

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
OBAYASHI HAWAII CORPORATION,)
a Hawaii corporation)
To Amend the Agricultural Land)
Use District Boundary into the)
Urban Land Use District for)
Approximately 57.3 Acres of land)
at Paumalu-Pupukea, Koolauloa,)
Oahu, State of Hawaii, TMK No.:)
5-9-06: por. 24)

Docket No. A93-700
FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND
DECISION AND ORDER

This is to certify that this is a true and correct
copy of the Decision and Order on file in the office
of the State Land Use Commission, Honolulu Hawaii.

OCT 26 1994 by *[Signature]*
Date Executive Officer

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CONCLUSIONS OF LAW, AND DECISION AND ORDER

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STATE OF HAWAII

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FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND DECISION AND ORDER

OBAYASHI HAWAII CORPORATION, a Hawaii corporation ("Petitioner"), filed a Petition for State Land Use District Boundary Amendment on November 26, 1993, and a First Amendment to Petition for State Land Use District Boundary Amendment on January 31, 1994, pursuant to chapter 205-4, Hawaii Revised Statutes ("HRS"), and chapter 15-15, Hawaii Administrative Rules ("HAR"), to amend the land use district boundary by reclassifying approximately 57.3 acres of land located at Paumalu-Pupukea, Koolauloa, Oahu, State of Hawaii, identified as TMK No.: 5-9-06: por. 24 ("Property"), from the Agricultural Land Use District to the Urban Land Use District.

The Land Use Commission ("Commission"), having heard and examined the testimony, evidence and argument of counsel presented during the hearing; Petitioner's Proposed Findings of Fact, Conclusions of Law, and Decision and Order; Intervenor

Kamuela Price's Proposed Findings of Fact, Conclusions of Law, and Decision and Order; Intervenor Maui Loa's Additional Proposed Findings of Fact; and the responses filed by Petitioner, Intervenor Kamuela Price, and the Office of State Planning thereto, hereby makes the following findings of fact, conclusions of law, and decision and order:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. Petitioner filed herein a Petition for State Land Use District Boundary Amendment on November 26, 1993, and filed a First Amendment to Petition for State Land Use District Boundary Amendment on January 31, 1994 (collectively referred to herein as "Petition").

2. Petitioner is Obayashi Hawaii Corporation, a Hawaii corporation, whose business and mailing address is 725 Kapiolani Boulevard, 4th Floor, Honolulu, Hawaii 96813.

3. A prehearing conference on the Petition was conducted on February 22, 1994, at the Old Federal Building, 335 Merchant Street, Conference Room 238, Honolulu, Hawaii.

4. On February 11, 1994, Kamuela Price, Walter R. Schoettle, Esq., Maui Loa, and the Church of Hawaii Nei filed a joint Petition to Intervene.

5. On February 24, 1994, and by a written Order dated March 9, 1994, the Commission granted the intervention of Kamuela Price and denied the intervention of Walter R. Schoettle, Esq., Maui Loa, and The Church of Hawaii Nei in this proceeding. The

Commission ordered that the scope of Kamuela Price's intervention be limited to any effect the proposed reclassification will have upon the value and safety of his property.

6. On March 8, 1994, Maui Loa filed a Motion for Reconsideration of Petition to Intervene ("Motion for Reconsideration") to seek reconsideration of the Commission's oral ruling of February 24, 1994 denying the intervention of Maui Loa. On March 23, 1994, and by a written Order dated May 6, 1994, the Commission granted Maui Loa's Motion for Reconsideration and allowed his intervention in this docket. The Commission limited the scope of Maui Loa's intervention to any effect the proposed reclassification would have upon his cultural and economic interest as a native Hawaiian.

7. On March 8, 1994, Intervenor Kamuela Price filed a Motion for Continuance of Hearing on Petition ("Motion for Continuance"). On March 23, 1994, and by a written Order dated May 6, 1994, the Commission denied the Motion for Continuance.

8. On March 9, 1994, the Commission issued its Order (Re: Submission of Exhibits and Identification of Witnesses) for this docket.

9. The Commission held a hearing on the Petition at the Kalanimoku Building, Conference Rooms 322 B and C, 1151 Punchbowl Street, Honolulu, Hawaii on March 23 and 24, 1994, pursuant to a public notice published in the Honolulu Star-Bulletin on January 28, 1994. The hearing on the Petition was continued on July 14, 15, and 28, 1994.

10. On March 23, 1994, the following individuals appeared and testified as public witnesses, without objection: Larry McElheny, Benjamin Hopkins, Fern Hayes, Paul Bradley, Houston Anderson, Mike Farrell, Mary Ellasos, Eno Plumley, Pae Galdeira, Peter Cole (testifying for himself and Dr. James Blattau), Bill Howes, Cora Majek, Scott Craycroft, Tom Lenchanko, James Awai, Eddie Rothman, Maile Kanemaru (testifying for Don Anderson, YMCA), Norm Thompson, Perfecto Oga, Marlu Oliphant, Jacob Ing, and Ken Newfield.

11. On March 23, 1994, the Commission entered into evidence, without objection, letters from Brendan Shea, Larry McElheny, Blake McElheny, Mr. & Mrs. Michael Germain, Jean-Pierre & Kristin Kirk, Benjamin Hopkins, Dennis S. Nakasone & Linda Liese-Nakasone, Janet Ashman, Toni Sickler, Diane Van Horn, Yukali Ohno, and a faxed petition of signatures.

12. On March 24, 1994, the Commission entered into evidence, without objection, letters from Don Anderson (Mililani YMCA), Roberts Leinau, Dr. James Blattau, and Rolf Esche.

13. Neither Intervenor Maui Loa nor his counsel, Walter R. Schoettle, were present during the March 24, 1994 hearing on this docket.

14. On July 14, 1994, the Commission entered into evidence, without objection, a letter with an illegible signature, and letters from Bill Howes, the Na Ala Hele Oahu Advisory Council, Jane Lauer, Ed and Doy Farwell, and Ruth Holmberg.

15. On July 14, 1994, the Commission took a field trip to the Property as well as the overall Project site.

16. On July 15, 1994, the following individuals appeared and testified as public witnesses, without objection: Larry McElheny and Sam Monet.

17. Neither Intervenor Maui Loa nor his counsel, Walter R. Schoettle, were present during the July 14, 15, 1994 continued hearing on this docket.

18. On July 28, 1994, the following individuals appeared and testified as public witnesses, without objection: Faith Craycroft, Barry Craycroft, David Williams, William Randall Rathburn, Tom Lenchanko, Susan Cortes (representing Representative Alex Santiago), Eddie Rothman, and Blake McElheny.

19. On July 28, 1994, the Commission entered into evidence, without objection, letters from Larry and Blake McElheny, Jim Blattau and Susan Cortes, Cora Majek, Phyllis P. Tate, and Chip and Mari Zane-Hartman.

DESCRIPTION OF THE PROPERTY

20. The 57.3-acre Property is located at Paumalu-Pupukea, Koolauloa, Oahu, State of Hawaii, identified by Tax Map Key No.: 5-9-06: por. 24. The Property is part of the larger 1,144-acre Lihi Lani Planned Development ("Project") located mauka of Kamehameha Highway in the Sunset Beach and Pupukea Highlands area of the North Shore of Oahu.

21. The Property consists of two non-contiguous parcels. The larger parcel ("Parcel 1") consists of

approximately 44.8 acres located in the middle of the overall Project. The smaller parcel ("Parcel 2") consists of approximately 12.5 acres and is located adjacent to Kamehameha Highway and Sunset Beach Elementary School.

22. The surrounding Sunset Beach-Pupukea-Waimea community is primarily a low to medium-density residential area with a few commercial and agricultural uses. To the northeast of the 1,144-acre Project site lies Paumalu Gulch, with vacant and grazing lands on the plateau north of the gulch. The COMSAT communication facilities are located near the makai edge of this plateau. Southeast of the Project site are the Pupukea Forest Reserve, the Girl Scouts' Camp Paumalu, and the Boy Scouts' Camp Pupukea. To the southwest are vacant lands in the Kalunawaikaala Gulch and the low-density, residential communities of Pupukea Highlands and Sunset Hills. Makai or northwest of the Project site are Kamehameha Highway and the coastal lowlands of Sunset Beach, consisting of medium-density residential development. The ocean is located approximately 400 to 500 feet makai of the Project site.

23. Petitioner Obayashi Hawaii Corporation is the authorized developer of the Property. The Property is owned in fee by Obayashi Corporation, a Japan Corporation, and parent company of Petitioner, who has consented to Petitioner Obayashi Hawaii's development of the Property and the filing of this Petition.

24. Parcel 1 has varied topography with elevations ranging from 520 to 700 feet mean sea level. Slopes are slight, moderate, and very steep ranging from 0 to 5%, 8 to 15%, and 25 to 35%. Parcel 2 ranges in elevation from 25 to 50 feet mean sea level. It has gentle slopes of approximately 5 to 10%. Both parcels are presently vacant land. Previous uses on the Property have included grazing and pineapple and avocado cultivation.

25. According to the U.S. Department of Agriculture, Soil Conservation Service (1972) soil survey for the State of Hawaii, soil types found on Parcel 1 include Paumalu silty clay (PeC and PeB) and Manana silty clay (MpC and MpD). Kaena silty clay (KaeC), Waialua silty clay (WkA, WkB), and Kaena stony clay (KanE) are the soil types found on Parcel 2.

26. Parcel 1 has a Land Study Bureau soil classification of B121 and C22. The lands are rated as prime (B121) and marginal (C22) agricultural importance. Parcel 2 has a Land Study Bureau soil classification of D124 and E104. These lands are rated as having very little agricultural importance.

27. The Agricultural Lands of Importance to the State of Hawaii ("ALISH") classification system designates the soils on the Property as Prime Agricultural Land and Other Important Agricultural Land. The remaining soils on the Property are unclassified.

28. Rainfall has been recorded by the Hawaii Sugar Planters Association at the Pupukea Farm State Weather Station. The median annual rainfall at this station is 51.7 inches. The

distribution is uneven and varies from month to month, heavy at some times and non-existent at others.

29. According to the Federal Emergency Management Agency's Flood Insurance Rate Map, Parcel 1 is within Zone D - areas in which flood hazards are undetermined and Parcel 2 is within Zone X - areas determined to be outside the 500-year floodplain.

PROPOSAL FOR RECLASSIFICATION

30. Petitioner proposes to develop the Property as part of a larger residential community. Proposed uses on the Property include 50 on-site Single Family Affordable Homes; 80 Elderly Rental Affordable Housing units; a Community Facility, comprised of a YMCA (10,000 sq. ft. multi-purpose community meeting and recreational center, including childcare facilities), a combined soccer/baseball field, volleyball courts and landscaped barbecue/picnic area, and a 25-meter swimming pool; a 10.8-acre open space buffer area; and a Water Reclamation Facility. The rest of the Project, which is proposed to remain in the Agricultural Land Use District, will include an equestrian ranch; a campground; a horse pasture; riding and hiking trails; a diversified agricultural plan; 315 one-acre minimum country lots; and a commitment to provide a monetary contribution towards the development of up to 50 additional off-site affordable units by the City and County of Honolulu. Supporting facilities will include roadways and utilities including a dual water system.

31. The 57.3-acre Property was part of a previous petition under Docket No. A88-629, filed on September 9, 1988 by Petitioner. Petitioner requested reclassification of 813.6 acres from the Agricultural District to the Urban District for the development of the Lihi Lani Recreational Community consisting of 160 "country-estate" lots, two 18-hole golf courses, a golf driving range, a clubhouse, an equestrian ranch, a tennis center, and a helipad. The petition was withdrawn by Petitioner in February 1989 to allow for additional community involvement to plan for the Project. The current proposal is the result of the additional community input and planning.

32. Parcel 1 is the site of the proposed Single Family Affordable Housing and the Water Reclamation Facility. Parcel 2 is the site of the Community Facility and the Elderly Rental Affordable Housing units.

33. The 50 Single Family Affordable Homes to be developed on Parcel 1 will have a minimum lot size of 5,000 sq. ft. Petitioner intends to price these homes to correspond with the City and County of Honolulu and the State of Hawaii standards for families earning incomes between 100 to 120% of Oahu's Median Family Income for a family of four, or approximately \$170,000 to \$210,000 (1993 dollars). Pricing will be finalized with the City Department of Housing and Community Development and the Honolulu City Council during the zoning process.

34. The construction cost for the on-site Single Family Affordable Housing units is estimated to be \$130,600 per unit or

\$6.5 million for 50 units. This cost consists of: 1) the building construction; 2) the grading and site work; and 3) the costs for the roadway, potable water system, wastewater collection system, utility lines, landscaping, and drainage facilities within the affordable housing site.

35. The Water Reclamation Facility, also to be located on Parcel 1, will use approximately 24 acres. The Facility will serve the entire proposed 1,144-acre Project. The treatment system is composed of facultative stabilization ponds with constructed wetlands and polishing cells, and will produce advanced secondary level treated effluent following filtration and ultraviolet light disinfection. The reclaimed water from the Water Reclamation Facility is planned to be combined with brackish water derived from on-site wells for use in the irrigation of agricultural lands.

36. The cost of development of the Water Reclamation Facility is estimated at \$24.6 million. This includes the wastewater collection transmission system from areas which will generate wastewater including the single family and country lot homes, the ranch facilities, campground, elderly apartments, YMCA, park facilities, and the Water Reclamation Facility on Parcel 1. The total cost includes an approximate \$0.9 million cost associated with the Parcel 2 makai development of the YMCA and Elderly Housing which will involve pumping of wastewater and trucking of solids to the mauka located Water Reclamation Facility.

37. The Community Facility to be developed on Parcel 2 will occupy about 6.5 acres. The YMCA has expressed a willingness to create and operate a YMCA facility on the site. The YMCA will serve the North Shore community's need for public meeting facilities, community programs, child care programs, and a variety of recreational activities.

38. The estimated on-site development costs of the Community Facility is approximately \$6 million. Petitioner will participate in the development by providing the land and up to \$4.7 million, including infrastructure development costs and funds toward facility development. The remaining development costs of approximately \$1.3 million will be paid by the YMCA. Infrastructure development cost is estimated to be approximately \$1.7 million.

39. Petitioner will dedicate approximately six acres within Parcel 2 to the City and County of Honolulu for the development of the 80-unit Elderly Rental Affordable Housing, which is to be patterned after the Manoa Gardens project. It will be developed and operated by the City Department of Housing and Community Development. The rentals will consist of eight buildings, with 10 rental units each. There will be common garden plot areas and a central meeting facility.

40. In addition to dedicating an approximately six-acre parcel to the City and County of Honolulu for the development of the Elderly Rental Affordable Housing, Petitioner has also represented that it will provide infrastructure connections

(road, water, sewer, and electricity) to the site and perform the grading of the site. The City and County of Honolulu will be responsible for all on-site infrastructure requirements. The value of the land together with the infrastructure provided to the site is estimated to be \$2.78 million. The construction cost of the Elderly Rental Affordable Housing is estimated to be \$10 million.

41. Petitioner has represented that the Single Family Affordable Homes, Water Reclamation Facility, Community Facility, and Elderly Rental Affordable Housing site will be developed during Phase I of Petitioner's construction phasing plan (1996-1998). Initial occupancy of the affordable homes is expected in 1999, at which time the Water Reclamation Facility and Community Facility will also be completed and operating. Since the City and County of Honolulu will construct the Elderly Rental Affordable Housing units, the City will determine the construction timetable for this portion of the proposed development. Development of the remaining components of the Project will be undertaken during subsequent phases through the year 2008.

PETITIONER'S FINANCIAL CAPABILITY
TO UNDERTAKE THE PROPOSED DEVELOPMENT

42. Petitioner has indicated that the Project may be funded completely by Obayashi Corporation or its subsidiaries, however, Petitioner may seek outside financing depending upon changes in the financial market.

43. Petitioner's financial statements as of March 31, 1993, reflect a net income for 1992 of approximately \$1,958,318 and as of March 31, 1993, total assets of \$35,094,545 and total shareholders' equity of \$9,587,350. Obayashi Corporation's financial statements as of March 31, 1993, reflect a net income of approximately \$181,069,000 and as of March 31, 1993, total combined assets of \$21,932,241,000 and total shareholders' equity of \$2,418,000,000.

STATE AND COUNTY PLANS AND PROGRAMS

44. The Property is currently classified within the State Land Use Agricultural District as reflected on the Commission's official map, O-3 (Waimea).

45. The City and County of Honolulu's Development Plan Land Use Map for the North Shore designates Parcel 1 as Agriculture and Park/Golf Course and Parcel 2 as Agriculture and Park. Zoning for the Property is AG-2, General Agriculture.

46. Parcel 2 is within the City and County of Honolulu Special Management Area.

NEED FOR THE PROPOSED DEVELOPMENT

47. The proposed development on the Property will increase housing choices for low-income and moderate-income households and provide extensive recreational opportunities on Oahu's North Shore. Petitioner completed a market assessment and addendum for the Single Family Affordable Housing, Elderly Rental Affordable Housing, Community Facility, and Water Reclamation Facility.

48. There will be a demand for 27,000 housing units on Oahu by the year 2000 based on Oahu's growth in households. This will be composed in part of a demand for approximately 5,100 affordable housing units. Approximately 25,500 housing units are estimated to be completed on Oahu with the majority in the 1995-1999 time period, leaving a shortage of approximately 1,500 housing units. Based on the Kuilima Resort Socio-Economic Needs Assessment Study (Community Resources, Inc. 1990), overcrowding of residential units in the local community, along with high prices and rents for homes, demonstrate the need for affordable housing in the North Shore area.

49. The majority of offerings of affordable single family units have met with long wait lists and are usually sold in a matter of weeks. The Single Family Affordable Units are expected to be readily absorbed as they are offered.

50. Petitioner surveyed 10 public and private elderly rental developments on Oahu and found that occupancy rates generally range from 95 to 100%. There are three existing elderly rental projects in the North Shore area which have lengthy wait lists ranging from one to two years. A pent-up demand, as indicated by the wait lists, and a growing elderly population on Oahu, indicate a continued need for such projects.

The Elderly Rental Affordable Housing will provide 80 additional units in the North Shore area.

51. Petitioner's estimated demand for the 1,000-member Community Facility proposed for the Project is based on the

experience of similar YMCA facilities throughout Oahu. Size of membership at various community facilities vary according to the number of households residing within the community and income levels of the surrounding neighborhood. The ratio of YMCA members per household range from 0.11 to 0.41 and average about 0.23 members per household. Based upon the number of households in the North Shore and a conservative participation rate of 0.15 members per household, a YMCA facility of about 1,300 members could be supported.

52. Since the Project will not be serviced by the City and County of Honolulu's sewer maintenance service, all wastewater treatment must be done on-site. Therefore, the demand for the Water Reclamation Facility will be generated by the proposed uses on the Property as well as on the Project site.

ECONOMIC IMPACTS

53. The employment for the construction of the on-site Single Family Affordable Housing, Elderly Rental Affordable Housing, Community Facility, and Water Reclamation Facility includes man-power for direct construction as well as for infrastructure work and could create an estimated 340 direct full-time equivalent construction positions.

Indirect and induced employment for the on-site Single Family Affordable Housing, Elderly Rental Affordable Housing, Community Facility, and Water Reclamation Facility will total about 265 full-time equivalent positions. The total direct,

indirect, and induced employment due to construction is estimated to be about 600 full-time positions.

54. New County revenues attributed to the Community Facility are expected to be minimal. The proposed facility is expected to be owned and operated by the YMCA of Honolulu and the non-profit organization would be exempt from real property taxes except for a minimum charge of \$100 annually.

State revenues due to the Community Facility, however, would include general excise tax collections on direct, indirect, and induced construction expenditures. Construction of the Community Facility, including its associated infrastructure, is projected to generate about \$90,250 in additional State revenues during the first three years. During the same time period, indirect and induced spending is expected to generate an additional \$53,250 in general excise taxes. Total new State revenues attributable to the Community Facility is estimated to be about \$143,500 during each of the first three years of development.

SOCIAL IMPACTS

55. The Project will build out slowly over time and is designed to fit with North Shore lifestyles and to enhance community life and recreation. The overall Project plan provides new housing opportunities in the area, including affordable, country lot, and elderly housing. It will provide recreational facilities for North Shore residents, including activities and classes at the YMCA facility.

IMPACTS UPON RESOURCES OF THE AREA

Agricultural Resources

56. According to the ALISH classification system, the Property and Project site contain Prime, Other Agricultural lands, and lands that are unclassified. The 24 acres of prime agricultural land affected by the development of the Water Reclamation Facility are not expected to constitute a significant loss of agricultural lands on Oahu. Current agricultural use of the Project site is limited to horse grazing.

57. Agriculture is an integral part of Petitioner's overall Project. Each of the 315 Country lots will have a 6,000 sq. ft. agricultural easement. The location of the easements on each lot will be such that they will be contiguous and connect with the common areas. The land within the agricultural easement and in the larger common areas will be leased to agricultural businesses.

58. Agricultural use on the agricultural easements will focus on field stock nursery trees. Field stock trees are grown to a marketable size and then sold as part of the landscaping materials to be transplanted to a new permanent site. Due to high land costs and lack of usable area with adequate water supply, there is demand on Oahu for sites to grow field stock trees. Because Petitioner will have the infrastructure in place to supply water for irrigation and Petitioner will lease land at reasonable rates to nursery operators to grow field stock trees, agricultural activities will be feasible on the Project. The

proceeds of the lease rent for agricultural easements supporting field stock trees will be used by the Homeowners Association at the Project to offset maintenance costs typically assessed through Association fees.

59. The State Department of Agriculture ("DOA") has recognized the agricultural component of the Project as an innovative approach to combining residential and agricultural uses of the Project site. The DOA found that the agricultural component of the Project is progressive and clearer in agricultural intent than most standard agricultural subdivision proposals.

Flora and Fauna

60. Petitioner has conducted flora and fauna studies for the Project site. The general vegetation for the Project site was found to be a complex of secondary forest consisting of nine broad vegetation communities. These communities are, Casuarina Forest, Eucalyptus Forest, Waltheria Herbland, Grassland, Psidium Clidemia Gulch Association, Schinus Brush, Psidium Gulch Association, Mixed Gulch Association, and Lowland Wasteland. Several native species were found with Huehue, 'akia, 'Ulei, and pala'a found in significant numbers. Four Koolau Eugenia (Eugenia koolauensis) trees, which have been listed by the United States Fish and Wildlife Service as an endangered species, were found on State property just mauka of the upper boundary site. These trees are currently the only specimens known to exist.

61. Vegetation clearing eventually required for the Project will be approximately 400+ acres of Casuarina Forest, Waltheria Herbland, and Schinus Brush. These communities consist of exotic species. Petitioner will incorporate native trees and plants into the Project landscaping thus increasing the amounts of native vegetation. Petitioner is working with the Department of Land and Natural Resources ("DLNR"), Division of Forestry and Wildlife, to establish a cooperative management program to protect the endangered Koolau Eugenia. Development of the Property and Project is not anticipated to have an adverse impact on these endangered plants.

62. The Project site contains a variety of wildlife habitat consisting of introduced or indigenous species. Common species found include the Red-vented Bulbul, Japanese White-eye, Zebra Dove, house mouse, various rat species, and the Indian mongoose. No threatened or endangered wildlife species were found on the Project site.

Archaeological/Historical Resources

63. Petitioner conducted an archaeological survey of the Project site which recorded 54 previously unrecorded archaeological sites. Feature types include terrace, retaining wall, free standing wall, rockshelter, cave, pavement, enclosure, masonry, wood, and metal construction. Sixteen sites will be directly affected by the development of the Project. The Property contains four sites which will be affected; all are on Parcel 2. Significant sites will undergo data recovery or be

preserved following the DLNR, Historic Preservation Division ("DLNR-HPD"), recommendations. A detailed mitigative plan for data recovery and site preservation will be submitted to the DLNR-HPD for review and approval.

64. Thirteen burials, all being substantially disturbed by looting and rock fall, were recorded at five different locations. Petitioner's archaeological consultant has prepared a draft burial plan recommending that the burials be preserved in place. This plan is currently being reviewed by the DLNR-HPD. One of these sites may be affected by the proposed access road. A final determination regarding the impact on this site will be made during the detailed engineering design process. If this site cannot be avoided, then appropriate measures will be taken to relocate these remains to an on-site location following direction of the DLNR-HPD and the Oahu Burial Council. The Project will not cause substantial adverse impact to archaeological resources within the area.

Groundwater Resources

65. The Kawaiiloa Aquifer System, which lies under the Project, consists of a thin basal lens of fresh to brackish water. Groundwater levels are between two and four feet above mean sea level. The Paumalu-Pupukea portion of the Kawaiiloa Aquifer System is unconfined and open at the coast which allows for the lens to discharge freshwater into the ocean.

66. Petitioner has proposed to use brackish water from wells developed on-site, reclaimed water produced by the Water

Reclamation Facility, and some potable water for Project irrigation.

67. Fertilizers and pesticides will be used for agricultural and common areas. Petitioner has represented that an integrated pest management program will be implemented to minimize the frequency and amount of pesticides being used.

68. Salinity intrusion caused by pumping of the on-site wells and percolating irrigation return water picking up dissolved constituents are potential impacts to the groundwater resources. Based on Petitioner's computer modeling, pumping the on-site wells at their proposed rate is unlikely to cause salinity intrusion. As a precautionary measure to protect against adverse effects to groundwater quality, Petitioner will install and maintain monitoring devices as required by the State Department of Health ("DOH"). The existing on-site brackish wells could also act as monitoring wells for the water reclamation areas. Periodic testing of groundwater samples will be undertaken to assess the quality of the groundwater aquifer. Should adverse parameter levels be detected in groundwater which are a result of the Project's operations, measures will be taken immediately to eliminate the source of the contaminants. Petitioner's monitoring devices and mitigation measures will minimize adverse impacts on the quality of groundwater resources.

Recreational Resources

69. The beaches and ocean are a major recreational attraction in this area of Oahu. The Community Facility will

provide additional and diverse opportunities for both active and passive recreational activities that will be open to the public, such as baseball, soccer, martial arts, exercise and fitness classes, dancing, and arts and crafts. The YMCA will set its own fees for use of its facilities. The other components of the Project will provide additional recreational activities such as horseback riding, camping, and hiking.

Scenic/Visual Resources

70. Current views of the Project are from Kamehameha Highway and along the adjacent subdivisions. They consist of wooded coastal bluff ridge areas and stream gulches. The Project site lies within the North Shore Viewshed as defined by the City and County of Honolulu, Department of Land Utilization report Coastal View Study. The coastal bluff is considered an "important coastal land form."

71. Impacts to the view will be most pronounced in the lower portion of the Project and on Parcel 2 with the construction of the Community Facility, Elderly Rental Affordable Housing, and the building of the Project access road. Landscaping, setbacks, and facilities design will help to minimize impact to mauka views. Houses constructed on the Property above the bluffs will be placed such that setbacks, community design standards including building height and location, and landscaping will minimize mauka visual impacts.

Marine Resources and Ocean Water Quality

72. Petitioner has conducted baseline and follow-up studies on marine resources and ocean water quality of coastal waters near the Project. These studies were conducted to develop a comprehensive qualitative and quantitative description of existing water chemistry and marine resources prior to construction in order to evaluate and measure possible changes that might occur due to construction and operation of the Project. Petitioner will continue subsequent follow-up studies for the continued monitoring of marine resources and ocean water quality.

73. The Project will create some minor inputs to the marine environment in the form of small amounts of dissolved chemicals and suspended particles within storm water runoff and groundwater. However, because of the system of detention basins, input of all constituents except phosphate will decrease compared to the present situation. Some projections indicate that there may be a small increase in phosphate loading during storm events. This increase will not have a negative impact on the marine environment.

74. Several mitigative measures will be employed by Petitioner to minimize the effects of the Project on the marine environment. These measures include erosion controls, integrated pest management, and marine environment monitoring.

ENVIRONMENTAL QUALITY

Noise

75. Ambient noise conditions at the Project site are generally quiet due to its rural setting. The mean ambient noise level from locations surrounding the Project site ranged from 38 to 45 dBA ("A" weighted decibel unit). Traffic noise on the Project site 170 feet mauka from the center of Kamehameha Highway has an ambient noise level measurement of 53 dBA.

76. Short-term impacts will be related to noise from construction activity. The Sunset Beach Elementary School is located adjacent to Phase I of the Project. Petitioner will implement a noise mitigation plan to mitigate construction noise effects on the learning environment at Sunset Beach Elementary School. Petitioner's compliance with the DOH noise regulations will mitigate this noise to acceptable levels. Measures which may be taken by Petitioner to control noise as well as dust during construction include: blasting during non-school hours, blasting when school is not in session, and the installation of air conditioners at school. Long-term impacts will be increased noise due to the character of a residential community with areas for public recreation. No significant noise from the Project is anticipated with the exception of group activities occurring at the Community Facility. In order to minimize noise impacts, Petitioner will provide adequate setback distances for the Community Facility. It is not anticipated that the Project will create any significant adverse noise impacts.

Air Quality

77. Air quality in the area is primarily affected by air pollutants from natural and vehicular sources. Short-term impacts from fugitive dust generation, on-site emissions from construction equipment, and off-site emissions are directly related to Project development. Long-term potential impacts are directly related to increased vehicular traffic along the Project roadways and use of pesticides. Increased levels of carbon monoxide will be within State and Federal standards.

78. Several additional mitigation measures will be implemented by Petitioner to minimize potential air quality impacts. These measures include: 1) a watering program to keep bare dirt areas from becoming dust generators during construction; 2) roadway improvements to move traffic efficiently through the Project areas; and 3) pesticide application controls to prevent significant downwind drift. These mitigation measures will ensure that there will be no significant air quality impacts from the Project.

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Highway and Roadway Service

79. Kamehameha Highway is the major roadway providing access to the Project and the North Shore Region. It is a State-maintained highway with a 50-foot wide right-of-way and 22-foot wide pavement consisting of one 11-foot wide lane in each direction. Petitioner will construct and maintain the internal roadway system of the Project.

80. Kamehameha Highway currently experiences congested operating conditions (Level of Service D/E) at the intersections at Pupukea Road and the Sunset Elementary School driveway during weekend peak hour traffic periods. Future traffic conditions are expected to worsen without the Project, due to the growth of ambient traffic. Project development will increase traffic volume at full build-out from 5 to 8% over anticipated future traffic conditions, with the remaining 92 to 95% increase due to ambient traffic and new regional development traffic. The Project's impact on the Level of Service along Kamehameha Highway is expected to be minimal.

81. Petitioner proposes the construction of a left turn storage lane on the highway to allow for continuous through-traffic flow, construction of turning lanes into and out of the Project access road, periodically conducting a signal warrant study, installation of a traffic signal if required, and sensitive timing and phasing on construction traffic movements to mitigate traffic impacts.

82. The Project will have a small impact on traffic conditions on Kamehameha Highway. The major contribution to traffic along Kamehameha Highway will be island-wide traffic growth, other developments, and local highway traffic. The increase of traffic volumes will likely create the need for improvements to the existing roadway facilities by the year 2008. These improvements to accommodate future traffic volumes will be needed with or without the Project.

Water Service

83. The Project will be serviced by a dual water system, developed by Petitioner, consisting of potable water for domestic consumption and non-potable water for irrigation. Potable water will be drawn from two Board of Water Supply ("BWS") systems: the Pupukea-Waiialua and Sunset Beach-Kawela systems. Non-potable water will consist of brackish and reclaimed water. Two on-site brackish wells have been developed on the Project site with each having the capacity to pump up to 0.5 million gallons per day ("MGD"). These wells have been temporarily capped. The Water Reclamation Facility will provide 0.180 MGD of reclaimed water for agricultural irrigation.

84. At full development, the Project will require approximately 0.245 MGD of potable water from the BWS Pupukea-Waiialua and Sunset Beach-Kawela systems. The Pupukea-Waiialua system will service Parcel 1 and all areas on the bluff while development on Parcel 2 will draw water from the Sunset Beach-Kawela system.

85. Water for the Pupukea-Waiialua System is drawn from Waiialua and Haleiwa wells which are located in the Waiialua Water Management Area. Groundwater withdrawn from these wells is allocated by the State Commission on Water Resource Management. The current allocation to the BWS from these wells is 2.73 MGD; however, they have future commitments to 2.94 MGD. Thus the BWS must receive permission for additional allocation of groundwater for future commitments. Petitioner has existing water storage

and transmission credits of approximately 0.485 MGD due to its participation in the development of the BWS Pupukea Highlands water systems.

86. Non-potable water will be provided by separate systems, one for brackish water and the other for reclaimed water. These systems will be privately maintained. The brackish water system will utilize the two wells drilled on the Project site consisting of a transmission system and two 0.1 MGD irrigation tanks. Brackish water will be used for irrigation of the Country lots. Hose bib connections will not be permitted to any part of this distribution system. The reclaimed water system will distribute treated effluent from the Water Reclamation Facility. Reclaimed water will be used for irrigation of ranch lands, pasture, and agroforestry areas of the Project.

87. Depending on potable water source limitations, Petitioner will participate with the BWS in drilling wells off-site at Waialua or Haleiwa, or be assessed a facility charge. Petitioner's utilization of water supply facilities is not anticipated to cause substantial adverse impacts.

Wastewater Treatment and Disposal

88. There is no area-wide public wastewater collection and treatment system serving Oahu's North Shore. To handle the Project's wastewater needs, Petitioner will build an on-site Water Reclamation Facility on Parcel 1. The Facility will use facultative stabilization ponds and constructed wetlands to provide advanced secondary wastewater treatment which will then

be filtered and disinfected with ultraviolet light. The wastewater effluent will be treated to the level of "R-1 water (virtually pathogen free reclaimed water)." The reclaimed water will be utilized for irrigation of certain agricultural areas on the Project site. Because the reclaimed water will be used for irrigation, the system avoids the need for any ocean outfall. The perimeter of the Facility will be bermed to prevent surface runoff from entering the ponds. There will be a 10.8-acre buffer area between the Facility and the Single Family Affordable Homes.

89. Intervenor Price has expressed concerns regarding the reliability of the pumping component of the wastewater system.

90. The wastewater system serving the lowlands will use a force main which will pump wastewater up the access road to the Facility. There are numerous safeguards in place to protect against a system failure and wastewater spill. Should there be a power failure, back-up power supply will be available at each pump station to continue the operation of the system without interruption. There is also a back-up pump at each pump station in case of pump failure. Each pump station has a vault which is capable of handling a minimum of eight hours of flow should there be a pump failure. With all these measures in place, there is little potential for a system failure.

91. Intervenor Price has expressed concerns regarding the possibility of an overflow from the Facility.

92. The Facility can hold effluent for up to 58 days without disposal during dry conditions, and for up to 35 days during periods of high rainfall, which is more than double the requirement of the DOH for storage capacity. Because of the Facility's holding capacity, it is unlikely that there will be an overflow from this system.

93. Additional back-up and emergency measures will be taken with the wastewater treatment and disposal to ensure safety during any mechanical or electrical failure. Back-up features include: 1) Alarms and telemetering installed at the Facility to provide warnings to indicate high/low liquid level conditions, equipment malfunction, and other emergency conditions. Signals will be transferred through telephone lines by telemetry to the homes of key maintenance personnel as an additional safety measure during non-working hours; and 2) Alarms installed at each pumping station indicating high/low liquid level conditions, equipment malfunction, and other emergency conditions. The effluent will be regularly tested to meet the DOH criteria for water reclamation.

94. The Water Reclamation Facility will address the concerns of safe effluent disposal and will utilize reclaimed water for a beneficial use.

Drainage

95. Petitioner's consultant, Engineering Concepts, Incorporated, prepared a storm drainage plan dated September 1993. There are currently no drainage improvements on the

Project site. Three well-defined watersheds traverse the Project site: Paumalu Stream Watershed, Pakulena Stream Watershed, and Kalunawaikaala Stream Watershed. Each of the defined watersheds has an associated culvert on Kamehameha Highway which allows drainage into coastal waters. Additionally, overland flow from the low-lying coastal and bluff area collects in low areas and then dissipates by percolation into the ground.

96. A series of approximately 40 detention/retention basins, totaling approximately 162 acre-feet of storage, will be developed to accommodate storm runoff. As compared to existing conditions, Petitioner has represented that the Project will create the same or less runoff volume and the same or less runoff rates to the affected watersheds. Detention features and drywells will be provided in the low-lying areas adjacent to Kamehameha Highway, in order to mitigate any on-site increase in peak runoff flows resulting from the construction of the access road to the Project.

97. Petitioner's consultant estimated runoff volumes for three storm events: 2-year/24-hour storm, 10-year/24-hour storm, and 100-year/24-hour storm. With the proposed drainage improvements, there will be a decrease in storm runoff of 15.6, 8.8, and 4.3% respectively. An increase in phosphorus, 3.9 and 9.3%, may occur in the 10 and 100-year storm while a decrease in nitrogen and sediment loading is anticipated. The most critical period for sediment loss would be in the initial construction

phase which includes the internal road system and the Water Reclamation Facility.

98. Intervenor Price has expressed concerns regarding runoff and erosion on the Project site during construction.

99. The construction phase is when there is the greatest potential for erosion and runoff. For this reason, the construction plan includes mitigation measures to minimize the impact of erosion and runoff during construction including, but not limited to: temporary grassing, berms, detention basins, temporary soil siltation traps, and interceptor ditches. No adverse impacts to off-site properties are anticipated to result from the construction of the Project due to the planned erosion and silt runoff control measures.

100. The overall soil erosion potential of the Property and Project site is expected to decrease by approximately 22% after development due to the reduction of erodible surfaces.

Solid Waste Disposal

101. Full development of the Project will generate approximately two to three tons of solid waste per day. The proposed uses on the Property will generate approximately 895 to 1,556 pounds of solid waste daily. A private contractor will haul and dispose of the solid waste at public and private landfills unless public disposal service is available. Cleared trees will be mulched for reuse within the Project.

Schools

102. The Sunset Beach Elementary School (grades kindergarten to six) is located adjacent to the makai portion of the Project site. Kahuku High and Intermediate School (grades seven to 12) are located about eight miles from the Project.

103. New enrollments for the area schools will increase gradually over time. By 1996, the Project could house a total of 22 students in the Department of Education ("DOE") schools. By 2000, the total could reach 40 students. By 2010, the student population living at the Project site could reach 107.

104. At full buildout, it is estimated that the Project will increase public school enrollments by up to 92 students in grades kindergarten to six, 23 in grades seven and eight, and 39 students in grades nine to 12. The sustained enrollment impact of the 50 affordable homes is 20 students in grades kindergarten to six, 6 students in grades seven and eight, and 10 students in grades nine to 12. At full development, the added enrollment at Sunset Beach Elementary School could increase by 20% as a result of the Project. The current facilities may not be sufficient to accommodate the added enrollment. Kahuku High and Intermediate School is operating at above capacity, and the additional students added by the Project could increase enrollment by 3.5%. Petitioner is currently working with the DOE to address potential school impacts.

105. Petitioner will contribute \$2,000 per Country lot sold to an Educational Trust Fund for scholarship and schools.

The fund will ultimately contain \$630,000. Subject to Petitioner's discussion with the DOE, Petitioner may use a portion of the Fund as part of its fair share contribution to the DOE.

Police and Fire Protection

106. Police protection is provided by the Honolulu Police Department in Wahiawa. The development will be served by a private security force, eliminating the need for expanded patrols from the Honolulu Police Department. The Honolulu Fire Department will provide fire protection services to the Project out of the Sunset Beach Fire Station, with an approximate response time of five minutes.

Civil Defense

107. A new 121 decibel siren is planned to be installed to serve the Project. Though discussions with the City and County Civil Defense and State Civil Defense agencies, a location at the Water Reclamation Facility site (Parcel 1) has been selected. Petitioner is working with both civil defense governmental agencies for the planning and procurement of the system. The governmental agencies will maintain and operate the facility as part of the City and County and Statewide systems.

Electrical and Telephone Service

108. Electrical service will be provided by the Hawaiian Electric Company. The Project's power demand is not expected to adversely affect power supply to the North Shore.

Telephone service will be provided by the Hawaiian Telephone Company.

COMMITMENT OF STATE FUNDS AND RESOURCES

109. Given Petitioner's commitment to pay its pro rata share of various off-site and on-site infrastructure facilities for the proposed development, Petitioner does not anticipate any significant State or County expenditures.

CONFORMANCE TO THE URBAN DISTRICT STANDARDS

110. The reclassification of the Property for the proposed development is in accordance with the standards applicable in establishing boundaries of the Urban District as set forth in section 15-15-18, HAR, as follows:

a. The proposed development represents an appropriate and reasonable use of the Property and is an appropriate location for urban concentration.

b. The proposed development is near employment areas including the Kuilima Resort and the small commercial centers of Kahuku and Laie to the north, and Haleiwa and Waialua to the south.

c. Petitioner has evaluated the cost of developing the overall Project, has demonstrated its financial capacity to undertake the proposed development, and has determined that the development is economically feasible.

d. The Property includes lands with satisfactory topography and drainage conditions and is reasonably free from

the danger of floods, tsunami, unstable soil conditions, and other adverse environmental effects.

e. The proposed development can be adequately served by existing infrastructure or by Petitioner's development of needed improvements.

f. Parcel 2 of the Property where the Community Facility and Elderly Rental Affordable Housing are proposed is contiguous with the Urban District lands of Sunset Beach, the Sunset Beach Elementary School, and Kamehameha Highway. Parcel 1 of the Property where the Single Family Affordable Housing and Water Reclamation Facility are proposed is non-contiguous to the existing Urban District; however, these uses will be part of the overall Project and will not require unreasonable investment in public infrastructure or support services.

CONFORMANCE WITH THE GOALS, OBJECTIVES AND
POLICIES OF HAWAII STATE PLAN; RELATIONSHIP
WITH APPLICABLE PRIORITY GUIDELINES AND FUNCTIONAL PLANS

111. The reclassification of the Property is consistent with the Hawaii State Plan as follows:

a. The proposed development will conform with section 226-6(a)(1), HRS, by generating direct, indirect, and induced employment opportunities during the construction and operation of the facilities.

b. The proposed development will conform with section 226-11(b)(4), HRS, by encouraging the beneficial and multiple use of the Property for housing and recreation without generating costly or irreparable environmental damage.

c. The proposed development will conform with sections 226-15(a)(2), (b)(1), (b)(2), 226-16(b)(3), and 226-103(e)(2), HRS, by developing the Water Reclamation Facility to serve the residents of the Property and to generate reclaimed water for irrigation on agricultural lands.

d. The proposed development will conform with sections 226-19(a)(1), (b)(1), (b)(2), (b)(3), and 226-106(6), HRS, by providing 50 affordable single family units and 80 elderly affordable rentals to address the housing needs of the low and low-moderate income groups.

e. The proposed development will conform with section 226-23(a) and (b)(2), HRS, by having a Community Facility that will provide a wide range of activities and facilities to fulfill the artistic and recreational needs of a diverse group of people.
(LUC Finding)

112. The State Functional Plans translate the broad goals and objectives of the Hawaii State Plan into detailed courses of action. The proposed development is consistent with the policies of the State's Housing and Recreational Functional Plans.

CONFORMANCE WITH COASTAL ZONE MANAGEMENT OBJECTIVES AND POLICIES

113. The objectives and policies of the Hawaii Coastal Zone Management ("CZM") Program, section 205A-2, HRS, are to protect valuable and vulnerable coastal resources such as coastal ecosystems and areas with special scenic, cultural, and recreational values. The objectives of the program are also to

reduce coastal hazards and to improve the review process for activities proposed within the coastal zone. The proposed development is consistent with the applicable CZM objectives and policies.

INCREMENTAL DISTRICTING

114. Petitioner anticipates that the development of the facilities on the Property will be completed between three and five years after final County zoning approval for the Property has been obtained.

RULING ON PROPOSED FINDINGS OF FACT

Any of the proposed findings of fact submitted by Petitioner or other parties not already ruled upon by the Commission by adoption herein, or rejected by clearly contrary findings of fact herein, are hereby denied and rejected.

Any conclusion of law herein improperly designated as a finding of fact shall be deemed or construed as a conclusion of law; any finding of fact herein improperly designated as a conclusion of law shall be deemed or construed as a finding of fact.

CONCLUSIONS OF LAW

Pursuant to chapter 205, HRS, and the Hawaii Land Use Commission Rules under chapter 15-15, HAR, and upon consideration of the Land Use Commission's decision-making criteria under section 205-17, HRS, this Commission finds upon a clear preponderance of the evidence that the reclassification of the Property consisting of approximately 57.3 acres of land at

Paumalu-Pupukea, Koolauloa, Oahu, State of Hawaii, identified as Tax Map Key No.: 5-9-06: por. 24, from the Agricultural Land Use District to the Urban Land Use District, subject to the conditions hereinafter stated in the Order, is reasonable, conforms to the standards for establishing the urban district boundaries, is non-violative of section 205-2, HRS, and is consistent with the Hawaii State Plan as set forth in chapter 226, HRS, and with the policies and criteria established pursuant to sections 205-17 and 205A-2, HRS.

ORDER

IT IS HEREBY ORDERED that the Property, which is the subject of this Docket No. A93-700 by Petitioner Obayashi Hawaii Corporation, a Hawaii corporation, consisting of approximately 57.3 acres of land at Paumalu-Pupukea, Koolauloa, Oahu, State of Hawaii, identified as TMK No.: 5-9-06: por. 24, and approximately shown on Exhibit "A" attached hereto and incorporated by reference herein, is hereby reclassified from the State Land Use Agricultural District to the State Land Use Urban District, and that the State Land Use District Boundaries are amended accordingly, subject to the following conditions:

1. The Petitioner shall provide affordable housing opportunities for low-low/moderate and gap group residents of the State of Hawaii to the satisfaction of the State Housing Finance and Development Corporation, as amended January 1, 1994. The location and distribution of the affordable housing or other provisions for affordable housing shall be under such terms as

may be mutually agreeable between the Petitioner and the State Housing Finance and Development Corporation and the City and County of Honolulu.

2. Petitioner shall implement effective soil erosion and dust control measures during construction to the satisfaction of the State Department of Health and the City and County of Honolulu.

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

4. Petitioner shall fund and construct adequate wastewater treatment, transmission and disposal facilities, as determined by the State Department of Health and the City and County of Honolulu Department of Wastewater.

5. Petitioner shall participate in an air quality monitoring program as specified by the State Department of Health.

6. Petitioner shall fund and construct adequate civil defense measures as determined by the State and City and County of Honolulu civil defense agencies.

7. Petitioner shall provide a fair-share contribution for school facilities as necessitated by the proposed development. The contribution may be a combination of land and/or cash required to address the impact on school facilities.

The contribution should be determined prior to the submission of final subdivision plans to the City and County of Honolulu and will be based on the number of units in the final subdivision plan, including off-site affordable units. Preliminary agreement by DOE on the level of funding and participation shall be obtained prior to the Petitioner filing for subdivision.

8. Petitioner shall fund, design and construct necessary local and regional roadway improvements necessitated by the proposed development in designs and schedules accepted by the State Department of Transportation and the City and County of Honolulu.

9. Petitioner shall fund and construct adequate water source, storage, and transmission facilities and improvements to accommodate the proposed Project. Water transmission facilities and improvements shall be coordinated and approved by the appropriate State and County agencies.

10. Petitioner shall fund the design and construction of drainage improvements required as a result of the development of the Property to the satisfaction of the appropriate State and County agencies.

11. Petitioner shall initiate and fund a groundwater monitoring program as determined by the State Department of Health. Mitigation measures shall be implemented by the Petitioner if the results of the monitoring program warrant them. Mitigation measures shall be approved by the State Department of Health.

12. Petitioner shall submit archaeological data recovery and detailed preservation plans to the State Historic Preservation Division for approval. The Division must also verify in writing to the Land Use Commission the successful execution of these plans prior to the start of any land altering construction in the Project area.

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

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

15. Petitioner shall timely provide without any prior notice, annual reports to the Commission, the Office of State Planning, and the City and County of Honolulu Planning Department in connection with the status of the subject Project and Petitioner's progress in complying with the conditions imposed herein. The annual report shall be submitted in a form prescribed by the Executive Officer of the Commission.

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

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

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

Done at Honolulu, Hawaii, this 26th day of October 1994,
per motion on October 18, 1994.

LAND USE COMMISSION
STATE OF HAWAII

By Allen K. Hoe
ALLEN K. HOE
Chairperson and Commissioner

By Allen Y. Kajioka
ALLEN Y. KAJIOKA
Vice Chairperson and Commissioner

By Eusebio Lahenia, Jr.
EUSEBIO LAHENIA, JR.
Vice Chairperson and Commissioner

By (absent)
M. CASEY JARMAN
Commissioner

By Lloyd F. Kawakami
LLOYD F. KAWAKAMI
Commissioner

By (absent)
JOANN N. MATTSON
Commissioner

By Renton L. K. Nip
RENTON L. K. NIP
Commissioner

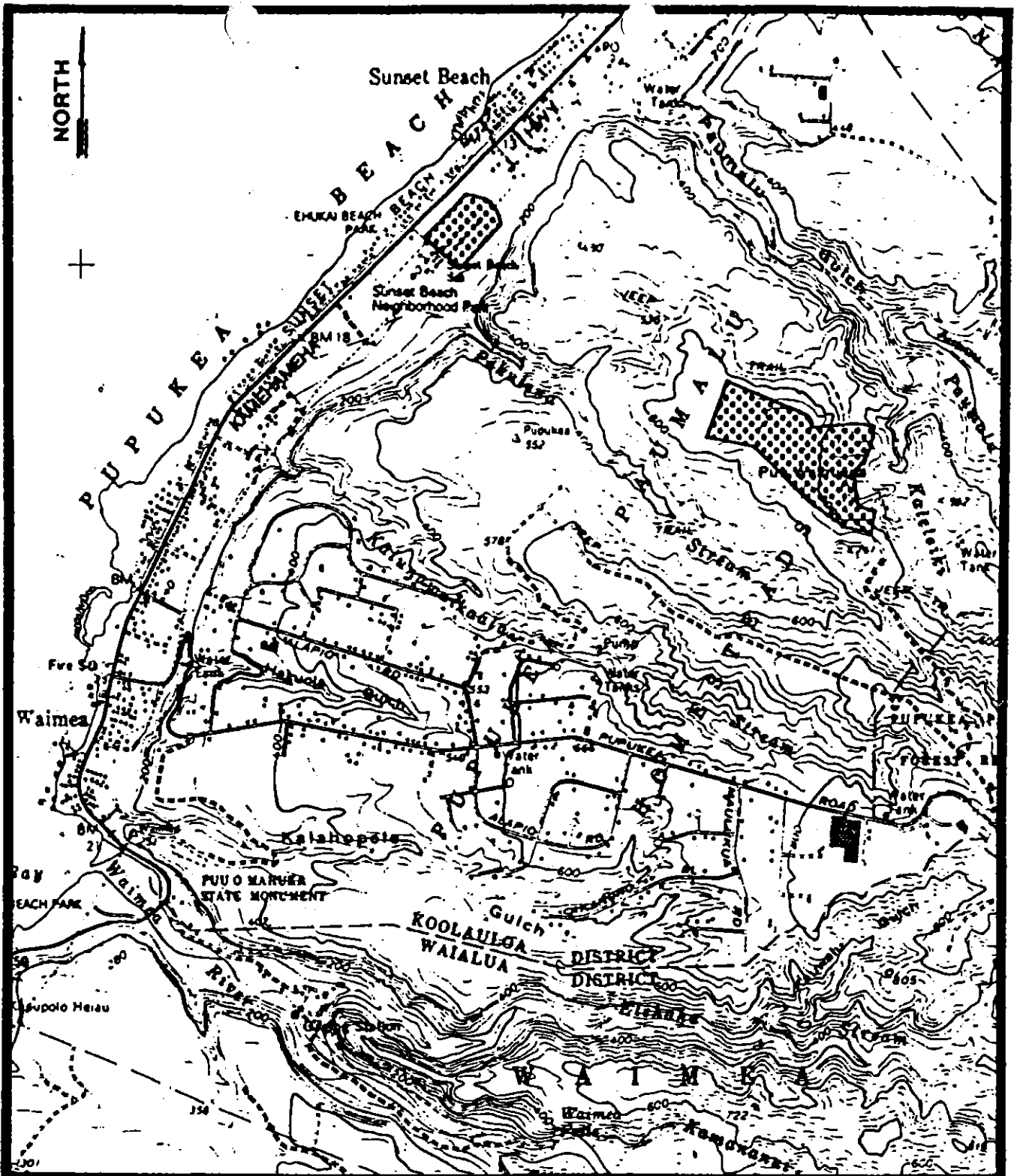
By Trudy K. Senda
TRUDY K. SENDA
Commissioner

By Elton Wada
ELTON WADA
Commissioner

Filed and effective on
October 26, 1994

Certified by:

Esther Lund
Executive Officer



LOCATION MAP

DOCKET NO. A93-700 /

OBUYASHI HAWAII CORPORATION, A Hawaii corporation

TAX MAP KEY: 5-9-06: por. 24

PAUMALU-PUPUKEA, KOOLAULOA, OAHU

SCALE: 1" = 2,000 ft ±

 APPROVED AREA

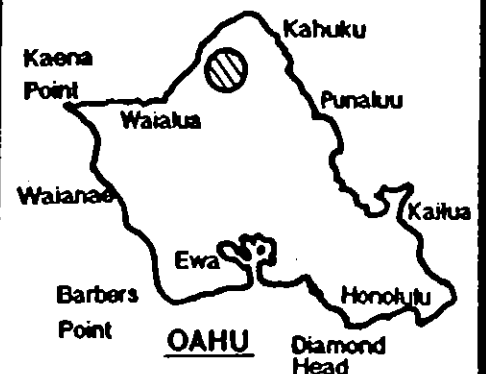


EXHIBIT "A"

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of) Docket No. A93-700
)
OBAYASHI HAWAII CORPORATION,) CERTIFICATE OF SERVICE
a Hawaii corporation)
)
To Amend the Agricultural Land)
Use District Boundary into the)
Urban Land Use District for)
Approximately 57.3 Acres of land)
at Paumalu-Pupukea, Koolauloa,)
Oahu, State of Hawaii, TMK No.:)
5-9-06: por. 24)
_____)

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Findings of Fact, Conclusions of Law, and Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

NORMA WONG, Director
Office of State Planning
P. O. Box 3540
Honolulu, Hawaii 96811-3540

CERT. ROBIN FOSTER, Chief Planning Officer
Planning Department
City and County of Honolulu
650 South King Street
Honolulu, Hawaii 96813

CERT. LYLE HARADA, ESQ., Attorney for Petitioner
Watanabe, Ing & Kawashima
745 Fort Street, 5th & 6th Floors
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CERT. KAMUELA PRICE, Intervenor
P. O. Box 459
Haleiwa, Hawaii 96712

CERT. WALTER SCHOETTLE, ESQ., Attorney for Intervenor Maui Loa
Suite 1012
1088 Bishop Street
Honolulu, Hawaii 96813

DATED: Honolulu, Hawaii, this 26th day of October 1994.



ESTHER UEDA
Executive Officer