees to sell the Property at the price and terms offered above as amended by the attached Counter and acknowledges receipt of a copy of the Offer.
IN EITHER EVENT:

Seller agrees to pay to _____ (Listing Broker) a commission for the sale of the Property in the amount of _____ per the terms of the Listing Contract or if there is no listing contract, then per other agreement between Seller and Broker. Seller instructs Escrow to pay the commission directly to Broker at closing in U.S. Dollars. These instructions cannot be changed without the written agreement of the Listing Broker and Seller. Seller further consents to Listing Broker's sharing of the commission with another real estate broker who may have provided services to Buyer. In the event Buyer defaults and Seller retains any of Buyer's deposit or obtains other monetary damages against the Buyer, Seller shall pay one-half thereof to Listing Broker as a commission, provided, however, that this amount so paid to Listing Broker shall not exceed what would have been the full commission to the Listing Broker.

Date 6/14/01 10 AM/PM
 Seller's Address PO Box 312
Habalah, HI 96710
 Phones None
 Fax None
 E-Mail broyles@hawaii.edu

Seller's Name David R. Broyles
 Signature [Signature]
 Tax ID for IRS 494-52-3677
 Seller's Name N/A
 Signature _____
 Tax ID for IRS _____

Seller is a Foreign Person [] Non-Hawaii Resident [] Owner/Occupant [] Other []

BUYER'S ACKNOWLEDGMENT OF SELLER'S ACCEPTANCE: The undersigned acknowledges receipt of a copy of the acceptance of this Offer.
 Signature: [Signature] Date 6/18/01 9:30 AM/PM

NOTE: THERE IS NO WARRANTY ON PLAIN LANGUAGE. An effort has been made to put this agreement into plain language. But there is no promise that it is in plain language. In legal terms, THERE IS NO WARRANTY, EXPRESSED OR IMPLIED, THAT THIS AGREEMENT COMPLIES WITH CHAPTER 487A OF THE HAWAII REVISED STATUTES, AS AMENDED. This means that the Hawaii Association of REALTORS® is not liable to any Buyer, Seller, or other person who uses this form for any damages or penalty because of any violation of Chapter 487A. People are cautioned to see their own attorneys about Chapter 487A (and other laws that may apply).

Exhibit 1 DROA 3.4

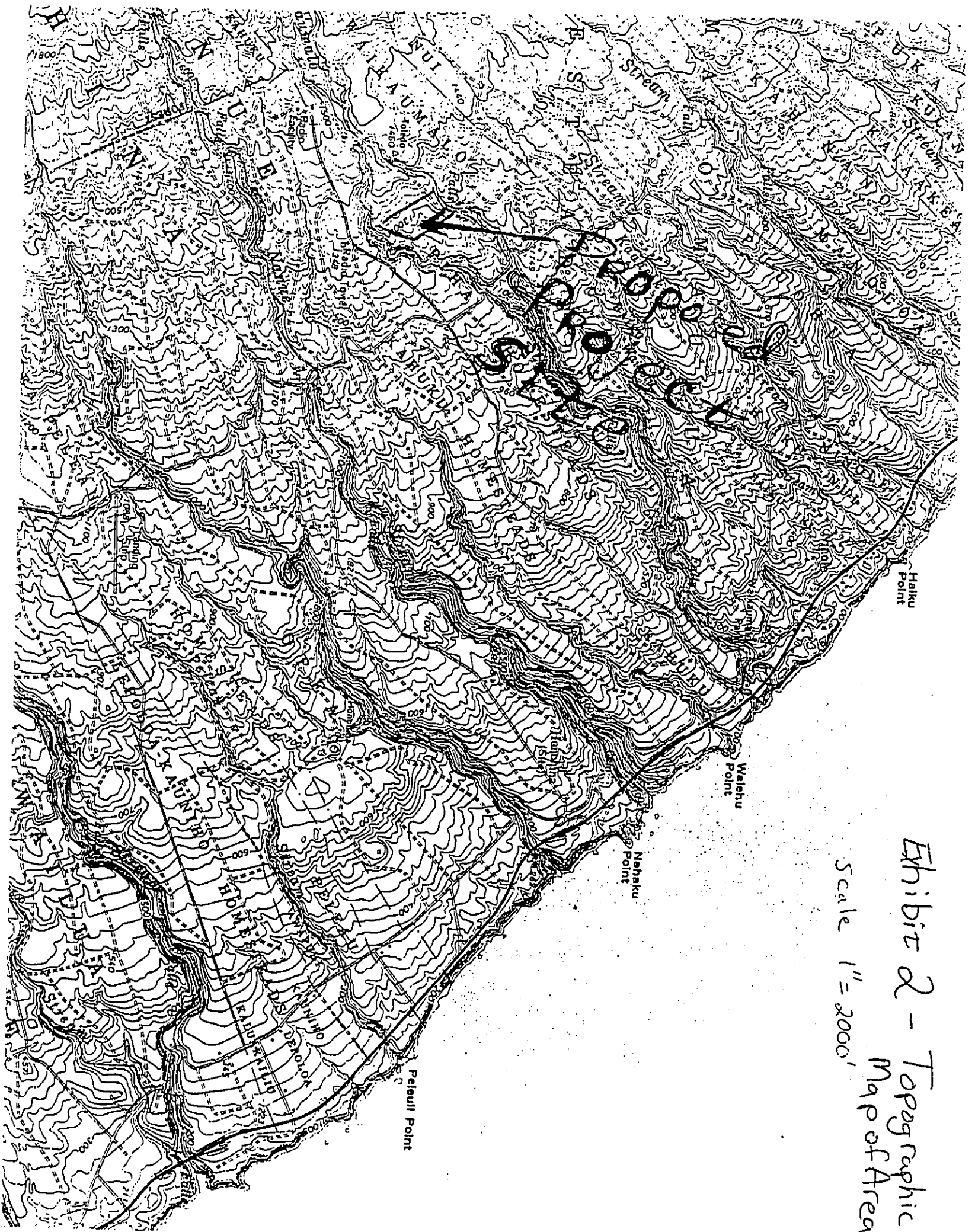
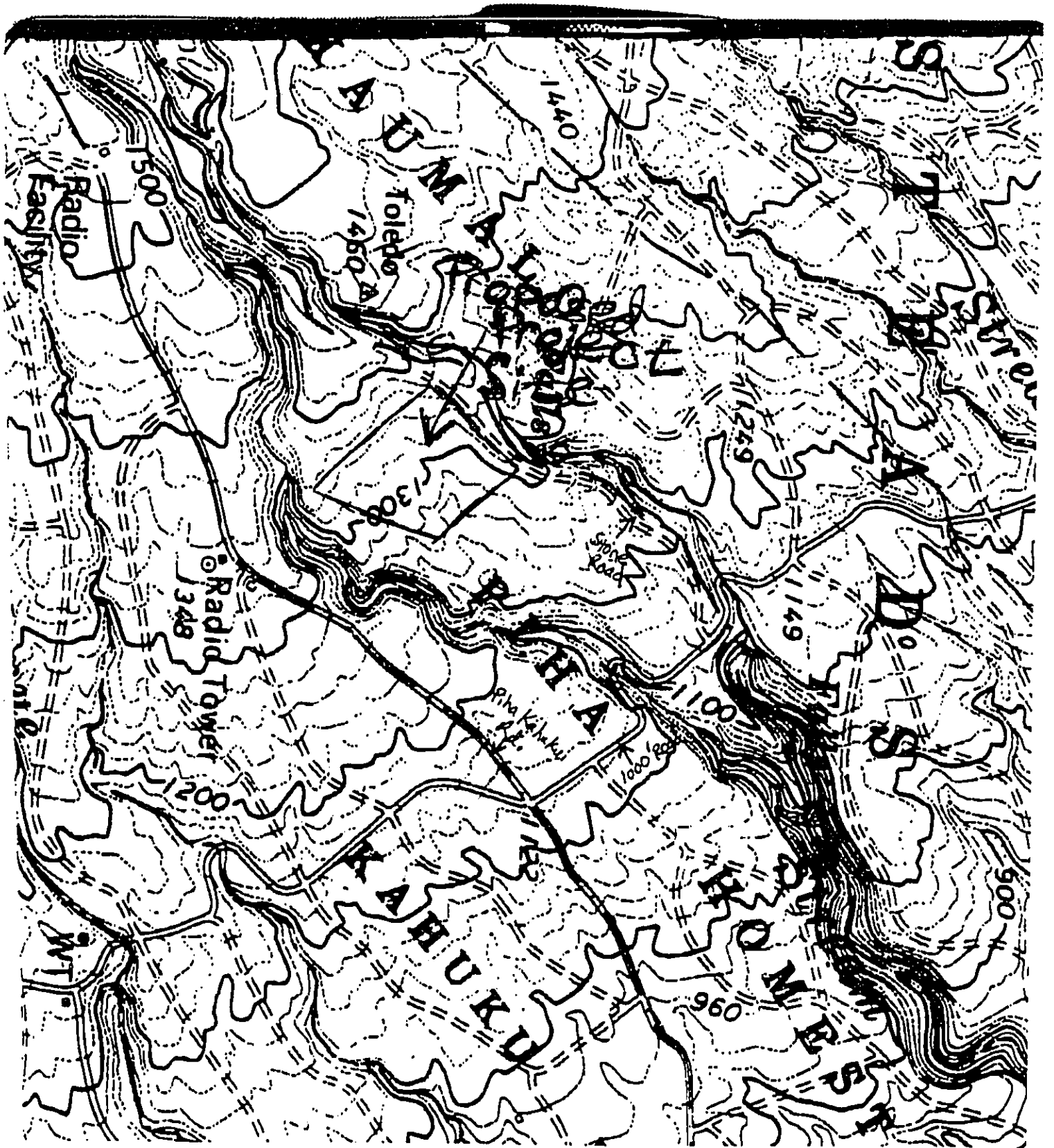
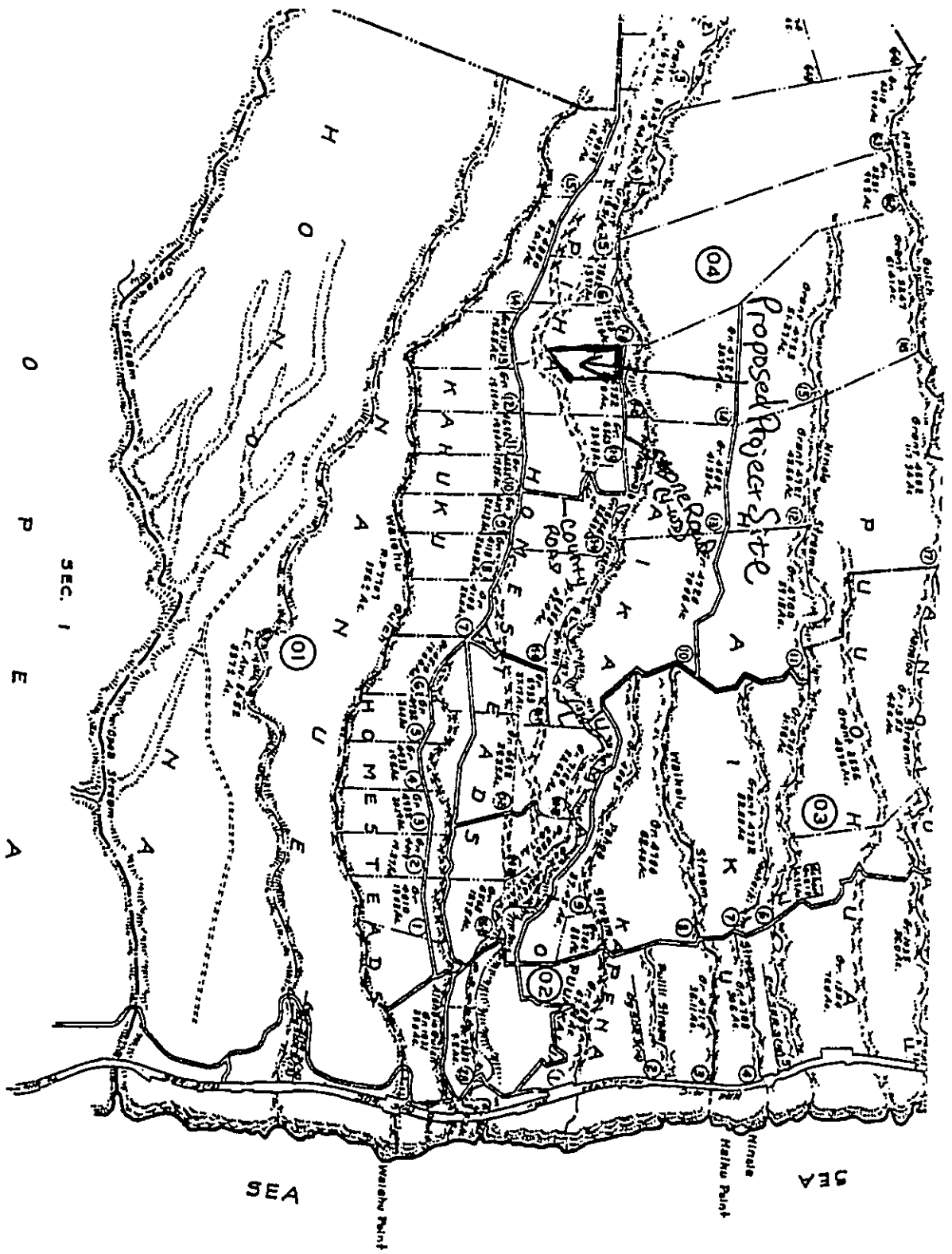


Exhibit 2 - Topographic
Map of Area
Scale 1" = 2000'

Exhibit 2A -
Detailed Topographical Map

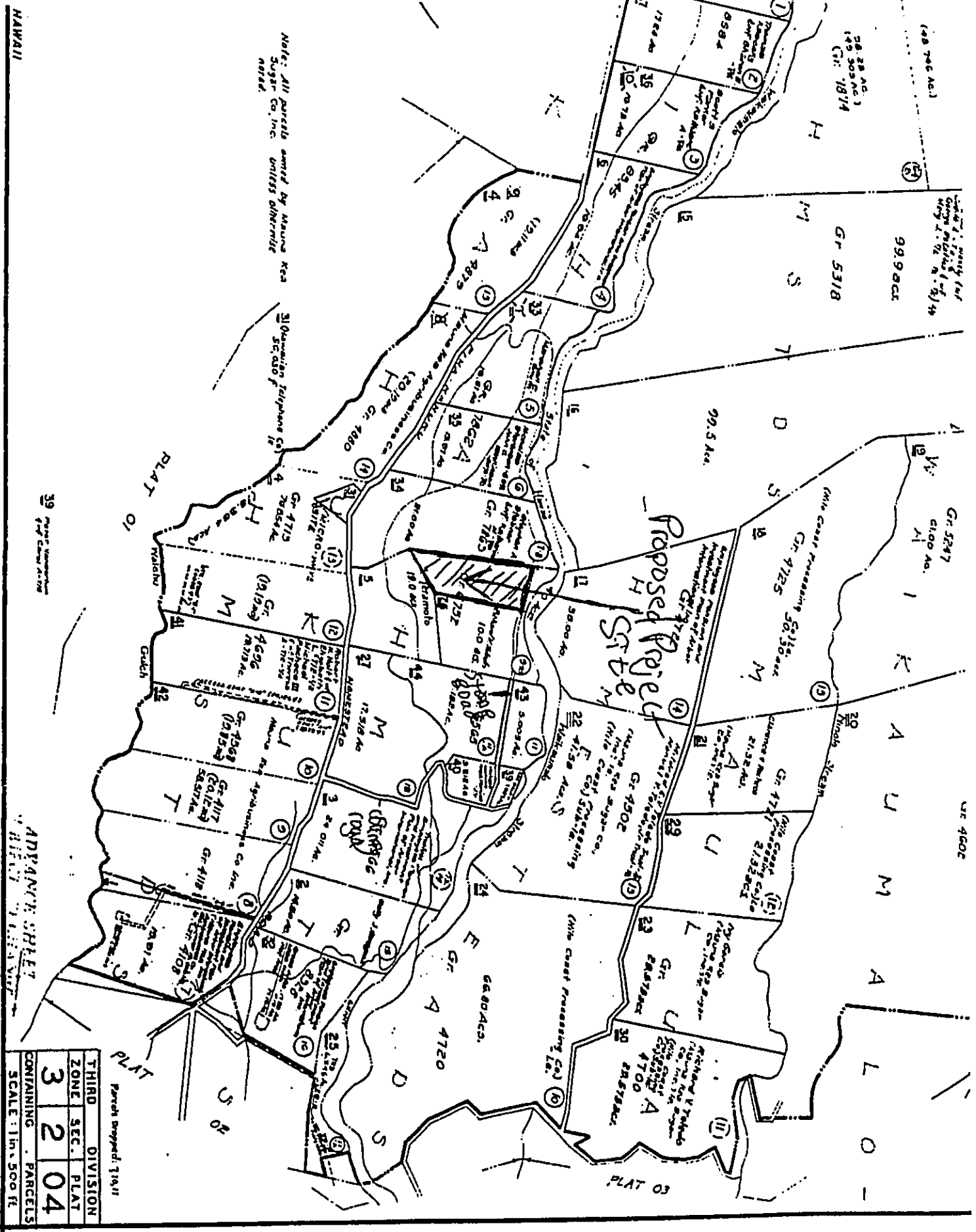




ADVANCE SHEET
 SHEET 10 OF 10

THIRD DIVISION	
ZONE	3
SEC.	2
CONTAINING PLATS	
Series 11a-10444.	

Exhibit 3 Area Map
 - 1 - 1 - 1 - 1



Note: All parcels owned by Mauna Kea Sugar Co. Inc. unless otherwise noted.

39
Map Commission
of Hawaii

ADVANCE SHEET
SHEET 4 OF 4

Parcels dropped: 71411

THIRD ZONE	DIVISION
3	204

CONTAINING PARCELS
SCALE: 1 in = 500 ft

Exhibit 4- Tax Map

PK 3-2-04:05, Lots 9A, B, 10
PRE-EXISTING LOT SUBDIVISION

R. K. L.
PLANNING DIRECTOR, COUNTY OF HAWAII

DATE: APR 28 1999

22

17

Stone Road

Richard V. Tafeco

7-8

LOT 9B

9-10

6

Stephen A. Stebner
w/ Katherine M. - T/E
Gr. 7863

Richard V. Tafeco
10.0 ac.

Gr. 656:

Proposed Project Site

Gr. 6752

LOT 9A

26

S. Teramoto
19.0 ac.

Kalaeha Stream

21.00 ac.

LOT 10

34

5

27

14

31

13

12

Robert N. Holt & w/ Elizabeth L. - T/E - 1/2
Michael Pacheco III & w/ Theresa A. - T/E - 1/2

MICRO-WAVE SITE

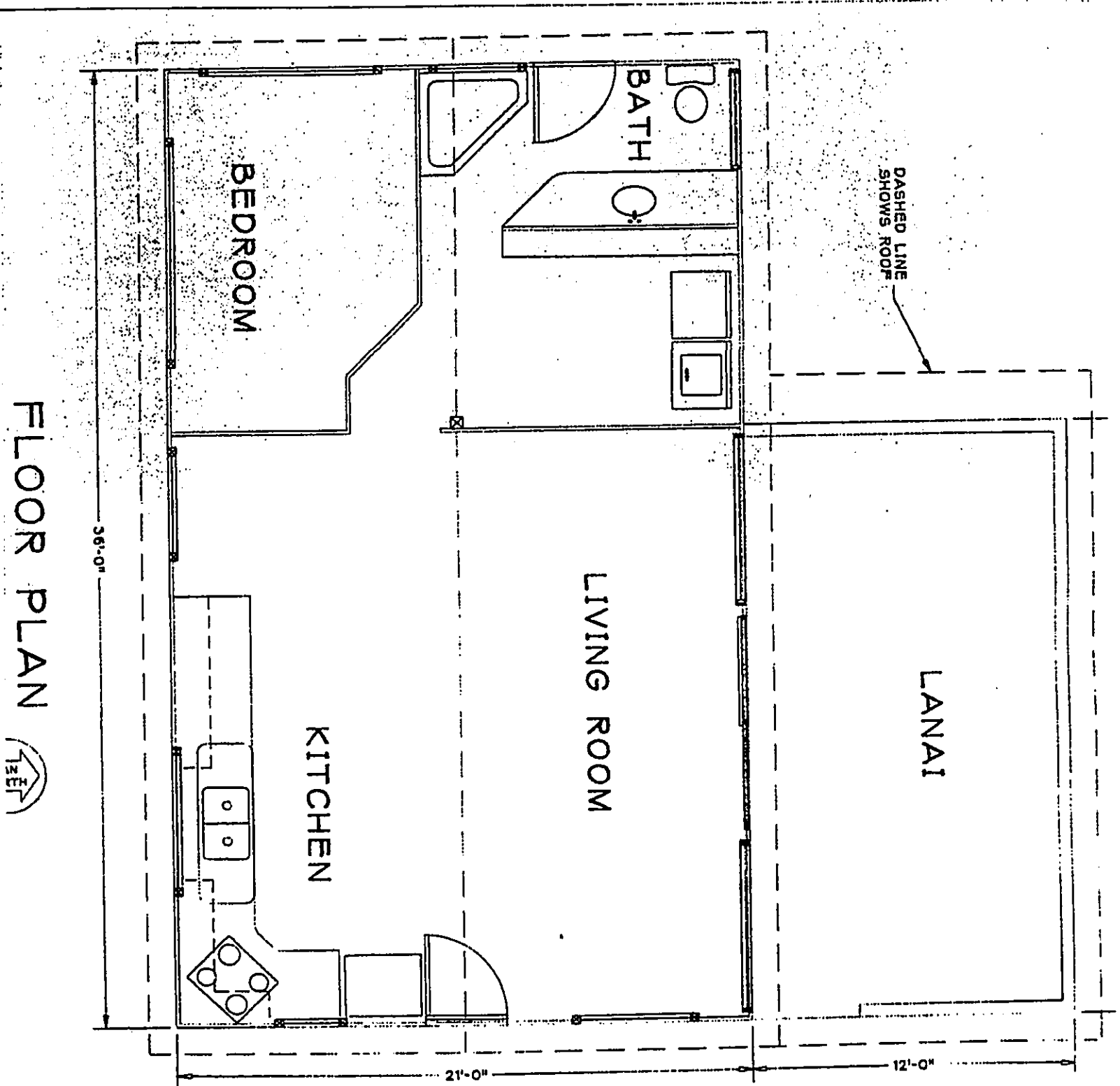
Gr. 4713
76.854 Ac.

Gr. (19.19 ac)

Gr. 4696
19.713 Ac.

4

Exhibit 5 - Detailed Map

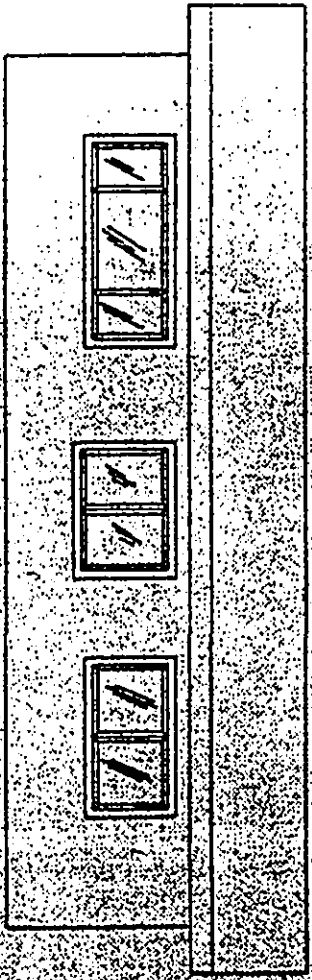


FLOOR PLAN

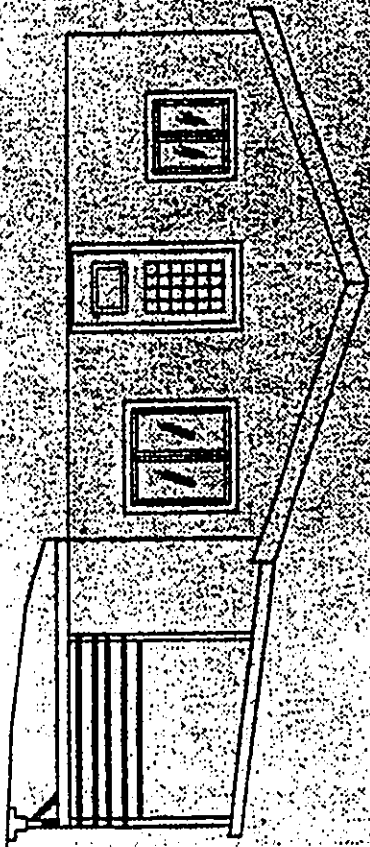


SHE 7-2 RE

Exhibit 6 - Floor Plan HAWKINS RESIDENCE

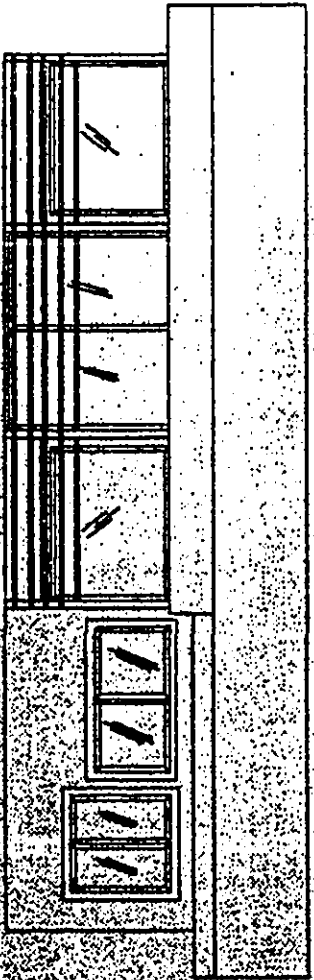


SOUTH ELEVATION

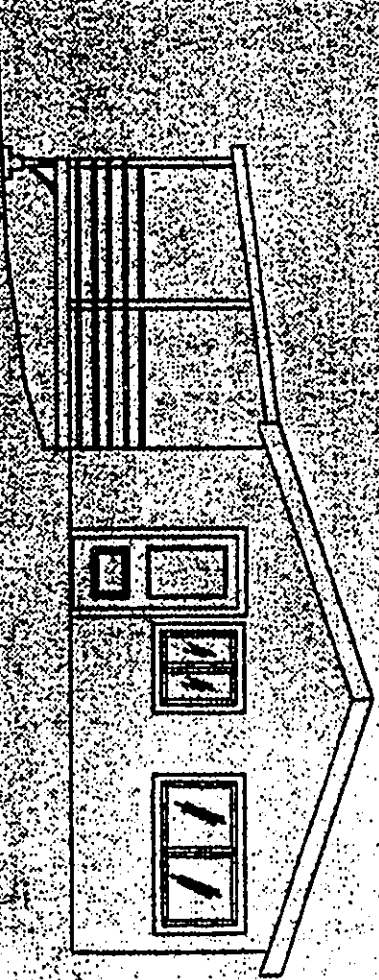


EAST ELEVATION

Exhibit 7-
Elevations



NORTH ELEVATION

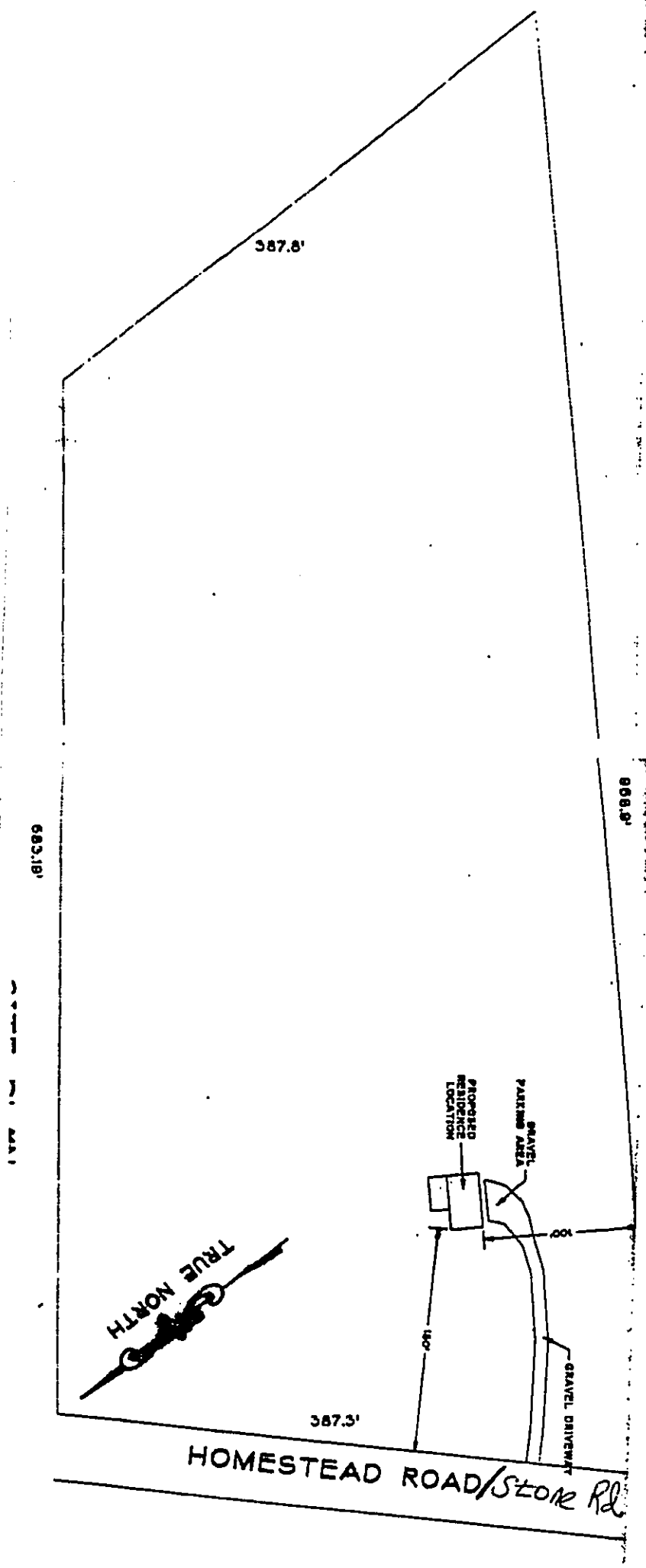


WEST ELEVATION

ELEVATIONS

1/21/11

Exhibit 8 - Site Plan



3-2-04:05, Lots 9A, 9B, 10
PRE-EXISTING LOT SUBDIVISION

R. G. ...
PLANNING DIRECTOR, COUNTY OF HAWAII

DATE: APR 28 1999

EXHIBIT B/H
Proposed plan of subdivision
Site plan of existing
in the vicinity of
Crimmins

22

Stone Road

Richard V. Pacheco

7-8

9-10

6

Stephen A. Stebner
and Katherine
11-76
Gr. 7863

Richard V. Pacheco
10.0 ac.

Gr. 656

752

S. Teramoto
19.0 ac.

Kalaeha Stream

21.00 ac.

LOT 10

34

5

27

19

31

13

12

Robert
N. Holt & wife
Elizabeth
L. - T/E - 1/2
Michael
Pacheco III
& wife Theresa
A. - T/E - 1/2

MICRO-WAVE
SITE

Gr. 4713
76.854 Ac.

Gr. (19.19 ac)

Gr. 4696
19.713 Ac.

4

5 - Detailed Map

List of vascular plant species found at TMK 3-2-4:45, Ninole-Piha Homesteads, North Hilo, Hawaii County. June 20, 2001.

ORGN = Origin (E = endemic, I = indigenous, P = Polynesian introduction, A = other alien).

LF = Life Form (T = tree, TF = tree fern, S = shrub, H = herb, G = grass or grass-like, F = fern, L = liana or vine);

WET = Wetland Indicator Status from National List (FWS 1988) (OBL = Obligate, FW = Facultative Wetland, F = Facultative, FU = Facultative Upland, NI = Not Indicator, NOL = Not on List).

Botanical Name Common Name	ORGN	LF	WET
<u>Andropogon virginicus</u> L. Broomsedge	A	G	FU
<u>Arundinia bambusifolia</u> (Roxb.) Lindl. bamboo orchid	A	H	FU
<u>Blechnum occidentale</u> L. Blechnum	A	F	UP
<u>Cibotium glaucum</u> (Sm.) H. & A. hapu'u	E	TF	F*
<u>Dicranopteris linearis</u> (Burm.) Underw. uluhe, false staghorn	I	F	FU
<u>Digitaria pentzii</u> Stent. pangolagrass	A	G	F
<u>Eucalyptus robusta</u> Sm. swamp mahogany	A	T	FU
<u>Lycopodium cernuum</u> L. wawae-'iole	I	F	F*
<u>Melastoma candidum</u> D. Don melastoma	A	S	FU
<u>Mimosa pudica</u> L. sensitive plant	A	S	FU

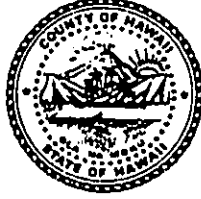
Exhibit 9 - Plant Species List

Botanical Name Common Name	ORGN	LF	WET
<u>Nephrolepis hirsutula</u> (Forst.) Presl swordfern	A	F	F
<u>Paspalum conjugatum</u> Berg. Hilo grass	A	G	F+
<u>Pleopeltis thunbergiana</u> Kaulf. pakahakaha	I	F	UP
<u>Psidium cattleianum</u> Sabine forma <u>lucidum</u> waiawi, yellow strawberry guava	A	T	F
<u>Psilotum nudum</u> (L.) Griseb. Moa	I	F	FU-
<u>Pycreus polystachyos</u> (Rottb.) P. Beauv. no common name	I	G	F
<u>Saciolepis indica</u> (L.) Chase Glenwoodgrass	A	G	F+
<u>Syzigium jambos</u> (L.) Alston rose apple	A	T	F
<u>Tritonia crocosmiflora</u> Nichols. montbretia	A	H	UP

The vegetation is a relatively uniform thicket of waiawi and melastoma trees up to 20 or 25 feet tall. The understory is a sparse cover of a few grass and fern species. Patches of uluhe with a few hapu'u encroach in a few areas at the edge of the property. The site appears to be well-drained; the vegetation contains no plants with wetland indicator status of Facultative Wetland or Obligate Wetland.

Exhibit 9 - Plant Species
LIST

Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-8742

July 6, 2001

Mr. Steven T. Hawkins
P.O. Box 344
Laupahoehoe, HI 96764

Dear Mr. Hawkins:

Subject: Request for Special Management Area (SMA) determination
TMK: 3-2-4: 45

This is to acknowledge your letter dated June 20, 2001 requesting a SMA determination for the above-referenced property.

Upon reviewing our maps, we find that the property is not located within the SMA.

Sincerely,

Handwritten signature of Christopher J. Yuen in cursive.

CHRISTOPHER J. YUEN
Planning Director

PF:pak
p:\wpwin60\czm\letters\LHawkins01.doc

Exhibit 10 - SMA determination

Harry Yada, Acting Administrator
Masa Alkire, Planning Branch
Department of Land & Natural Resources
Page 2
December 13, 2001

The County's General Plan indicates that the parcel has a dual land use designation of Intensive and Extensive Agriculture. Intensive agriculture designates land use for diversified agriculture, orchard, and floriculture activities; an extensive agriculture designation is for pasturage and range land use. The General Plan's land use designations are subject to the existing State and County zoning and as explained above, single family dwellings are a permitted land use in the County's agriculture zoned districts.

Thank you for this opportunity to comment on the above proposal. Please call Earl Lucero of my staff at 961-8288 if you have any questions.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

EML:cps
p:\wpwin60\CZM\Letters\LCDUA-HA-3069BHawkins

Appendix A - Comments

BENJAMIN J. CAYETANO
GOVERNOR



RECEIVED
LAND DIVISION

GENEVIEVE SALMONSON
DIRECTOR

2001 DEC 11 A 7 47

STATE OF HAWAII

OFFICE OF ENVIRONMENTAL QUALITY CONTROL
715 SOUTH KAPPAHUA STREET
SUITE 702
HONOLULU, HAWAII 96813
TELEPHONE (808) 536-4186
FACSIMILE (808) 536-4186

DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

December 7, 2001

Harry Yada, Acting Administrator
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96809

Attention: Masa Akire

Dear Mr. Yada:

Subject: Draft Environmental Assessment (EA) for Hawkins Single Family Residence,
Hamakua.

We have the following comments:

Permits and approvals: In the final EA list all required permits and approvals for this project and give the status of each.

Significance criteria: A discussion of two significance criteria listed in HIR 11-200-12 is missing from section 6.0 of the draft EA. In the final EA include an analysis of the following:

- Criterion # 2: Curtails the range of beneficial uses of the environment;
- Criterion # 13: Requires substantial energy consumption.

Figures:

- a. *Exhibit 7, "Elevations"*: What is the height of the proposed house? Please add a scale to this figure.
- b. *Exhibit 2A, Topographic map*: This figure also needs a scale. Without knowing the distances between contours it is impossible to determine how steep the slope is on the property. Please add this to the figure in the final EA.

Contacts: It is essential that you include copies of any correspondence with the Historic Preservation Division of DLNR, referenced in section 3.1.5. Document all other contacts in the final EA and include copies of any correspondence.

Appendix A - Comments

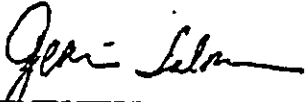
Harry Yada
December 7, 2001
Page 2

Wastewater: Include a discussion of how this will be handled. An approval from the Department of Health is required if you plan to use a septic system or cesspool.

Two-sided pages: In order to reduce bulk and save on paper, please consider printing on both sides of the pages in the final document.

If you have any questions, call Nancy Heinrich at 586-4185.

Sincerely,



GENEVIEVE SALMONSON
Director

c: Steven and Elizabeth Hawkins

Appendix A - Comments

BENJAMIN J. CAYETANO
GOVERNOR OF HAWAII



GILBERT S. COLOMA-AGARAN, CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

DEPUTIES
JANET E. KAWELO
LINNEL NISHIOKA

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

HISTORIC PRESERVATION DIVISION
Kakuhikawa Building, Room 555
501 Kamohala Boulevard
Kapele, Hawaii 96707

December 31, 2001

HAWAII HISTORIC PRESERVATION
DIVISION REVIEW

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND RESOURCES
ENFORCEMENT
CONVEYANCES
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
LAND
STATE PARKS

LOG NO.: 28884
DOC NO.: 0112PM10

Agency/Applicant: DLNR Land Division
Address: P.O. Box 621
Honolulu, HI 96809

Project: Conservation District Use Application [HA-3069B]—Steven and
Elizabeth Hawkins

Location: Ninole, North Hilo, Hawaii Island

TMK: 3/3-2-04:45

1. We believe there are no historic properties present because:

- a. intensive cultivation has altered the land
- b. residential development/urbanization has altered the land
- c. previous grubbing/grading has altered the land
- d. an acceptable archaeological assessment or inventory survey found no historic properties
- e. other:

2. This project has already gone through the historic preservation review process, and mitigation has been completed.

Thus, we believe that "no historic properties will be affected" by this undertaking.

Signed Patrick C. McCoy Date 12/31/01
Patrick C. McCoy
Hawaii Island Archaeologist

PM:amk

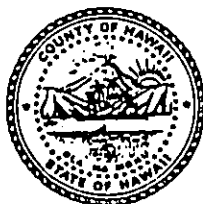
DEPARTMENT OF LAND & NATURAL RESOURCES
STATE OF HAWAII

2002 JAN -3 A 11:50

RECEIVED
LAND DIVISION

Appendix A - Comments

Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252
(808) 961-8288 • Fax (808) 961-8742

December 13, 2001

Harry Yada, Acting Administrator
Masa Alkire, Planning Branch
State of Hawaii
Department of Land & Natural Resources
Land Division
P.O. Box 621
Honolulu, HI 96809

DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

2001 DEC 17 A 10:53

RECEIVED
LAND DIVISION

Dear Mr. Yada & Mr. Alkire:

**CDU Application HA-3069B & Draft Environmental Assessment for
Steven & Gale Elizabeth Hawkins New SF Dwelling Development
TMK: 3-2-004:045, Piha Homestead, North Hilo, Hawaii Island**

Thank you for requesting our review and comment on the above CDUA and DEA. Generally, our comments pertain to any land use jurisdiction that Hawaii County may have in this parcel.

SMA Status: The letter from the Hawaii County Planning Director to Stephen T. Hawkins (July 6, 2001) previously confirmed that parcel 45 is not within the County's Special Management Area; and therefore, it is not subject to SMA compliance.

Land Use Issues. This property is in the State Conservation district where the land use jurisdiction is under the State. Although the department's TMK zoning maps show that parcel 45 is assigned a County agricultural (A-20a) zoning, the County has no land use authority in the State Conservation district. Single-family or farm dwellings and related accessory uses are permitted in the County's agricultural zoned areas.

Appendix A - Comments

**LNR-LAND DIVISION
ENGINEERING BRANCH**

COMMENTS

File: HA-3069B

Our current projects and programs are not affected by the proposed project.

For your information, the project site, according to FEMA Community Panel Number 155166 0625 C (Not printed), is located in Zone X. This is an area determined to be outside 500-year flood plain (Not shaded).

However, if further studies determined that the project site is within the flood zone, the project must comply with rules and regulations of the National Flood Insurance Program (NFIP) and all applicable County Flood Ordinances. If there are questions regarding the NFIP, please contact the State Coordinator, Sterling Yong, of the Department of Land and Natural Resources at 587-0248. If there are questions regarding flood ordinances, please contact applicable County representative.

2/8/02

Office of Environmental Quality Control,

This letter is in response to your comments regarding the Draft Environmental Assessment for Hawkins Single Family Residence.

Permits and approvals will be needed for the construction of the building, the water catchment tank, and the plumbing and electrical system. We have gathered all of the forms and information to proceed with these permits, but cannot move forward on any until this CDUA process has been completed.

As far as your concerns about section 6.0 of the draft EA and the need to address criteria 2 and 13 from HAR 11-200-12 we have made the following additions to the EA that will appear in the final EA.

12. The project does not curtail the range of beneficial uses of the environment. On the contrary, this project will create more beneficial uses of the environment. The proposed small house and yard will provide a living space for a small family who will caretake the environment and be actively involved in protecting and promoting the growth of the native species on the property.

13. This house project will not consume a great deal of energy. Being that the property has no electrical services to it, the house will be powered strictly by photovoltaic and wind energy gathering. The energy will be produced and consumed as part of a closed system that is clean and environmental toxin free.

The concerns you had regarding figures were addressed in the final EA. A scale has been added to the Elevations as well the Topographic Map.

The scale for Exhibit 7 Elevations is $1/8'' = 1' 0''$. The height of the house would be 12' high plus 2' - 3' of post and pier.

The scale for Exhibit 2 Topographical Map is $1'' = 2000'$

I have attached the correspondence I received from the Historic preservation Division which indicates that there are no historic properties on the property.

Wastewater will be handled in two ways. We will be using a composting toilet system, so there will be no wastewater there. For our gray water we are proposing to use a leech field for the gray water run off. We are in the process of understanding how the permitting goes for that.

We will be using two sided pages for our final EA.

Thank you for your comments,

Steven & Elizabeth Hawkins

Appendix B -
Response to Comments