

Farhod Family
3037 Manoa Rd. Honolulu, HI 96822
(617)935-1203

2/22/07

PER Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Attention: Thomas Witten
Telephone: (808) 521-5631
Fax: (808) 523-1402

Dear Mr. Witten,

I am writing this letter in regards to the Environmental Impact Statement, and issue of development on La'au point in Molokai. I must say that I strongly oppose the two hundred millionaire lots that are being discussed. There are many issues which still need to be resolved. Mainly, where exactly is all the water going to come from?

In the La'au Point Environmental Impact Statement, Molokai Ranch addresses water by stating that they are in discussions over water usage with Hawaiian Homes and the County of Maui, but the fact is Hawaiian Homes cannot negotiate any of their water rights. The Attorney General stated that Hawaiian Homes has no authority to give away their rights. To gain support for their development, one of the deals proposed by Molokai Ranch is to give Hawaiian Homes 500,000 gallons per day from Well 17 at Kuaupū. The fact is Molokai Ranch doesn't own this water; Hawaiian Homes does. It is a fact that Molokai has a very limited water resource, and Molokai ranch is attempting to use a lot of it for the development of lots at La'au. Molokai only has 33.5 million gallons per day of sustainable water supplies. (Source: State DLNR Water Commission Report dated April 1996 (Molokai water working group) page 4). When complete, all currently approved development on the island will need 54.45 million gallons of water per day. This includes 11.35 mgd for drinking and 42.9 mgd for agriculture and recreation. Today, the water issue is more critical than ever. With over ten years of drought, the true sustainable yield of this island is in dire question.

Besides just the water issue, is the public outcry against the development of La'au. In what was the largest voter turnout in Molokai EC history, challengers Bridget Ann Mowat and Leila Dadoit Stone upset board members Colette Machado and Cland Sutchiffe on Wednesday January 31, 2007. Together, Mowat and Stone garnered roughly 66% of votes on the nearly 1,300 ballots cast, which made it a complete landslide. Mowat and Stone campaigned on a clear 'No to La'au development' platform. Besides this, the public has overwhelmingly been against the development of La'au. How many articles do we need to read about protesters against La'au? It is clear that the people of Molokai don't want La'au developed. Molokai is one of the few places in Hawaii that has not been hit with major developments of houses and hotels. Why can't it stay that way? It is such a beautiful place to see, why have it turn into another developed piece of land? After a while enough is enough, these islands are slowly being transformed to become something they are not. La'au needs to be left in piece for people to come and experience what Hawaii is all about. It would be devastating to the community to develop such a beautiful piece of land for multi-millionaires. It would divide the community, leaving no harmony between the people.

Hawaii has been developed quite a bit already, just look at O'ahu. When people come to Hawaii, it is because they want to see the beauty of a place like La'au point, and see for themselves that these marvels of nature still do exist in the world. It would be a great disservice not just to the people of Hawaii by developing these lands, but also to people who want to preserve nature's beauty and leave it intact.

As I mentioned above, just look at the elections of Mowat and Dadoit, they are the voice of the people, and that voice is clearly crying, save La'au! If development continues, especially on a place like La'au point, the islands will begin to lose their substance. They won't have the feel of a truly natural islands.

It has gone far enough already. Hawaii needs La'au much more than Molokai ranch does. It is so crucial to preserve the few undeveloped lands that are still left.

Sincerely,



Farhod Family



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the Kaluako'i Resort and Alpha property that was utilized in the Water Working Group's analysis.

The big gap between water supply and demand, however, is reflected in the Water Working Group's non-potable water use projections. Total projected long-term non-potable water demand amounted to 42.9 mgd. Included within this amount was 10.6 mgd for Molokai Ranch's agricultural activities. Existing agricultural activities on Ranch lands are supplied with irrigation water from the Ranch's mountain system, not from ground water. There are no plans to convert these uses to ground water sources. Additionally, the Water Working Group projected that 5.8 mgd of non-potable water would be required for Kaluako'i Resort and the Alpha USA property. Under MPL's current ownership, and as identified in the Water Plan for the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan), the total long-term demand for non-potable ground water will be less than 1.5 mgd.

In other words, the gap between water availability and water need as identified in the Water Working Group's Report is, under present conditions, overstated, and the conclusion that "projections of water use exceed supply" is probably inaccurate.

The State Commission on Water Resource Management is reconvening the Molokai Water Working Group in 2007 in order to, among other things, update demand projections.

Nevertheless, MPL is keenly aware that water is our most precious resource, and, therefore, has incorporated into its plans water system improvements to increase efficiencies and decrease system losses and aggressive water conservation strategies to minimize water demands.

When MPL acquired the Molokai Public Utilities water system, inadequate maintenance had resulted in significant system losses amounting to approximately 200,000 gallons per day. MPL has already begun to implement system improvements and anticipates that system losses can be cut in half.

To minimize water demands, MPL will use a number of different strategies. Conservation rates that provide financial incentives to customers to conserve water have already begun to be implemented and its effectiveness has already been manifested. Additionally, covenants on Lā'au Point lots will limit further subdivision of the lots, restrict disturbance of each lot to no more than 30% (approximately 1/2-acre, require catchment systems for each residence for irrigation use, requiring drip irrigation systems, double flush toilets and other water conservation devices).

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

The Molokai Enterprise Community (EC)

We acknowledge your comments; however, we respectfully disagree with your conclusion that there is a direct correlation between the election results and the project. The election held on

November 1, 2007

Farhod Family
3037 Manoa Road
Honolulu, Hawaii 96822

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Farhod Family:

Thank you for letter dated February 22, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We acknowledge your comments regarding water and the EC Board vote, and offer the following responses.

Water

MPL is not in the process of negotiating, or seeking to negotiate, over DHHL's water rights. MPL is working with DHHL, the County of Maui Department of Water Supply, and USGS to comprehensively evaluate Molokai's long-term water demand and resources with the objective of coordinating future development of ground water resources so that to the greatest extent possible, the water needs of all the stakeholders can be accommodated without impairing DHHL's water rights.

MPL offered to DHHL (and potentially to the County as well) the use of Well 17 to save these agencies the expense of having to drill their own wells. Should either DHHL or the County take up MPL's offer, it is understood that DHHL or the County will be responsible for obtaining a water use permit from the Water Commission for use of the water. MPL makes no claims to ownership of this water.

The 33.5 mgd and 54.45 mgd numbers referred to are from the Molokai Water Working Group's 1996 Report. Some clarification about these numbers is warranted. In considering available water supplies on Molokai, the Water Working Group limited its analysis to groundwater. Although the island's ground water sustainable yield is 81 mgd (it was 83 at the time the Water Working Group's report was written), the Group decided to work with a conservative 41.5 mgd of developable yield. Of that amount, 33.5 mgd was considered "sweet" or potable water.

On the demand side, the Water Working Group projected a 2010 potable water demand of 11.55 mgd. That included 2.14 mgd for the Kaluako'i Resort and 2.0 mgd for the Alpha USA property. Since the Water Working Group report, MPL acquired Kaluako'i Resort and the Alpha USA property. MPL's current projected potable water demand for all of its existing and future developments is less than 1.5 mgd, significantly less than the 4.14 mgd projected need for just

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January 31, 2007 was for two board members the Moloka'i Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at Lā'au Point, the proposed development at Lā'au Point is not a project of the EC.

The EC facilitated the Master Plan community-based planning process (as discussed in Section 2.1.6 of the Draft EIS), and later voted to support the Master Plan based on the strong recommendation from the Land Use Committee. The EC has also stated that the Master Plan represents the fulfillment at the highest levels of the key principles of the USDA's Empowerment Zone/Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and voided ballots). This turnout, while record-setting for EC elections, represents only 25.6% of Moloka'i residents over 18 (According to the 2000 Census, the Moloka'i population over 18 years of age is 5,015) Bridget Mowat and Leila Stone, who won the two seats and campaigned on an "anti-Lā'au" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Moloka'i's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the Lā'au Point project, no matter what the candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with Lā'au Point. The EC election was for the Board of Directors that has no such regulatory power.

Regarding your statement that "the public has overwhelmingly been against the development," we also note that there are many Moloka'i residents who support the project. The Master Plan was created by participating community members that volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Moloka'i. The Master Plan is a thoughtful and comprehensive compilation of many community members' visions for Moloka'i. The Lā'au Point project, and the Master Plan, which the project is an integral part of, is the product of more than 150 community and special interest group meetings over a three-year span. The Plan participants have made it clear their support through the comprehensive Master Plan document.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

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Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

To:

PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Attn: Thomas Witten
Telephone: (808) 521-5631
FAX: (808) 523-1402

From:

Fay Huff
Molokai Middle School
P.O. Box 442
Hoolehua, HI 96729

I'm writing my comments after careful consideration as I am not indigenous to Molokai, having chosen to make Molokai my home in 1975. I went away from the island for some years to complete my professional education, only to return and become more immersed in the community through my teachings, first at Molokai High and Intermediate, and presently the more recently formed Molokai Middle School, still on the same campus. Daily, I am faced with the daunting task of educating children of the Molokai community, to equip them with the necessary reading and writing skills to one day compete in the work force of the 21st Century. Having not read the 800+ page document, I don't know if the DEIS even addresses the future social environment of the island, but my letter is an expression of concern to that end.

Given the huge spike in property values on the island in recent years, I often wonder how many of my students will actually be able to make Molokai their permanent home, if and when they go off to college or technical schools to pursue careers. My teaching efforts include promises of a better life through education. However, jobs promised as a result of developing La'au are few and low paying service jobs. Most of these minimum wage employees will never be able to afford a home for their families with the skyrocketing property values, fueled by the out of control land speculation practices. Without affordable housing and meaningful employment, I see no future on Molokai for most of my students. I am afraid they will have to realize their career dreams elsewhere, or remain in Molokai, languishing in poverty with never enough employment compensation to own their own home, and most certainly not a home in the proposed development.

I am not adverse to all development for Molokai. However, as one who works daily with the future adult population of Molokai, I would like to see more visionary development that would directly benefit these young people, to eventually become meaningfully employed and compensated in a way that allows for affordable family living in Molokai. I have also often wondered why the Molokai Ranch is so disengaged from the schools of Molokai. The Molokai Ranch has a huge opportunity to truly partner with the community, to develop educational and employment opportunities as well as affordable housing for our young college, technical, vocational school graduates to come home to Molokai as permanent responsible citizens of their community, raising families of their

own. In doing so, everyone benefits, while the island's natural and cultural environments can be preserved for future generations to come.

I would be delighted to see the Molokai Ranch develop affordable housing, with the younger people of Molokai in mind. However, to make this a reality, meaningful employment must also be developed through industries that are environmentally compatible to the island, like a tech park where these young people can be gainfully employed to provide technological support to larger off shore entities. More meaningful employment for a young work force of Molokai, will improve the tax base of Molokai, and with a higher income than minimum wage, create even more economic opportunities through the construction of infrastructure, and provision of necessary goods and services. As the largest landowner on the island, the Molokai Ranch bears some responsibility to Molokai's future social environment. For the Molokai Ranch to cling to its only vision for quick profit and sustainability by selling off precious land resources to someone who does not need it, but simply desires the "untouched pristine setting at La'au" for a second home (or even third or more) and is willing to pay an inflated price for it, will only force our young educated population to leave the island to fulfill their dreams of meaningful employment and a home of their own.

As an educator of Molokai's children, I ask that the Molokai Ranch and the EC rethink the possibilities for development that will truly benefit the community of Molokai in the long term, and to not so quickly give up precious land and shoreline resources as the only viable plan for Molokai's future. To develop La'au is short sighted, and to say that it is necessary to revitalize the Kaluaokoi resort hotel is simply dishonest. This was an after thought, an attempt to convince the community that La'au was necessary to create jobs through revitalization of an earlier development that was allowed to fall into disrepair and jobs disappeared. If the Molokai Ranch is interested in upgrading an already existing development project, employing people of Molokai, I have no objection. However, being such a small island with such limited resources, it behooves the policy makers to look at future development that is environmentally responsible, not only to the island itself, but beneficial to the quality of life for the community.

With true vision driving the process, there are many other economic opportunities that could be explored, given the large land resource of the Molokai Ranch and the various agencies funded through federal grants, as well as governmental agencies, like the Department of Education, Labor, Agriculture, and Economic Development. I would name only a few such economic opportunities worth exploring: alternative fuels, through crop production and on island refinement of product; organic farm produce and livestock products. Eco tourism is also increasing in demand, and ecologically minded tourists are not particularly attracted to shorelines dotted with mega mansions when just a few miles away the degradation of real poverty and lack of employment is so glaringly evident. Most of these tourists not only want to see a landscape environmentally intact, but also a vibrant flourishing community, not one that is plagued with poverty and all its accompanying social ills.

I respectfully ask that the Molokai Ranch take a more responsible role in the development of Molokai for the young people I continue to work with in the school. As an educator, I can assure you I did not choose my profession to inspire students to get a good education only to get a minimum wage job; they can do that without an education. Moreover, it takes more than one minimum wage job to support a family and keep up with the ever increasing housing costs fueled by the kind of out of control land speculation we have witnessed on Molokai these past few years.



November 1, 2007

Fay Huff
Molokai Middle School
P.O. Box 442
Ho'olehna, Hawaii'i 96729

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Huff:

Thank you for fax dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

1. *Having not read the 800+ page document, I don't know if the EIS even addresses the future social environment of the island, but my letter is an expression of concern to that end.*

Response: A Social Impact Assessment was included as Appendix M of the Draft EIS. It answers and comments on the many social issues that people expressed concern about the development.

2. *Given the huge spike in property values on the island in recent years, I often wonder how many of my students will actually be able to make Molokai their permanent home, if and when they go off to college or technical schools to pursue careers. My teaching efforts include promises of a better life through education. However, jobs promised as a result of developing Lā'au are few and low paying service jobs. Most of these minimum wage employees will never be able to afford a home for their families with the skyrocketing property values, fueled by the out of control land speculation practices. Without affordable housing and meaningful employment, I see no future on Molokai for most of my students. I am afraid they will have to realize their career dreams elsewhere, or remain in Molokai, languishing in poverty with never enough employment compensation to own their own home, and most certainly not a home in the proposed development.*

Response: The Lā'au Point project is not responsible for the "huge spike in property values on the island in recent years." As discussed in Section 4.8.2 of the Draft EIS, there have been concerns raised regarding the potential impact of Lā'au Point on increased property taxes for other Molokai homeowners. The Hallstrom Group, Inc., examined potential increases to real property tax on existing properties in the areas of Maunaloa, Kualapu'u, Kaunakakai, and beyond as a result of the Lā'au Point project. Appendix L contains the Hallstrom Group's comments.

According to the Hallstrom Group, assessments of existing property that is not adjacent (and thus not competing in the same market or market area), and/or that has different highest and best use potentials, will not be directly affected. This finding is based on analysis of paired assessment trends over time between expanding development and non-adjacent land holdings, an understanding of value trends and influences, and discussion with Maui County and O'ahu tax offices concerning this specific matter. Of particular note has been the historic

lack of "cause and effect" between changes in market prices in Kaluako'i and assessed values elsewhere on the island.

The Lā'au Point project is physically separated from the rest of Moloka'i by hundreds of acres of Ranch land, and will be a unique market unto itself. Secondary impacts, if any, might only be potentially possible among the makai portions of the Kaluako'i lots; however, even this inventory already has an established data set of its own comparable market activity. In addition, the 55,000+ acres of protective lands of the Land Trust and easements will isolate and distinguish Lā'au Point from the rest of Moloka'i. Changes in assessments are the result of comparable market transactions, fueled by new economic activity or a scarce amenity; Lā'au Point is not a comparable to the existing real estate.

Only to the extent there is new worker in-migration to the island to support or sustain the development and its residents, could there be some modest indirect impact on selected real estate activity and prices. Offsetting this is the moratorium on further MPL land development as a result of the Land Trust and easements, which will reinforce the status quo and limit further development.

The *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) addresses your concerns about affordable housing and meaningful employment for the future. As stated in Section 2.1.7 of the Draft EIS, the objectives of the Lā'au Point project are rooted in our company's desire to create a sustainable future for Moloka'i and Molokai Ranch through the implementation of the Master Plan. The goal of the Plan was to create new employment and training opportunities for Moloka'i residents and to provide the community with certainty about its future. The Master Plan was provided in its entirety as Appendix A of the Draft EIS. The objectives of the Master Plan are shared by the Lā'au Point project and include:

- Developing sustainable economic activities that are compatible with Moloka'i and the vision of the Moloka'i Enterprise Community (EC).
- Securing the role of the community in the management of MPL's 60,000+ acres.
- Re-opening the Kaluako'i Hotel and creating over 100 jobs.
- Protecting cultural complexes and sites of historic significance on MPL lands.
- Protecting environmentally valuable natural resources, agricultural land, pasture, and open space.
- Providing an endowment that serves as a continuous revenue stream for the Moloka'i Community Development Corporation (CDC).
- Protecting and enhancing subsistence gathering, an important element of life on Moloka'i that includes ensuring public access to and along the shoreline area adjacent to the project.
- Protecting Moloka'i's water resources, by minimizing drinking (potable) water use.

Since the Lā'au Point project is the primary financial component to achieve the Master Plan's objectives, non-implementation of the project means that most, or all, of the Master Plan may not be realized.

3. *I am not adverse to all development for Molokai. However, as one who works daily with the future adult population of Molokai, I would like to see more visionary development that would directly benefit these young people, to eventually become meaningfully employed and compensated in a way that allows for affordable family living in Molokai. I have also often wondered why the Molokai Ranch is so disengaged from the schools of Molokai. The Molokai Ranch has a huge opportunity to truly partner with the community, to develop educational and employment opportunities as well as affordable housing for our young college, technical, vocational school graduates to come home to Molokai as permanent responsible citizens of their community, raising families of their own. In doing so, everyone benefits, while the island's natural and cultural environments can be presented for future generations to come.*

Response: Please see response to #2 above regarding the Master Plan. MPL partnered with all those in the community who wished to participate in developing the Master Plan, which is a thoughtful and comprehensive compilation of many community members' visions for Moloka'i.

4. *I would be delighted to see the Molokai Ranch develop affordable housing, with the younger people of Molokai in mind. However, to make this a reality, meaningful employment must also be developed through industries that are environmentally compatible to the island, like a tech park where these young people can be gainfully employed to provide technological support to larger off shore entities. More meaningful employment for a young work force of Molokai, will improve the tax base of Molokai, and with a higher income than minimum wage, create even more economic opportunities through the construction of infrastructure, and provision of necessary goods and services. As the largest landowner on the island, the Molokai Ranch bears some responsibility to Moloka'i's future social environment. For the Molokai Ranch to cling to its only vision for quick profit and sustainability by selling off precious land resources to someone who does not need it, but simply desires the "untouched pristine setting at La'au" for a second home (or even third or more) and is willing to pay an inflated price for it, will only force our young educated population to leave the island to fulfill, their dreams of meaningful employment and a home of their own.*

Response: We agree with your assessment that affordable housing and meaningful employment would increase opportunities for young people to remain on Moloka'i. As a landowner and major employer on Moloka'i, we share your vision for viable opportunities for our young people, indeed for the island community as a whole. We also recognize, however, that Molokai Ranch is but one entity in the overall direction and vision for Molokai's future. Other private and public forces, as well as community will, need to be brought to bear for Moloka'i to realize a fundamentally united direction towards a desired future.

Molokai Ranch's contribution to the island's future has been financial, through employment, tax revenues and business investment, and social, through the support of numerous community efforts. Most recently, Molokai Ranch has supported the creation of the Master Plan, a Community Development Corporation, and the Moloka'i Land Trust. Our contribution to the vision that you describe, and that has been expressed by many Moloka'i residents, is the land base and providing an avenue for the community to plan the future of this land base.

Ms. Fay Huff
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We truly believe that the Master Plan will accomplish the vision you outline in your comments. Affordable housing and economic development will be accomplished through the efforts of the CDC. Perpetuation of Moloka'i lifestyle and values will be accomplished through the Land Trust. Lā'au Point is the impetus for these changes, and it has been designed to minimize social impacts. In addition, Section 4.8.2 of the Draft EIS discussed housing.

5. *As an educator of Moloka'i's children, I ask that the Molokai Ranch and the EC rethink the possibilities for development that will truly benefit the community of Molokai in the long term, and to not so quickly give up precious land and shoreline resources as the only viable plan for Molokai's future. To develop Lā'au is short sighted, and to say that it is necessary to revitalize the Kaluakoi resort hotel is simply dishonest. This was an after thought, an attempt to convince the community that Lā'au was necessary to create jobs through revitalization of an earlier development that was allowed to fall into disrepair and jobs disappeared. If the Molokai Ranch is interested in upgrading an already existing development project, employing people of Molokai, I have no objection. However, being such a small island with such limited resources, it behooves the policy makers to look at future development that is environmentally responsible, not only to the island itself, but beneficial to the quality of life for the community.*

Response: We acknowledge your comments regarding the projects' relationship to the Kaluako'i Hotel renovation. As discussed in the Draft EIS, both the Lā'au Point project and the Kaluako'i Hotel renovation and re-opening are pieces of a comprehensive overall Plan.

We disagree with your comment that the Lā'au Point project is "short-sighted." This project, and the Master Plan, which the project is an integral part of, is the product of more than 150 community and special interest group meetings (see Section 2.4 of the Draft EIS). The Master Plan was created by participating community members that volunteered their time and efforts to plan a sustainable future for Moloka'i. The Master Plan is a long-term solution for Moloka'i.

6. *With true vision driving the process, there are many other economic opportunities that could be explored, given the large land resource of the Molokai Ranch and the various agencies, funded through federal grants as well as governmental agencies, like the Department of Education, Labor, Agriculture, and Economic Development. I would name only a few such economic opportunities worth exploring: alternative fuels, through crop production and on island refinement of product; organic farm produce and livestock to supply an ever increasing demand in the market for environmentally responsible products. Eco tourism is also increasing in demand, and ecologically minded tourists are not particularly attracted to shorelines dotted with mega mansions when just a few miles away the degradation of real poverty and lack of employment is so glaringly evident. Most of these tourists not only want to see a landscape environmentally intact but also a vibrant flourishing community, not one that is plagued with poverty and all its accompanying social ills.*

Response: We acknowledge your comments. With the 50,000 acres in land donation and easements, and perpetual program funding from Lā'au Point sales being given to the Land Trust and CDC, we believe these visions are possible for Molokai's future.

7. *I respectfully ask that the Molokai Ranch take a more responsible role in the development of Molokai for the young people I continue to work with in the school. As an educator I can assure you I did not*

Ms. Fay Huff
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
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choose my profession to inspire students to get a good education only to get a minimum wage job; they can do that without an education. Moreover, it takes more than one minimum wage job to support a family and keep up with the ever increasing housing costs fueled by the kind of out of control land speculation we have witnessed on Molokai these past few years.

Response: We acknowledge your comments.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Francis R. Alcain
Honouliuli, Molokai &
480 A Inia Ln
Hilo, HI 96720

State Land Use Commission
P.O. Box 2359
Honolulu, HI 96804

Office of Environmental Quality Control
235 South Beretania St., Suite 702
Honolulu, HI 96813

TESTIMONY IN OPPOSITION TO THE LA'AU POINT PROJECT

To Whom Concerned:

I am Francis Robert Makana Aloha Alcain, a man born and raised on the island of Molokai. My ahupua'a is Honouliuli in Mana'e. I now reside on Moku o Keawe, but without question Molokai is my home.

I love my home and wish to return to live, raise my family, and care for my parents. However, I would rather be forever a transient than see additional degradation and destruction of Molokai.

The La'au point project boasts economic stimulus and the best interest of my home. I do not see any sustainable benefit in the creation of jobs as gardeners, house cleaners, and window washers for multi-millionaire vacationers with permanent homes. Molokai is uniquely undeveloped and physically ruggedly beautiful. It is this allure for pristine beautiful landscape that attracted the multi-millionaire's attention, but tragically it's the same force that will destroy the beauty of my home.

The environmental impact of 200 homes at La'au point will obviously play out most dramatically on the west end of the island, but Molokai as a whole will feel its effect. The 200 new estates at La'au will undoubtedly bring 200 new green, fertilized, manicured lawns and the resultant run off and threat of ciguatera so rampant off the shore of similar luxury developments. Visually and physically the entire coast, aside from La'au point, from Hale'o Lono on the south to Kaluako'i resort will be developed.

Please picture the entire length of coast described above will have a resort, a golf course, and million dollar estates. Such expansive, exorbitant development does not serve the interest of any Molokai resident, but will certainly serve the interest of the developer and alien land owner who can now boast the ideal vacation home on the quaint island of Molokai.

The La'au point will impact the ecosystems of the entire island. La'au point has no water source capable of sustaining such a development. Instead this development, like all resort destinations in Hawai'i, must leach its water from the island as a whole.

Molokai and the County of Maui have suffered through years of sustained draught conditions. The overall result is decreased groundwater/stream flow and decreased shoreline discharge, all essential for healthy sustenance lifestyles, fishing and farming, and essential for the attraction and spawning for several choice reef fish.

Personally, my family's source of water, a spring in Honouliuli, has dried up with no foreseeable return to useable capacity. While such hardship or disturbance is intuitively distant and removed from La'au, water is a finite resource and its removal from Mana'e for La'au will continually stress a life sustaining commodity that cannot or has not replenished itself.

Molokai cannot sustain this development and this development will do nothing to sustain Molokai.

I return to Molokai as often as possible and cherish every trip. Flight patterns to Molokai often results in La'au and its surrounding coastline as the first eminent view my home. I do not want to see Millionaire estates sprouted on pristine Molokai coastline, and I do not want these alien homes to be the first thing I see every time I go home.

I strongly oppose any large scale development at La'au point and can fathom no sustainable benefit to Molokai.

Thank you for your time and consideration

Sincerely,



Francis Alcain
He Kanaka No Mana'e, Molokai.



Francis R. Alcain
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 4

interest of any Molokai resident, but will certainly serve the interest of the developer and alien land owner who can now boast the ideal vacation home on the quaint island of Molokai.

November 1, 2007

Francis R. Alcain
480 A Inia Lane
Hilo, Hawaii 96720

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Alcain:

Thank you for your letter regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We acknowledge your comments and offer the following responses.

1. *The Lā'au point project boasts economic stimulus and the best interest of my home. I do not see any sustainable benefit in the creation of jobs as gardeners, house cleaners, and window washers for multi-millionaire vacationers with permanent homes. Molokai is uniquely undeveloped and physically ruggedly beautiful. It is this allure for pristine beautiful landscape that attracted the multi-millionaire's attention, but tragically it's the same force that will destroy the beauty of my home.*

Response: As discussed in Section 2.1.6 of the Draft EIS, the goals of EC Project #47: the community-based master land use plan for Molokai Ranch's lands, was to create new employment opportunities and affordable housing options for Molokai residents, as well as provide them with more control of their future.

The Master Plan will provide 150 Molokai residents employment in current Ranch operations, as well as additional jobs in the island's tourism industry. As discussed in Section 4.8.4 of the Draft EIS, the re-opening of the Kaluako'i Hotel is crucial to revitalizing the Molokai tourism economy. Section 4.1.5 of the Master Plan (provided as Appendix A in the Draft EIS) contains the recommended principles to guide tourism for Molokai. The subsequent *Molokai's Responsible Tourism Initiative: A Community-Based Visitor Plan for Molokai* (EC Project #30) provided a five-year plan for sustainable, community-based tourism on Molokai. As discussed in these plans, the re-opening of Kaluako'i Hotel and the subsequent revitalization of the tourism industry will provide over 100 stable jobs for Molokai residents. The hotel will provide jobs directly at the hotel, and other small business opportunities will arise through outsourcing various hotel functions such as laundry, gift shop, beach shack, spa, and visitor activities (tours, attractions).

2. *The environmental impact of 200 homes at Lā'au point will obviously play out most dramatically on the west end of the island, but Molokai as a whole will feel its effect. The 200 new estates at Lā'au will undoubtedly bring 200 new green, fertilized, manicured lawns and the resultant run off and threat of ciguatera so rampant off the shore of similar luxury developments. Visually and physically the entire coast, aside from Lā'au point, from Hale o Lono on the south to Kaluako'i resort will be developed. Please picture the entire length of coast described above will have a resort, a golf course, and million dollar estates. Such expansive, exclusionary development does not serve the*

Response: We disagree that the development of Lā'au Point will result in the impacts that you described, namely the replacement of the existing landscape with "a resort, a golf course and million dollar estates."

First, the Lā'au Point project will create 200 residential lots. The only resort and golf course components are related to the reopening of Kaluako'i Hotel and the golf course. It is our understanding that the Molokai community wants to see these elements upgraded and reopened because they are community assets and because of the economic benefits, as was previously discussed in response #1 above.

Second, we believe that those who choose to buy a lot and build a house at Lā'au Point will likely be attracted to the beauty and mystique of the area. It is very likely that new buyers will be willing to attend classes to learn how to protect the environmental resources and Molokai lifestyle and culture. This attitude among newcomers is already occurring; relatively newer residents are actively participating in environmental advocacy and protection efforts. It is also very likely that the new permanent residents will choose to live on Molokai because of the island's uniqueness, which includes a strong appreciation for local food gathering and other shoreline practices. The buyers' profile and CC&Rs will reduce the likelihood of the type of development you describe in your comments. It is the strict CC&Rs and unique market that will set Lā'au Point apart from other developments.

As previously discussed in Section 2.3 of the Draft EIS, the target market for Lā'au Point are people who respect the unique character of the site and of Molokai, and who support conservation, cultural site protection, and coastal resource management. Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles. The intent for Lā'au Point is for it to be a community for people that demonstrate the value of mālama āima (caring for, protecting, and preserving the land and sea). The project "must be the most environmentally planned, designed, and implemented large lot community in the State." This statement precedes the covenant document determined by the Land Use Committee that will place many restrictions on lot owners. Lā'au Point will be unlike any other community in Hawaii. It is expected that Lā'au Point residents will not be they type of people that "continue to pollute via trash and pesticides."

As discussed in Section 4.9.1 (Drainage) of the Draft EIS, Lā'au Point will be in compliance with all laws and regulations regarding runoff and non-point source pollution, ensuring that storm water runoff and siltation will not adversely affect the downstream Conservation District land's marine environment and nearshore and offshore water quality.

3. *The Lā'au point will impact the ecosystems of the entire island. Lā'au point has no water source capable of sustaining such a development, instead this development, like all resort destinations in Hawai'i, must leach its water from the island as a whole.*

Response: MPL believes that there is ample ground and surface water to meet current needs while still supporting MPL's plans for all of its lands. The total sustainable yield for groundwater

resources on Molokai is 81 mgd. For planning purposes, the Molokai Water Working Group used 33.5 mgd as the developable yield of potable water on the island. Of the 81 mgd, less than 10 mgd is currently used. Additionally, there are 36 perennial streams on Molokai, but surface water usage on Molokai amounts to an average of about 3 mgd. The issue on Molokai is not the lack of water resources but accessibility, as the bulk of the resources are on the eastern side of the island whereas development and large scale agriculture is on the western and central parts of the island.

Nevertheless, MPL is keenly aware that water is our most precious resource, and, therefore, has incorporated into its plans water system improvements to increase efficiencies and decrease system losses and aggressive water conservation strategies to minimize water demands.

In response to your comments regarding water, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

4. *Molokai and the County of Maui have suffered through years of sustained draught conditions. The overall result is decreased groundwater/stream flow and decreased shoreline discharge, all essential for healthy sustainable lifestyles, fishing and farming, and essential for the attraction and spawning for several choice reef fish. Personally, my family's source of water, a spring in Honouliuli, has dried up with no foreseeable return to useable capacity. While such hardship or disturbance is intuitively distant and removed from Lā'au, water is a finite resource and its removal from Mana'e for Lā'au will continually stress a life sustaining commodity that cannot or has not replenished itself.*

Response: The Cultural Impact Assessment (Appendix F of the Draft EIS) discusses the potential cultural impacts of the drawing out of 1 mgd of brackish water from the Kālahale well on pp. 125 - 135. Appendix P provides more detailed information on the proposed water plan and potential impacts.

As a first step in finding solutions for the sustainable use of water on Molokai, MPL met in September 2006 with the major managers of water resources on the island - Department of Hawaiian Homelands (DHHL), the County of Maui; Kawela Plantation Homeowners, the United States Geological Services (USGS) and the Commission on Water Resource Management. At the meeting, the USGS agreed to conduct a comprehensive modeling analysis of the water resources of the island in order to determine the annual sustainable yield.

In response to your comments regarding water, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

5. *Molokai cannot sustain this development and this development will do nothing to sustain Molokai.*

Response: We respectfully disagree with your statement. We invite you to read the Master Plan, provided in its entirety as Appendix A of the Draft EIS.

The objectives of the Lā'au Point project are rooted in our company's desire to create a sustainable future for Molokai and Molokai Ranch through the implementation of the Master

Plan. The goal of the Master Plan was to create new employment and training opportunities for Molokai residents and to provide the community with certainty about its future. The objectives of the Master Plan are shared by the Lā'au Point project and include:

- Developing sustainable economic activities that are compatible with Molokai and the vision of the Molokai Enterprise Community (EC).
- Securing the role of the community in the management of MPL's 60,000+ acres.
- Re-opening the Kāhako'i Hotel and creating over 100 jobs.
- Protecting cultural complexes and sites of historic significance on MPL lands.
- Protecting environmentally valuable natural resources, agricultural land, pasture, and open space.
- Providing an endowment that serves as a continuous revenue stream for the Molokai Community Development Corporation (CDC).
- Protecting and enhancing subsistence gathering, an important element of life on Molokai that includes ensuring public access to and along the shoreline area adjacent to the project.
- Protecting Molokai's water resources, by minimizing drinking (potable) water use.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

RECEIVED

FEB 21 2007
PBR HAWAII

Gandharva Mahina Hou Ross
P.O. Box 1461 Kuanakakai HI 96748
(808) 558-8488

February 20, 2007

PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Attention: Thomas Witten
Telephone: (808) 521-5631
Fax: (808) 523-1402

Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, HI 96813
Attention: Peter Nicholas and John Sabas
Telephone: (808) 534-9502
Fax: (808) 521-2279

State Land Use Commission
PO Box 2359
Honolulu, HI 96804
Attention: Anthony Ching
Telephone: (808) 587-3822
Fax: (808) 587-3827

Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813
Fax: (808) 586-4185

Dear Mr. Nicholas:

Aloha mai kakou. My name is Gandharva Mahina Hou Ross and I am a subsistence taro farmer in Waialua and Halawa valleys on the East side of Molokai. I have been farming taro since I was a young child and am passing this knowledge on to my 3 children. I am also a Hawaiian Language Immersion science teacher and agriculture teacher in the Natural Resources Academy at Molokai High School. My wife is on the Hawaiian Homes waiting list.

I am writing this letter to state my concern for the proposed development of 200 luxury lots at Laau Point on the southwest end of Molokai. My main concern is for the water that is needed for the proposed project. The plan states that they will use 1 million gallons/day of brackish water from the Kakalahale well. This is of grave concern. By taking brackish water from the buffer zone between fresh and salt water in the aquifer

this will increase the movement of salt water into the fresh water lens. This will have severe impacts on my ability to continue farming wetland taro and my ability to pass these practices on to my children and future generations. This plan also does not take into account the 2/3 reserve water rights of homesteaders and future homestead development. I feel this plan jeopardizes my family's ability to get a homestead lot in the future. I feel that all future water development should be reserved for current Molokai residents.

I am also concerned about the findings of the botanical, marine and animal survey reports in the DEIS. I feel that they are inadequate. As a fisherman and subsistence gatherer I know that this is an area of high concentrations of resources. As a member of the group that did the phone interviews for the Molokai Subsistence Task Force Survey, I learned that the area of the proposed development was one of the areas with the most subsistence activity on Molokai. There are many valuable marine resources that are not mentioned in the studies. This area is known to have large amounts of hee, lobster, aama crab, opihii, moi, as well as limu lipoa. These are not mentioned in the DEIS. I feel that a Molokai expert who is familiar with the area should be hired to do the study. I am also concerned that there is no mention of the Pueo. This is known to be one of the best places on Molokai to see the pueo.

I feel that this area should be designated as critical habitat for the endangered Marsilea villosa or 'ihi'ihiauakea. This is one of the last remaining known habitats for this highly endangered fern. It occurs only in seasonal wetlands and has spores that can remain dormant for many years until the right conditions are present. This is a species that needs to be protected to ensure that it does not go extinct.

I also have concern for the potential discovery of unmarked burials during the digging of the roadway and putting in the needed infrastructure. The whole proposed development area is covered with many sites that have been documented. There are even lots with known sites. What is the plan when more burials are discovered? Once the bones have been exposed to the sun it is considered desecration. It is too late.

Māhalo for taking time to hear my concerns.

Sincerely,

Gandharva Mahina Hou Ross
Gandharva Mahina Hou Ross



Mr. Gandharva Mahina Hou Ross
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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the Molokai Subsistence Task Force Survey, I learned that the area of the proposed development was one of the areas with the most subsistence activity on Molokai. There are many valuable marine resources that are not mentioned in the studies. This area is known to have large amounts of hee, lobster, aama crab, opihī, moi, as well as lima lipoa. These are not mentioned in the DEIS. I feel that a Molokai expert who is familiar with the area should be hired to do the study. I am also concerned that there is no mention of the Pueo. This is known to be one of the best places on Molokai to see the pueo.

Response: The random sample telephone survey conducted for the 1994 Molokai Subsistence Task Force Report indicated that fishing and ocean gathering areas with the largest percentages of multiple responses (above 30%) was on the South-East end coast from Makakupa'ia to Honouli Wai (40% for fishing and 35% for ocean gathering) and from Honouli Wai to Halawa (30% for fishing and 33% for ocean gathering). Relative to the area proposed for development, the 1994 subsistence study reported that 23% of the respondents in the random sample telephone survey fish in the area from Palā'au to Lā'au Point and from Lā'au to Īlio Point, while 19% gather in the ocean off of the same area.

Extraordinary measures will be taken by the Molokai Land Trust, in cooperation with the homeowners, to work with the longtime residents of Maunaloa and longtime ranch cowboy and employee families to protect subsistence hunting and fishing. These measures will also protect the quality of the cultural sites, complexes and resources.

During the community-based planning process that resulted in the Master Plan, the persistence of subsistence on Molokai was of central significance. The Cultural Impact Assessment (provided as Appendix F of the Draft EIS) refers to the measures outlined in the Master Plan to protect subsistence fishing on page 113 and referred to above. Details of the plan to protect subsistence fishing and gathering were provided on pages 118 through 121. In addition, access will be managed to protect subsistence resources as discussed on pages 116 - 118.

Additionally, the CC&Rs and Shoreline Access Management Plan (SAMP) for the project will include measures to restrict access to foot only between Dixie Maru and Hale O Lono in order to conserve resources, with an acknowledgement of Native Hawaiian gathering rights as defined by law for subsistence purposes, in a designated subsistence management area.

The project's CC&Rs reflect the community-driven SAMP, which outlines the guidelines to monitor and enforce protection of the cultural and natural resources in the area proposed for development. The SAMP has been included in the Final EIS as an appendix.

3. *I feel that this area should be designated as critical habitat for the endangered Marsilea villosa or 'ihī'ihilaueka. This is one of the last remaining known habitats for this highly endangered fern. It occurs only in seasonal wetlands and has spores that can remain dormant for many years until the right conditions are present. This is a species that needs to be protected to ensure that it does not go extinct.*

Response: We acknowledge your comment. We confirm that ihī'ihilaueka has been found around Kamaka ipō Gulch. This area is proposed to be re-districted into Conservation

November 1, 2007

Gandharva Mahina Hou Ross
P.O. Box 1461
Kaunakakai, Hawaii 96748

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Ross:

Thank you for your letter dated February 20, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *My main concern is for the water that is needed for the proposed project. The plan states that they will use 1 million gallons/day of brackish water from the Kākalahale well. This is of grave concern. By taking brackish water from the buffer zone between fresh and salt water in the aquifer this will increase the movement of salt water into the fresh water lens. This will have severe impacts on my ability to continue farming wetland taro and my ability to pass these practices on to my children and future generations. This plan also does not take into account the 2/3 reserve water rights of homeowners and future homestead development. I feel this plan jeopardizes my family's ability to get a homestead lot in the future. I feel that all future water development should be reserved for current Molokai residents.*

Response: Withdrawals of water from the basal aquifer in central Molokai will not have any impact on surface water used for farming wetland taro in Waialua and Halawa valleys, which relies on rainfall and high-level dike impounded water.

Hawaiian Homesteaders have a priority right to 2/3 of the water developed in Phase I of the Molokai Irrigation System, which is owned and operated by the State Department of Agriculture. Water for the MIS is developed from dike compartments in Waikolu Valley which are isolated from the basal ground water bodies from which Well 17 and Kākalahale well water is or will be withdrawn.

DHHL has a reserved 2.905 mgd from the Kualapu'u aquifer, the bulk of which is targeted for agricultural use. MPL's water plan recognizes DHHL's future needs and MPL's water development plans will not interfere with DHHL's ability to develop its water reservation.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown in the attachment titled, "Revised Section 4.9.2 (Water)." The response to this specific comment is incorporated into the attachment. See the section of the attachment titled, "Additional Information on the Kākalahale Well."

2. *I am also concerned about the findings of the botanical, marine and animal survey reports in the DEIS. I feel that they are inadequate. As a fisherman and subsistence gatherer I know that this is an area of high concentrations of resources. As a member of the group that did the phone interviews for*

Mr. Gandharva Mahina Hou Ross
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

District and designated a cultural protection zone, where no development will occur. The area will also be owned and managed by the Land Trust.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding 'ihiihilaaukea (*Marsilea villosa*), Section 3.6 (Flora) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.6 (Flora)."

4. *I also have concern for the potential discovery of unmarked burials during the digging of the roadway and putting in the needed infrastructure. The whole proposed development area is covered with many sites that have been documented. There are even lots with known sites. What is the plan when more burials are discovered? Once the bones have been exposed to the sun it is considered desecration. It is too late.*

Response: As stated in Section 4.1 of the Draft EIS, MPL and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic remains such as artifacts, burials, concentrations of shell or charcoal be encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected from further damage. The contractor shall immediately contact the State Historic Preservation Division, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

Revised Section 4.9.2 (Water)
Revised Section 3.6 (Flora)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



January 16, 2007

Glenda Mawae
c/o Walter Ritte
P O Box 486
Kaunakakai, HI 96748

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Ms. Mawae

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

To Whom It May Concern 1-19-07
Thomas S. Witten, ASLA
President
P. B. R. Hawaii
1001 Bishop Street
ASB Tower Suite 650
Honolulu, HI, 96813

I am requesting an extension to be granted to the Molokai community to properly respond to the Environmental Impact Statement that was prepared by P. B. R. Hawaii. Now that the holidays are over we can refocus our energies in this direction.

Thank you for your consideration
Glenda Mawae

Glenn I. Teves
P.O. Box 261
Kualapuu, HI 96757

February 22, 2007

Peter Nicholas
Molokai Properties Limited
745 Fort Street Mall, Ste. 600
Honolulu, HI 96813

Thomas Witten
PBR Hawaii
1001 Bishop St., Ste. 650
Honolulu, HI 96813

Anthony Ching
State Land Use Commission
P.O. Box 2359
Honolulu, HI 96804

Genevieve Salmonson
OEQC
235 S. Beretania St. #702
Honolulu, HI 96813

RE: COMMENTS ON DRAFT EIS FOR LA'AU POINT

As a Hawaiian Homestead farmer, I submit my concerns regarding our precious water resource and the need to protect it for us and our future generations. As a county extension working with ranchers and farmers on the island of Molokai for 26 years, I'm familiar with the soil, water needs, various crops. I have also worked on Molokai in community development and long-range planning. I hereby submit the following comments for your consideration:

OVERVIEW

I have read the La'au Point EIS and would like to comment on it. I was also granted status as a consultant to this project. Overall, this EIS is inadequate and inaccurate, and is a cursory attempt by both PBR and Molokai Properties to make a mockery out of the EIS process. They must return to the drawing board to address the many concerns they have failed to address.

BREATH OF EIS

The La'au Point project is part of a larger project of conservation and agricultural easements, land trusts, opening of the Kahaikoi Hotel, etc and should be evaluated within this context. What will be the cumulative impacts of all these projects on the water,

environment, socio-economic situation, etc. For example, what will be the water needs of the entire project, and where will this water come from? Also, how will these water requis impact upon rights of Hawaiian Homesteaders as well as present needs of the residents of Kaunakakai? Molokai Properties is cognizant of this fact since it was discussed at a meeting they had called for all consultants and parties who had requested standing in this land zoning change before the LUC. This strategy employed by Molokai Properties is similar to "parceling" where it's very difficult to envision the entire project because they're only showing one small piece of the entire pie. If this project is being used to raise fund to renovate the Kaluakoi Hotel, then we need to look at the impact of that development as well. In the strategy MPL is employing, it will be difficult to gauge the cumulative impacts.

SOIL

I submitted in my comments that montmorillonitic soil exists on the project area in question. Instead of at least identifying the soil and coming up with mitigating measures, it was easier for Mr. Witten to say this soil doesn't exist at La'au. This is inaccurate, and makes me question this whole report as shoddy workmanship. The soil series is Kapuhikani series, and contains a montmorillonitic clay which is the crux of the problem. The soil class is described as a Vertisol. On the island of Molokai, soils belonging to this classification are found predominantly along the southeast coast near Laau Point. (See attached map.)

I'm familiar with Vertisols from Kuliouou Valley where we raised cattle for 18 years. If properly managed, it can be one of the most productive soils for farming. Conversely, it can be the worst soil to construct a house on due to the soil characteristics. Properties of vertisols include a high shrink-swell capacity. In other words, when desiccated the soil will crack and is evident if you walk this area of the island. When wetted, this soil can swell to 25% it dry volume in all directions, and have been implicated in the destruction of house structures in Manoa, Aha Haina, Kuliouou, and other valleys on Oahu.

In the Kuliouou situation, I commented in the supplemental EIS in the mid 1970's that this soil was going to present some major challenges to the construction of housing in this valley, and outlined what would happen. On New Years Eve of 1990, a storm brought out the full potential of this soil and over 12 homes constructed by the Hawaii Housing Authority in concert with developer Kikuo Yanagi were destroyed due to these soil characteristics.

When contacted by one of the State Attorney General's assigned to this case, he asked if I was going to testify against the state? I commented that I didn't have to and that they would use my comments in the SEIS as the basis for the suit. He then asked how I knew this was going to happen and how I detailed exactly what happened over 10 years before it happened, I told him, "it's the Montmorillonite clay that's the crux of the problem. You cannot build houses on this soil." As a result, the State was sued for over \$20 million and lost the suit. The big question in the La'au Point case is will the State take responsibility for this defective soil in the event that housing structures are destroyed as in the Kuliouou case? The one thing in common with all vertisols is the high shrink-swell

capacity caused by the montmorillonite clay which makes up the basic soil structure of all vertisols.

On the other hand, if properly managed, the soil can be one of the most productive soils for farming. With the water brought to this area, it actually increased the soil productivity. I believe this area is ideal for the production of orchids, with the proper windbreaks to protect your shade structures. Even with a predominant slope of 15 degrees, this area can be terraced with short stone walls, shadehouses can be constructed on these terraces. With the high solar radiation even during the winter, and the ability to control water, many of the orchid species can be manipulated to flower at certain targeted times. This crop is one of the fastest expanding agricultural commodities in the state for export. So yes, the soil and area is good for farming.

WATER

In their Water Plan entitled 'Molokai Properties, Limited EC Project #47 Water Plan', they assume a 1% build-out at Kahuakoi. Yet, over the last year, there have been about 30 building permits issued and acted upon in this area. This equates to a 10% build out and not 1%, assuming the total lots at 300. How far off can they be in their water projections before you tell them to go back to the drawing board?

As a Hawaiian Homesteader, I'm concerned about the impact of this development on our first rights to water as mandated in the Hawaiian Homes Act of 1920. The EIS must evaluate the full information available. This was not done. Molokai Properties has attempted to glaze over this area by stating they are in discussions with the County and the Department of Hawaiian Home Lands. The fact of the matter is DHHL rights are non-negotiable, and Molokai Ranch doesn't have clear options for water to accommodate this project.

MPL has no secure water source since all of their water is in question. Their present allotment of 1.018 from Well 17 that is transported via the Molokai Irrigation System is on appeal before the State Supreme Court by DHHL and others. Their mountain water source of approximately .5 mgd is being questioned due to decisions regarding the need to maintain stream flow, based on recent decisions arising from the Waiahole case, and also the need to monitor the impact of surface water on ground water recharge. I believe this capture of mountain water from our watershed is impacting on the water quality of wells from Kualapuu to Kawela. In the last 15 years, they have expanded their capture capacity, which is in violation of their original intent of replacing existing pipes and catchments.

All issues made in the Waiola Contested Case and affirmed by the State Supreme Court must be considered in this case. Molokai Properties must prove that their taking of water will not impact on water for Hawaiian Home Lands now and in the future, and also that the taking of water will not impact on the gathering rights of native Hawaiians, including Hawaiian Homesteaders along the south coast of Molokai from Kaunakakai and areas both east and west of the main town. The fact that the Kakalahale well is in proximity to the proposed Waiola Well makes these issues relevant in this case.

With the recent revelation of one of their wells supplying Kaunakakai going salty, and also that the State Commission on Water Resource Management has asked the County to decrease their reliance on water from the Kualapuu area due to impacts on Hawaiian Home Lands rights there, the County is in a bad situation and has to identify two new well sites to supply the existing needs of Kaunakakai residents. This is further complicated by the fact that USGS Hydrologist Delwyn Oki stated in a meeting on Molokai in August 2006 that he doesn't believe Hawaiian Homes can extract their 2.905 mgd from the Kualapuu wellfield. This forces DHHL to seek water further east in the Kamiloa sector, and the County may have to seek water further east to Kawela or beyond. This means Molokai Properties may have to seek water east of Kawela and not from Kakalahale Well.

Without a clear idea of where water for this new development is coming from, and what present rights to water will be infringed upon, we cannot evaluate the environmental impact of this project, and it makes no sense to approve this rezoning. Water follows zoning approval. By approving the land zoning, you will be denying others of their rights. You are only causing more litigation instead of solving something. Furthermore, Molokai Properties has not stated how this water will be transported to West Molokai. By keeping things fuzzy and tentative, Molokai Ranch has created more questions than answers.

The Department of Hawaiian Home Lands has over 26,000 acres of land on Molokai. Of this, only 15% of these lands have access to water. Where will the water for their future homesteads come from, especially if Molokai Properties is allowed to take water for this development? Kakalahale well is located above Kaunakakai town. On both sides of this area lie 5,000 parcels of Hawaiian Home Lands. Of this 10,000 acres, less than 5% have access to water.

Another factor is the shrinking aquifer due to over 12 years of drought. It will get even more difficult to extract water for future development on the island, especially for the Department of Hawaiian Home Lands. This will force them to go further inland, meaning they will have to drill deeper. Costs will become prohibitive, and the state will be failing in their trust responsibilities to native Hawaiians in their rehabilitation efforts.

There's a legal issue that should be answered, and I'm not sure if this is the place, but can a foreign-owned company own a utility company in Hawaii? MPL owns Waiola O Molokai, Inc., the purveyor of water for West Molokai.

TRANSMISSION OF WATER TO WEST MOLOKAI/LA'AU POINT

MPL is proposing to utilize the Molokai Irrigation System (MIS) to carry their drinking water to the project site. Yet, they have no signed agreement. The MIS was constructed with the primary intent of supplying water to Hawaiian Homestead lots for farming and subsistence activities. Many of the Hawaiians have vigorously objected to the use of this system for this purpose. Many bills presently in the legislature may affect their ability to transport their water to west Molokai, including one to allow 2/3's of the voting membership of the Molokai Irrigation System be comprised as Hawaiian Homesteaders.

They will be adamant about allowing their water system to be continually used for non-agricultural purposes.

CC&Rs

The CC&R's touted by this proposal will not hold up in court because its contrary to prevailing western law which gives the landowner whatever rights they want, including the right to farm, or to use water. To use pricing as a deterrent to increased water doesn't work for millionaires that this development is attempting to attract as prospective buyers. The water issue will lead into litigation regarding Hawaiian Homes first rights to water on the island where the Hawaiian Homes Act was established. You use CC&Rs are a way to restrict certain activities have been challenged in court and, for the most part, hasn't held up in court at least in Hawaii.

AGRICULTURAL WATER

For agricultural purposes, the present water available from the Molokai Irrigation System is sufficient to irrigate 2000 acres of agricultural land at any given time. About 2/3's of this is reserved for the Department of Hawaiian Homes Lands; this amount is only sufficient water to irrigate a little over 1300 acres. Yet, there are over 7,800 acres of agricultural lots in the Hooilehua area awarded to native Hawaiians. In legislation approving the construction of the Molokai Irrigation System, it states that 2/3's of the water from Waikolu and 2/3's of the groundwater west of Waikolu is reserved as part of the first phase of the Molokai Irrigation System construction. The groundwater has never been tapped for agriculture, but in the event there is no water left for the homesteaders, this water can be tapped for their use in homesteading. Any taking of water in adjacent areas will have impact on the DHHL's ability to extract water for homestead use.

IMPACT OF LAND CLEARING

In the EIS, MPL is trying to say that their land clearing will not have an impact on the near shore environment and will actually create a better situation than now exists. This couldn't be farther from the truth. The present situation is stable, and anything other than the present situation will have greater impact. Once you disturb the soil with large earthmovers, you crack this soil further and this causes the soil to fall apart.

The idea of using very little water, which this project is fouting, through the use of natives and xeriscaping, will create a worst-case scenario since it will be difficult to cover and stabilize the soil in the entire lot without covering the entire area with water due to water restrictions. Also, there are few natives that can hold the soil in place with soil-binding root systems.

The high wind conditions present in this area will aggravate the situation by blowing all loose or disturbed soil away and ultimately into the ocean. Another problem created by land clearing will be the movement of soil near the coastal strand where many natives are found. By changing the make-up of the soil in the coastal area through the runoff of soil into this area, this will affect the ability of some natives to survive in this modified environment. The present soil has ghued or fried itself together, while loose material has either blown away or rolled downhill. Again, any change from the present stage will have

an increased impact on the soil and adjacent areas, including the shoreline and ocean and the inhabitants therein.

IMPACT ON LAND PRICES

One issue that MPL has skirted, among many other issues, is the impact on prices on adjacent areas, such as Maunaloa. It's inevitable that this very high-end development will have an adverse impact on land prices, not only nearby, but also on the entire island since this island is so small. It will make it harder for residents to purchase residential lots, let alone qualify for a house construction loan. This will be a major socio-economic impact on the island that can aggravate many other social problems that are not already on the surface for some of these families. Economic and social stability starts with the ability to afford to own your own home.

SOCIAL IMPACTS

Surveys don't assess impacts, especially if the experimental design is not sound. There were instances, such as in Maunaloa, where the participants were selected and were skewed toward supporting the development. Since many of the Maunaloa residents are MPL employees, they feel suppressed and oppressed to say things against MPL. One of the sociology experts hired, Berna Cabucungan, in the Waiahole contested case hearing, stated there would be no adverse social impacts on the neighbor islands due to the opening up of large tracts of farm land on Oahu. As a result of this opening of land on Oahu, many Maui farmers went out of business because they couldn't compete with a farm who grew the same crops as there's, was situated near their markets, could deliver on demand, and didn't have inter-island shipping costs. The neighbor island farmers could no longer compete and were driven out of farming. I wouldn't put any credence in the social impact survey.

FAILURE TO ADDRESS COMMUNITY CONCERNS

I attended most of the community input meetings and many of the planning meetings. In fact, I attended more meetings than many of those who voted on whether to proceed on the La'au project. Although they collected input, they made no concerted attempt to address questions and concerns that came up in these meetings, which was unfortunate. In hindsight, the strategy was to use the attendance numbers to say, "We met with the community and they're in support of this development." This couldn't be farther from the truth, and was evident in the recent Molokai Enterprise Community elections. The turnout exceeded the last general election, and the pro-La'au candidates lost their seats by a margin of over 2 to 1. This is a community mandate; the majority of the Molokai community is not in support of this project.



Molokai
Properties
Limited

Glenn Teves
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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November 1, 2007

Glenn Teves
P.O. Box 261
Kualapu'u, Hawaii 96757

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Teves:

Thank you for your letter dated February 22, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

1. *OVERVIEW: I have read the Lā'au Point EIS and would like to comment on it. I was also granted status as a consultant to this project. Overall, this EIS is inadequate and inaccurate, and is a cursory attempt by both PBR and Molokai Properties to make a mockery out of the EIS process. They must return to the drawing board to address the many concerns they have failed to address.*

Response: We disagree with your comments. We feel that we have thoroughly evaluated all pertinent issues for this EIS.

2. *BREADTH OF EIS: The Lā'au Point project is part of a larger project of conservation and agricultural easements, land trusts, opening of the Kaluakoi Hotel, etc and should be evaluated within this context. What will be the cumulative impacts of all these projects on the water, environment, socio-economic situation, etc. For example, what will be the water needs of the entire project, and where will this water come from? Also, how will these water requests impact upon rights of Hawaiian Homesteaders as well as present needs of the residents of Kaunakakai? Molokai Properties is cognizant of this fact since it was discussed at a meeting they had called for all consultants and parties who had requested standing in this land zoning change before the LLC. This strategy employed by Molokai Properties is similar to 'parceling', where it's very difficult to envision the entire project because they're only showing one small piece of the entire pie. If this project is being used to raise funds to renovate the Kaluakoi Hotel, then we need to look at the impact of that development as well. In the strategy MPL is employing, it will be difficult to gauge the cumulative impacts.*

Response: We concur that the Draft EIS must address cumulative impacts, the secondary and non-physical effects of a proposal and the socio-economic consequences of a proposed action. We have done so to the greatest extent possible in this EIS.

First, the Lā'au Point project was analyzed. The environmental impacts and benefits of this project have been addressed based upon the construction of this project in West Molokai.

Second, the Lā'au Point project has been addressed as one component that permits other actions to take place such as (1) the reopening of the Kaluakoi Hotel and (2) affordable housing projects elsewhere. To the extent that the EIS must discuss the impacts of re-opening of the Kaluakoi Hotel,

Hotel, this re-opening is roughly to the same extent that the hotel was operating a few years ago such that the impacts of the hotel at that time are already known.

The impact of not increasing tourism on the island is more relevant as most tourism establishments and tour operators are in serious financial difficulties. This is evidenced by the continual change in ownership at Hotel Molokai, the lack of retained earnings to fund capital improvements, and the losses sustained by the Molokai Lodge and Beach Village.

The impact of the re-opening of the Kaluakoi Hotel will produce no more of an impact than when it was open up until 2001, providing jobs and a stable economy on the West End of the Island, including a viable Maunaloa elementary school and a viable commercial heart for Maunaloa.

Third, the Lā'au Point project is also a part of the *Community Based Master Land Use Plan for Molokai Ranch* (Master Plan). To this extent, each component of the Master Plan really facilitates each other component of the Master Plan. In an overall context, the Master Plan preserves and protects large amounts of acreage on the West end of Molokai. The development of Lā'au Point to some degree facilitates this protection and preservation.

3. *SOIL: I submitted in my comments that montmorillinitic soil exists on the project area in question. Instead of at least identifying the soil and coming up with mitigating measures, it was easier for Mr. Witten to say this soil doesn't exist at Lā'au. This is inaccurate, and makes me question this whole report as shoddy workmanship. The soil series is Kapuhikani series, and contains a montmorillinitic clay which is the crux of the problem. The soil class is described as a Verisols. On the island of Molokai, soils belonging to this classification are found predominantly along the southeast coast near Lāau Point. I'm familiar with Verisols from Kuliouou Valley where we raised cattle for 18 years. If properly managed, it can be one of the most productive soils for farming. Conversely, it can be the worst soil to construct a house on due to the soil characteristics. Properties of verisols include a high shrink-swell capacity. In other words, when dewatered the soil will crack and is evident if you walk this area of the island. When wetted, this soil can swell to 25% of dry volume in all directions, and have been implicated in the destruction of house structures in Manoa, Aiea, Kuliouou, and other valleys on Oahu. ¶ On the other hand, if properly managed, the soil can be one of the most productive soils for farming. With the water brought to this area, it actually increased the soil productivity. I believe this area is ideal for the production of orchids, with the proper windbreaks to protect your shade structures. Even with a predominant slope of 15 degrees, this area can be terraced with short stone walls, shadehouses can be constructed on these terraces. With the high solar radiation even during the winter, and the ability to control water, many of the orchid species can be manipulated to flower at certain targeted times. This crop is one of the fastest expanding agricultural commodities in the state for export. So yes, the soil and area is good for farming.*

Response: Kapuhikani soil occurs on the south coast and wraps around approximately 3/4-mile up the west coast from Lā'au Point. Mauka of this and up most of the west coast portion of the project area. This type of soil is listed as reaching bedrock at 20 or more inches, but my experience is that it is generally shallower, and the road and houses may easily reach a solid footing. The well documented instability problems in the eastern valleys of O'ahu (Kuli'ou'ou, Aiea, Manoa, and Pāhala) are due to deep deposits (20 to 40 feet thick or more) of high plasticity clay situated on relatively steep valley side slopes. The very limited thickness of high plasticity clay present precludes the occurrence of similar slope instability problems at the

project. Adverse effects of high plasticity, expansive clay soils can be readily mitigated by removal of the clay below structures or other conventional treatment such as capping with structural fill or special foundation design.

Very Stony Soil (rV12) is more common, and does not have the shrink-swell problem. Finally, there is a pocket of Mala series soil (MnA), which is described as good road fill, with a tendency to flooding at 0-3% slope, and with a high shear strength.

In summary, the shrink-swell problem of the Kapuhikani soil can be readily mitigated by conventional geotechnical engineering design, and much of the project area has different series that are not as good for agriculture and do not appear to pose the engineering challenges of the Kapuhikani clay. The complete soils study conducted by Geolabs, Inc., will be included as an appendix in the Final EIS.

Since the Draft EIS publication, a Geotechnical Engineering Reconnaissance (Survey) was completed by Geolabs, Inc., in the project area. This Survey has been appended to the Final EIS. In the Final EIS, Section 3.3 will be revised to include the following summary:

3.3.4 Geotechnical Engineering Reconnaissance

A Geotechnical Engineering Reconnaissance (Survey) was performed by Geolabs, Inc., in July and August of 2007 within the project area. The Survey, which is provided as Appendix D, provides a general study of the predominant soil characteristics of the project area.

A review of aerial photographs combined with site reconnaissance and laboratory testing of selected soil samples, indicates that the predominant soil at the project site is represented by a reddish brown to brown colored silty clay with a typical shrink-swell potential of less than about two to four percent, which is considered to be of generally low expansion potential. Based on an evaluation of the existing site conditions, these soils reside over approximately 70 to 80 percent of the land area within the project limits. The remaining 20 to 30 percent of the land area within the project limits may contain generally isolated and discontinuous deposits of expansive, dark grayish brown colored clay, which may be classified as a true vertisol containing a higher percentage of montmorillonite clay mineralogy.

In summary, the predominant surface soils encountered during reconnaissance consists of reddish brown to brown silty clays (CH) representing residual soil material derived from the weathering of basaltic rock. In general, these soils appear to have a low expansion potential. Reddish brown to brown clayey soils (CH) with sand are encountered mainly in alluvial depositional environments, which appear generally confined to topographic low elevations such as depressions and drainage ravines. These soils appear to have a low to moderate expansion potential.

Finally, the dark brown to grayish brown clay (CH) soil is encountered as isolated inland deposits and discontinuous deposits along the lower elevation coastal regions at the southern portion of the project site. These soils may have a relatively high expansion potential. With the exception of the northernmost portions of the project site (northerly of

Kamākaipō, Gileh), basalt rock formation is encountered at the ground surface and partly exposed at the ground surface mixed with the soils mentioned previously.

4. **WATER:** In their Water Plan entitled 'Molokai Properties, Limited EC Project #47 Water Plan', they assume a 1% build-out at Kaluako. Yet, over the last year, there have been about 30 building permits issued and acted upon in this area. This equates to a 10% build out and not 1%, assuming the total lots at 300. How far off can they be in their water projections before you tell them to go back to the drawing board?

Response: MPL's Water Plan projects long-term potable water needs of no more than 1.5 mgd. This includes, among other things, water for full build-out of the Kaluako residential properties. At full build-out, potable water requirements for Kaluako residential properties are expected to increase to 228,500 gallons per day from its current use of 77,500 gpd. Non-potable water needs for Kaluako residential properties are expected to increase from the current 143,825 gpd to 633,825 gpd at full build out.

5. **As a Hawaiian Homesteader, I'm concerned about the impact of this development on our first rights to water as mandated in the Hawaiian Homes Act of 1920. The EIS must evaluate the full information available. This was not done. Molokai Properties has attempted to glaze over this area by stating they are in discussions with the County and the Department of Hawaiian Home Lands. The fact of the matter is DHHL rights are non-negotiable, and Molokai Ranch doesn't have clear options for water to accommodate this project.**

Response: MPL is not in the process of negotiating, or seeking to negotiate, over DHHL's water rights. MPL is working with DHHL, the County of Maui Department of Water Supply, and USGS to comprehensively evaluate Molokai's long-term water demand and resources with the objective of coordinating future development of ground water resources so that, to the greatest extent possible, the water needs of all the stakeholders can be accommodated without impairing DHHL's water rights.

The current sustainable yield of the Kualapu'u aquifer is 5 mgd. Current permitted withdrawals from Kualapu'u total less than 2.0 mgd (which include 1,018 mgd withdrawal from Well 17). From a sustainable yield standpoint, therefore, there is sufficient water in the Kualapu'u aquifer for DHHL to withdraw its 2,905 mgd reservation amount.

The impact of withdrawing one mgd from Kākahale Well on existing DHHL and DWS wells and on the DHHL Reservation in the Kualapu'u Aquifer is discussed in the attachment titled, "Revised Section 4.9.2 (Water)."

6. **MPL has no secure water source since all of their water is in question. Their present allotment of 1,018 from Well 17 that is transported via the Malolokai Irrigation System is on appeal before the State Supreme Court by DHHL and others. Their mountain water source of approximately .5 mgd is being questioned due to decisions regarding the need to maintain stream flow, based on recent decisions arising from the Waiahole case, and also the need to monitor the impact of surface water on ground water recharge. I believe this capture of mountain water from our watershed is impacting on the water quality of wells from Kualapu'u to Kawela. In the last 15 years, they have expanded their capture capacity, which is in violation of their original intent of replacing existing pipes and catchments.**

Response: It is true that the water use permit for 1.018 mgd from Well 17 is on appeal to the Hawai'i Supreme Court. However, a permit issued by the Water Commission is valid, even though appealed, unless and until it is vacated or revoked by the court or the Commission.

It is also true that the Hawai'i Supreme Court's decision in the Waialeale Ditch case cast a cloud over all of the interim instream flow standards adopted statewide. However, no petition has been filed to amend any of the interim instream flow standards adopted for any of the streams on Molokai. It is unlikely, therefore, that Molokai Ranch's ability to continue to divert water in its Mountain Water System is in any real jeopardy.

MPL has not violated its original intent of replacing existing pipes and catchments. The system changes have been for efficiency. The capture of water is limited by permit, which MPL has not violated.

7. All issues made in the *Waioala Contested Case* and affirmed by the State Supreme Court must be considered in this case. *Molokai Properties* must prove that their taking of water will not impact on water for Hawaiian Home Lands now and in the future, and also that the taking of water will not impact on the gathering rights of native Hawaiians, including Hawaiian Homesteaders along the south coast of Molokai from Kaunakakai and areas both east and west of the main town. The fact that the Kākalahale well is in proximity to the proposed Waioala Well makes these issues relevant in this case.

Response: MPL concurs that it must meet all criteria and has done so in the EIS.

8. With the recent revelation of one of their wells supplying Kaunakakai going salty, and also that the State Commission on Water Resource Management has asked the County to decrease their reliance on water from the Kualapu'u area due to impacts on Hawaiian Home Lands rights there, the County is in a bad situation and has to identify two new well sites to supply the existing needs of Kaunakakai residents. This is further complicated by the fact that USGS Hydrologist Debyun Oki stated in a meeting on Molokai in August 2006 that he doesn't believe Hawaiian Homes can extract their 2.905 mgd from the Kualapu'u wellfield. This forces DHHL to seek water further east in the Kamiloa sector, and the County may have to seek water further east to Kawela or beyond. This means Molokai Properties may have to seek water east of Kawela and not from Kākalahale Well.

Response: MPL's understanding is that Mr. Oki's statement was made in reference to a ground water model simulation that he conducted in 2006. USGS simulated the withdrawal of 2.905 mgd from four arbitrarily sited wells within the Kualapu'u aquifer. These arbitrarily chosen sites were spaced relatively close together and not far distant from the existing Kualapu'u well field. Under that scenario, USGS concluded that DHHL could not develop the full amount of its reservation from the Kualapu'u aquifer.

MPL believes that for DHHL to develop its 2.905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the

intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2.905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

To reflect the above information in the Final EIS, Section 4.9.2 (Water) of the Final EIS will be revised as shown in the attachment titled, "Revised Section 4.9.2 (Water)."

9. Without a clear idea of where water for this new development is coming from, and what present rights to water will be infringed upon, we cannot evaluate the environmental impact of this project, and it makes no sense to approve this rezoning. Water follows zoning approval. By approving the land zoning, you will be denying others of their rights. You are only causing more litigation instead of solving something. Furthermore, Molokai Properties has not stated how this water will be transported to West Molokai. By keeping things fuzzy and tentative, Molokai Ranch has created more questions than answers.

Response: Regarding your comment about water following land zoning, this should be directed toward State and County policymakers. We have no control over the order in which approvals are given.

Water will be transported through existing rights-of-way and pursuant to current pipeline usage agreements.

10. The Department of Hawaiian Home Lands has over 26,000 acres of land on Molokai. Of this, only 15% of these lands have access to water. Where will the water for their future homesteads come from, especially if Molokai Properties is allowed to take water for this development? Kākalahale well is located above Kaunakakai town. On both sides of this area lie 5,000 parcels of Hawaiian Home Lands. Of this 10,000 acres, less than 5% have access to water.

Response: Hawaiian Homesteads on Molokai currently obtain agricultural irrigation water through the Molokai Irrigation System (MIS) or DHHL's Kualapu'u wells. MPL's water sources – Well 17, Kākalahale Well, and the mountain water system – do not, and will not, interfere with DHHL's existing sources of water.

The dike compartments in Waikolu Valley, from which the MIS system obtains its water, are isolated from the basal ground water bodies from which Well 17 and Kākalahale well water is or will be withdrawn. The Department of Agriculture has proposed increased pumpage from the Waikolu dike system to augment the MIS.

To date, DHHL has identified a need for 2.905 mgd from the Kualapu'u aquifer to meet future domestic and agricultural homestead needs. MPL's water plan recognizes DHHL's future needs and MPL's water development plans will not interfere with DHHL's ability to develop its water reservation.

As previously discussed in #8 above, for DHHL to develop its 2.905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2.905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

Rising salinity in certain Moloka'i wells appear to be related to local phenomena associated with particular wells. In particular, the concentrated pumpage of the two DHHL wells (Well Nos. 0801-01 & 02), the County DWS well (Well No. 0801-03) appear to be the cause of chloride rise in these wells.

The DHHL and DWS wells are closely grouped and poorly located relative to each other. All three wells have upgradient/downgradient effects when the DWS well is running while one or the other of the DHHL wells is also operating. A 20 mg/L chloride rise – to levels of about 100 mg/L – in the DHHL wells was an almost immediate response to the start of pumping of the DWS Kualapu'u well in 1991. Chloride levels appear to have been stabilized in all three wells at the higher level.

Well 17 has been in use from 1952 to the present. There has never been a chloride response in the DHHL wells since they began operating in 1961 and 1981, or in DWS well since it began operating in 1991 as a result of pumping the Well 17, even during periods of extended (continuous) pumpage of Well 17 at a 1750 gpm pumping rate (2.5 mgd). The fact that chloride levels for Well 17 have remained stable at about half (or less) the levels in the DHHL and DWS wells is further evidence that pumpage of Well 17 is not producing a chloride response in the DHHL/DWS wells, and vice versa.

In addition to the development of new sources for agricultural water, drought mitigation strategies are important in securing the viability of agriculture and agricultural activities on Moloka'i. Recommended drought mitigation strategies for Molokai, identified by the Maui Drought Committee, include a number of measures to repair and improve the efficiencies of the MIS. Another drought mitigation recommendation is to install a pump in MPL's Kākalahale well, which could supply brackish water for mixing with existing sources to meet non-potable demands. This drought mitigation measure can readily be incorporated into MPL's plans to utilize the Kākalahale Well for non-potable irrigation needs identified in the Master Plan.

To reflect the above information in the Final EIS, Section 4.9.2 (Water) of the Final EIS will be revised as shown in the attachment titled, "Revised Section 4.9.2 (Water)."

11. *Another factor is the shrinking aquifer due to over 12 years of drought. It will get even more difficult to extract water for future development on the island, especially for the Department of Hawaiian Home Lands. This will force them to go further inland, meaning they will have to drill deeper. Costs will become prohibitive, and the state will be failing in their trust responsibilities to native Hawaiians in their rehabilitation efforts.*

Response: MPL is not aware of any hydrological evidence that the aquifers on Moloka'i are shrinking.

12. *There's a legal issue that should be answered, and I'm not sure if this is the place, but can a foreign-owned company own a utility company in Hawaii? MPL owns Waiola O Molokai, Inc., the purveyor of water for West Molokai.*

Response: MPL's ownership of Waiola O Molokai is legal and has been accepted by the PUC.

13. *TRANSMISSION OF WATER TO WEST MOLOKAI/LĀ'AU POINT: MPL is proposing to utilize the Molokai Irrigation System (MIS) to carry their drinking water to the project site. Yet, they have no signed agreement. The MIS was constructed with the primary intent of supplying water to Hawaiian Homestead lots for farming and subsistence activities. Many of the Hawaiians have vigorously objected to the use of this system for this purpose. Many bills presently in the legislature may affect their ability to transport their water to west Molokai, including one to allow 2/3's of the voting membership of the Molokai Irrigation System be comprised as Hawaiian Homesteaders. They will be adamant about allowing their water system to be continually used for non-agricultural purposes.*

Response: The use of the MIS by MPL to transport water has been the subject of a long-standing agreement. The Agreement expired and is currently in the process of re-negotiation. While there were a number of bills introduced in the last legislative session concerning the governance of the MIS, all were defeated and none were passed. Because there are existing customers in Kalaheo dependent upon Well 17 water, water will have to somehow be transported from Well 17 to the facilities owned by MPL for further distribution to end users at Kalaheo. Either the MIS will continue to be used or alternate infrastructure will be developed for this purpose. Either way, the infrastructure used to transport water from Well 17 to MPL distribution facilities will also be used to transport potable water to Lā'au Point. Therefore, even if use of the MIS to transport Well 17 water is discontinued, there will be a means of getting potable water to Lā'au Point. The decisions made with respect to this MIS issue, however, will affect infrastructure planning for the transport and distribution of potable water to Lā'au Point.

To reflect the above information in the Final EIS, Section 4.9.2 (Water) of the Final EIS will be revised as shown in the attachment titled, "Revised Section 4.9.2 (Water)."

14. *CC&Rs: The CC&Rs touted by this proposal will not hold up in court because its contrary to prevailing western law which gives the landowner whatever rights they want, including the right to farm, or to use water. To use pricing as a deterrent to increased water doesn't work for millionaires that this development is attempting to attract as prospective buyers. The water issue will lead into litigation regarding Hawaiian Homes first rights to water on the island where the Hawaiian Homes Act was established. You use CC&Rs are a way to restrict certain activities have been challenged in court and, for the most part, hasn't held up in court at least in Hawaii.*

Glenn Teves

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

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Response: We are not aware of any legal barrier to the enforcement of CC&Rs by any party with standing. Excessive use of water will be controlled through pricing and conservation measures available. We disagree with your opinion.

15. **AGRICULTURAL WATER:** For agricultural purposes, the present water available from the Molokai Irrigation System is sufficient to irrigate 2000 acres of agricultural land at any given time. About 2/3 of this is reserved for the Department of Hawaiian Homes Lands; this amount is only sufficient water to irrigate a little over 1300 acres. Yet, there are over 7,800 acres of agricultural lots in the Hoololehua area awarded to native Hawaiians. In legislation approving the construction of the Molokai Irrigation System, it states that 2/3 of the water from Waikolu and 2/3 of the groundwater west of Waikolu is reserved as part of the first phase of the Molokai Irrigation System construction. The groundwater has never been tapped for agriculture, but in the event there is no water left for the homesteaders, this water can be tapped for their use in homesteading. Any taking of water in adjacent areas will have impact on the DHHL's ability to extract water for homestead use.

Response: DHHL's preference in the MIS is provided in HRS §168-4, which reads as follows:

Preference. To the extent that the same may be necessary from time to time for the satisfaction of their water needs, domestic and agricultural, the Hawaiian homes commission and lessees of the Hawaiian homes commission shall at all times, upon actual need therefore being shown to the board of agriculture, have a prior right to two-thirds of the water developed for the Molokai irrigation and water utilization project by the tunnel development extending to Waikolu valley and ground water developed west of Waikolu valley, which was planned by the board of land and natural resources as the first stage of the Molokai irrigation project.

It is MPL's understanding that the first phase of the MIS is complete. MPL's water sources – Well 17, Kākalahale Well, and the mountain water system – do not, and will not, interfere with the MIS's existing sources of water.

16. **IMPACT OF LAND CLEARING:** In the EIS, MPL is trying to say that their land clearing will not have an impact on the near shore environment and will actually create a better situation than now exists. This couldn't be farther from the truth. The present situation is stable, and anything other than the present situation will have greater impact. Once you disturb the soil with large earthmovers, you crack this soil further and this causes the soil to fall apart. The idea of using very little water, which this project is doing, through the use of natives and xeriscaping, will create a worst-case scenario since it will be difficult to cover and stabilize the soil in the entire lot without covering the entire area with water due to water restrictions. Also, there are few natives that can hold the soil in place with soil-binding root systems.

Response: Erosion control measures, including Best Management Practices, will be implemented during earthwork to minimize erosion and siltation.

17. The high wind conditions present in this area will aggravate the situation by blowing all loose or disturbed soil away and ultimately into the ocean. Another problem created by land clearing will be the movement of soil near the coastal strand where many natives are found. By changing the make-up of the soil in the coastal area through the runoff of soil into this area, this will affect the ability of

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some natives to survive in this modified environment. The present soil has glued or fried itself together, while loose material has either blown away or rolled downhill. Again, any change from the present stage will have an increased impact on the soil and adjacent areas, including the shoreline and ocean and the inhabitants therein.

Response: Prior to construction, the contractor will develop a dust control management plan, which will identify and address all activities that a potential to generate fugitive dust. Activities will comply with the provisions of Hawai'i Administrative Rules, §11-60.1-33 on Fugitive Dust.

As discussed in Section 2.3.1 on page 25 of the Draft EIS, the expanded State Conservation District and additional 50-foot building setback from the residential lot line will provide a significant buffer between the residential makai boundary and shoreline uses (250 to 1,000 feet). Land clearing for the residential area will not be near the "coastal strand."

18. **IMPACT ON LAND PRICES:** One issue that MPL has stirred, among many other issues, is the impact on prices on adjacent areas, such as in Maunaloa. It's inevitable that this very high-end development will have an adverse impact on land prices, not only nearby, but also on the entire island since this island is so small. It will make it harder for residents to purchase residential lots, let alone qualify for a house construction loan. This will be a major socio-economic impact on the island that can aggravate many other social problems that are not already on the surface for some of these families. Economic and social stability starts with the ability to afford to own your own home.

Response: Section 4.8.2 (Housing) and Appendix L (Hallstrom Letter) of the Draft EIS provided discussion about why Lā'au Point would not have an adverse impact on land prices for the island.

19. **SOCIAL IMPACTS:** Surveys don't assess impacts, especially if the experimental design is not sound. There were instances, such as in Maunaloa, where the participants were selected and were skewed toward supporting the development. Since many of the Maunaloa residents are MPL employees, they feel suppressed and oppressed to say things against MPL. One of the sociology experts hired, Berna Cabucangan, in the Waiahole contested case hearing, stated there would be no adverse social impacts on the neighbor islands due to the opening up of large tracts of farm land on Oahu. As a result of this opening of land on Oahu, many Maui farmers went out of business because they couldn't compete with a farm who grew the same crops as there's, was situated near their markets, could deliver on demand, and didn't have inter-island shipping costs. The neighbor island farmers could no longer compete and were driven out of farming. I wouldn't put any credence in the social impact survey.

Response: We note this is your opinion regarding social impact surveys.

20. **FAILURE TO ADDRESS COMMUNITY CONCERNS:** I attended most of the community input meetings and many of the planning meetings. In fact, I attended more meetings than many of those who voted on whether to proceed on the La'au project. Although they collected input, they made no concerted attempt to address questions and concerns that came up in these meetings, which was unfortunate. In hindsight, the strategy was to use the attendance numbers to say, "We met with the community and they're in support of this development." This couldn't be farther from the truth, and was evident in the recent Molokai Enterprise Community elections. The turnout exceeded the last general election, and the pro-La'au candidates lost their seats by a margin of over 2 to 1. This is a community mandate; the majority of the Molokai community is not in support of this project.

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Response: Your input was taken seriously at the meetings; in fact, the agricultural easement land designation (14,390 acres for agriculture) in the Master Plan was the direct result of your and Alton Arakaki's input relating to types of soils and slope that were suitable for agriculture.

You also advised against any development under "agriculture use" as had been often done on Maui. It was advice such as this that led MPL to seek a State Land Use District Boundary Amendment with the Land Use Commission rather than try to do an already permissible "agricultural subdivision" at Lā'au Point.

Your information relating to water resources, and the fact that the Kualapu'u aquifer needed to be reserved for homesteaders' future use, was also the cornerstone of MPL's Water Plan.

We respectfully disagree with your conclusion that there is a direct correlation between the election results and the project. The election held on January 31, 2007 was for two board members the Moloka'i Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at Lā'au Point, the proposed development at Lā'au Point is not a project of the EC.

The EC facilitated the Master Plan process (as discussed in Section 2.1.6 of the Draft EIS), and later voted to support the Master Plan based on the strong recommendation from the Land Use Committee. The EC has also stated that the Plan represents the fulfillment at the highest levels of the key principles of the USDA's Empowerment Zone/ Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and voided ballots). This turnout, while record-setting for EC elections, represents only 25.6% of Moloka'i residents over 18 (According to the 2000 Census, the Moloka'i population over 18 years of age is 5,015). Bridget Mowat and Leila Stone, who won the two seats and campaigned on an "anti-Lā'au" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Moloka'i's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the Lā'au Point project, no matter what the candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with Lā'au Point. The EC election was for the Board of Directors that has no such regulatory power.

We thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Glenn Teves
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Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



February 22, 2007

TO: Anthony Ching, Executive Officer
State Land Use Commission

RE: Draft Environmental Impact Statement for La'au

RECEIVED
FEB 22 2007

STATE OF HAWAII
LAND USE COMMISSION

According to the statement on pg. 89 "The project area is about 25-35 minutes response time from Hooilehua fire station and about 20 additional minutes from Kaunakakai station." needs to be re-evaluated from past experience as a Fire Captain for the Maui Fire Department, stationed at the Hooilehua fire station, now retired, it would take approximately 40 minutes from Hooilehua fire station to get to Dixies at the end of the road in Kaluakoi. From Dixies to La'au Point will take another 3 miles approximately, along the shore line, taking another 5-10 minutes, should the road be paved. In addition, the statement also states, "Fire and rescue emergency services will be able to access La'au Point and the shoreline from the new paved access road from Kaluakoi and the existing emergency access dirt road from Hale O Lono Harbor, within access to the shoreline through the subdivision at designated locations."

This statement clearly fails to describe an actual or proximate response time for, 1 "the new paved access road from Kaluakoi" and where this road will actually be; and 2 "the existing emergency access dirt road from Hale O Lono Harbor." First, where this new paved access road would be leaves it to speculation as I described above, or from the current coral road that connects to Puhaku Loa Rd. in Kaluakoi. Either road would clearly lengthen the approximate response time as stated in this impact statement. Secondly, this impact statement fails to state the actual response time for the other route, "the existing emergency access dirt road from Hale O Lono", pg. 89. This highly leaves it to speculation and inaccuracies. The response time for Hooilehua fire station to Maunaloa town is 20 minutes. This does not include the 8-10 miles approximately to arrive at the project area. One must also consider the road to Hale O Lono is an unpaved road, and may take approximately up to 45-60 minutes to arrive at the project area in La'au from Hooilehua Fire Station.

Last, the impact of such emergencies for this proposed project for La'au affects many, leaving areas from Kala'e, Kualapuu, Hooilehua, Maunaloa, and Kaluakoi vulnerable should there be an emergency also. I urge you to review and research further on the actual impact it will have on our fire, rescue, and emergency personnel as well as the emergency response times in this Draft Environmental Impact Statement for La'au, which is highly questionable and inaccurate to the best of my knowledge.

Respectfully Submitted,

Hana K. Yasso
Retired Fire Captain, E-9 Hooilehua Fire Station

November 1, 2007

Hana Yasso
[no address given]

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Yasso:

Thank you for your letter dated February 22, 2007 regarding the La'au Point Draft Environmental Impact Statement (EIS). Your comments deal with emergency response time.

We acknowledge your comments. The 25-minute response time is an estimate; we concur that emergency response time can take longer. Currently, access to the area is via unpaved and dirt roads. Although previously addressed in Section 4.10.3 (Fire Protection) of the Draft EIS, the following revision will be added in the Final EIS as clarification:

The project may impact fire protection services due to the increased demand generated by additional population, the presence of more structures, and potential increased activity at the parks and along the shoreline. The project area is about 25 to 35 minute response time from the Ho'olehua fire station and about 20 additional minutes from Kaunakakai's station. These response times are estimates and emergency response times may take longer. Currently access to the area is via unpaved and dirt roads. With the project, the access road will be paved, improving the road conditions, which may reduce emergency response times.

Most responses to the project area would probably be medical related given the older population. Further, there is a risk of brush fires in the area due to dryness and high winds, although fire breaks will be cut regularly during summer months.

A water storage tank or reservoir will be constructed above the project site to provide adequate pressure and to meet the storage requirements for fire protection. Fire hydrants will be installed along the road spaced at intervals between 450 to 500 feet.

To provide increased fire protection at La'au Point until there is a fire station within the five road miles required to have a favorable fire insurance rating as determined by the Hawaii Insurance Bureau, the La'au Point Covenants, Conditions, and Restrictions (CC&Rs) will require all residential structures to have sprinkler systems meeting standards specified in the Fire Code. The Fire Department does not require MPL to provide a fire station on the West End for La'au Point.

Fire and rescue emergency services will be able to access La'au Point and the shoreline from the new paved access road from Kaluakoi and the existing emergency access dirt road from Hale O Lono Harbor, with access to the shoreline through the subdivision at designated locations. Emergency responders can also use an existing emergency access dirt road from Hale O Lono Harbor and do not have to go all the way to Kaluakoi to access La'au Point.

Molokai Properties Limited dba Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 • Telephone 808.531.0158 • Facsimile 808.571.2779

Hana Yasso
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

ALANA ANTHONY: COMMISSIONER

MY NAME IS HARRY K. RUDOLPH
WORKS: RAISED ON MOLOKAI

LIVED AND WORKED ON OAHU, UNTIL I WONED
HOME IN 1977, WORKED FOR ALANA ANTHONY
TILL 1981 ON MOLOKAI. WHEN THEY STOPPED
OPERATIONS HERE. I STAYED AND CREATED
RUDOLPHS NATIONAL MACAWANA FARM ON MY
PROPERTY INSTEAD OF A-A HOLES. IT IS
A VACATION AND RETAIL FARM, WHICH HAS
BEEN SUCCESSFUL

WHEN KAHUNA HOELI WAS BUILT AND OPENED
IN 1977, IT OPEN THE DOORS TO A NEW
INDUSTRY ON MOLOKAI. IT TOOK THE PLACE
OF PINEAPPLE. BUT IT WAS BUILT WITH
THE ISLAND INPUT AND PLANNED THAT
WAY. IT WORKED! GREAT, 100 MOLOKAI
RESIDENTS, EMPLOYED HERE, AND MANY OTHER
JOBS CREATED BECAUSE OF IT. MYSELF INCLUDED.
I AM STILL SUCCESSFUL BUT THE WHOLE
ISLAND WOULD USE THAT ECONOMIC ENGINE
NOW. THE VISITORS NEED A PLACE TO STAY.

OTHER PENDING PARTS OF THE EIS FOR
LAAU. I'M ANXIOUS THAT MOST YOU CAN
WRITE AND NOT SAY ANYTHING, IF YOU ARE
FROM THE ISLAND AND ATTENDED THE EC AND
NEXT MEETINGS YOU WOULD UNDERSTAND.

I HAVE COMPILED SOME QUESTIONS TO
CHALLENGE MPL QUEST TO DEEPE
LAAU.

I WANTED TO FOCUS ON TOURISM

AND ECONOMICS.

BOTH BUSINESSES WERE VERY LIMITED
AND NOT TO MUCH THAT WILL ACTUALLY
SUPPORT AND MAINTAIN ECONOMIC GROWTH
FOR THE ISLAND. MY CONCERN IS HOW
WE SUSTAIN TOURISM (VISITOR ONLY) AND
HAVE ECONOMICS WITHOUT TAKING TO LEVELS
THE ENGINE IS THERE. WE GOT TO
START IT UP AGAIN. IT WORKED FINE
BEFORE.

AS I READ PAPERS, COST SKIMMING,
I REALISED THAT THERE WAS A LOT OF
DISCREPANCIES. I HAD ONLY LIMITED
TIME AND I'M SURE THERE IS MANY,
MANY MORE THROUGHOUT THE EIS
WANTED FOR THIS OPPORTUNITY

VERY CONCERNED MOLOKAI
RESIDENT,

James R. Rudolph

OWNER NA HUKA O KA OAHU
DBA. RUDOLPHS NATIONAL MACAWANA
FARM

LAND USE COMMISSION (STATE)
MOLOKAI PLANNING COMMISSION
MAUI COUNTY COUNCIL
HONOLULU HAWAII

2

DEIS LAU

PAGE 1

PAGE 31

2-4

COMMUNITY MEETINGS STARTED AUG 2003, BUT ONLY IN MAY OF 2005 DID MPL BRING UP THE MENTION OF LAU. TWO YEARS TO REVENUE TO THEIR PLAN, LAU TO THE COMMUNITY. I KNOW I ATTENDED THE FIRST 7 AND MAY WHEN THE NEXT SO MEETINGS.

MY QUESTION

WHY CREATE THIS HURDLE AND TIME CONSUMING FACADE, OF WANTING TO WORK WITH THE COMMUNITY, ONLY TO REVEAL ITS TRUE INTENTIONS, DEVELOPE LAU WITH 200, 2 ACRE LOTS, FOR 1M\$ PER?

PAGE 31-33

BY THE 2ND YEAR OF COMMUNITY MEETINGS 98% OF PEOPLE IN ATTENDANCE (AKAKU MAI TOBUKUTU) WAS TO STOP LAU DEVELOPMENT.

MY QUESTION

WHY AFTER FULL COMMUNITY SUPPORT TO STOP LAU DEVELOPMENT, THE MPL IGNORED THE COMMUNITIES DEMAND?

PAGE 128-129

COMMUNITY PLAN

MOLOKAI RESPONSIBLE TOURISM INDICATIVE REPORT: FUNDING FROM LAU WILL INCLUDE TRAIKAKOI HOTEL.

NOTE

MY QUESTION

WITH ALL THE MONEY, TIME, HURDLES, MIXES, CHARTS, BROCHURES, GOLF TOURNAMENT, ADS, PERMITS, NEW THING PEOPLE (GOLF FOR THIS PROJECT) LAUNIER, LIASON ETC... ETC'S (ZONE CHANGE) HOW CAN THEY FUND ALL THIS ACTIVITY, TRUE

PAGE

1 CONTINUE 2

SPEND TO ML TO CONSTRUCT LAU AND SAN THEY DON'T HAVE THE MONEY TO REOPEN KALUA FOR HOTEL, THAS ALREADY BUILT?

PAGE 26

COMMUNITY PLAN AMENDMENT

MOLOKAI DID A LOT OF WORK TO CREATE THIS COMMUNITY PLAN NOW MPL WHO IS A FOREIGNER INDEPENDENT CO. WANTS TO AMEND PARTS OF IT. THEY WILL MAKE 200M DOLLARS, UNDEPENDABLE FOR INDIGENES, BUT NOT FOR MOLOKAI COMMUNITY.

MY QUESTION

WHY ALLOW MPL TO CHANGE OUR COMMUNITY PLAN TO SUIT THEM, WHEN THEIR PLAN IS ALREADY FULL? (MOLOKAI TOWN, TRAIL TO SITES (3X) 2 OF WHICH ARE SHIT DOWN, TRAIKAKOI HOTEL SITTING BITE SURE THEY BROUGHT IT, SPENDING ON OTHERS NOW.

PAGE 87-88

PUBLIC SERVICES

EMERGENCY PROTECTION

HOW DID YOU ESTIMATE REMIUS FOR ANY EMERGENCY TO LAU?

(NOTE)

A MOLOKAI RETIRED FIRE CAPTAIN FROM THE HOOLENA FIRE STATION SAID 'IT'S TAKES ATLEAST 25-30 MINS TO MAKAALOA TOWN.' LAU POINT IS 6-8 MILES

PAGE 52-54

4.2.1

QUESTION

CULTURAL SIGNIFICANCE OF LAU POINT

NOTE

2ND PARAGRAPH ... TOTALLY CORRECT WHY DISREGARD LAU? DANIANA MCGREGOR PAID ETHNIC STUDIES UH. NAHA REVEALS DURING EARLY WESTERN CONTACT, KALUKOI, HAWAII WAS AGRICULTURE, UNINHABITED...TILL TODAY IS THE SAME.

CONCLUSION



Molokai Properties Limited

November 1, 2007

Harry K. Purdy III
P.O. Box 84
Ho'olehua, Hawaii 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Purdy:

Thank you for your letter postmarked February 21, 2007 regarding the La'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

We understand that you filed a "notice to intervene" with the State Land Use Commission (LUC) in May 2006 regarding the La'au Point State Land Use District Boundary Amendment petition. If you plan to formally file a "petition to intervene," you will need to comply with LUC Rules (HAR §15-15-52 Intervention in proceeding for district boundary amendments). The LUC rules can be obtained on their website at <http://luc.state.hi.us/docs/huc_rules.pdf>.

1. Page 31, 2.4: Why create this huge and time consuming facade, of wanting to work with the community, only to reveal its true intentions, develop La'au with 200, 2 acre lots, for IML per?

Response: MPL was upfront about its needs from the very beginning as per Peter Nicholas' speech to the community meeting with the Conservation Fund on January 28/29, 2003. To reflect this information in the Final EIS, as well as to address other questions and concerns regarding the validity of the community-based planning process, Section 2.5 will be revised as shown on the attachment titled, "Revised Section 2.4 (Community Meetings and Involvement)."

2. Page 31-33: Why, after full community support to stop La'au development, has MPL ignored the communities demand?

Response: At the public meetings, the opposition organized strong opposition to all aspects of the Community-Based Master Land Use Plan for Molokai Ranch (Master Plan) and proposed La'au Point project.

MPL still believes there is overall community support for the Master Plan, with supporters afraid to demonstrate support because they are targeted by the vocal and militant opposition with reprisals and abuse.

3. Page 128-129: With all the money, time, hurdles, maps, charts, brochures, golf tournament, adds, permits, new hired people (just for this project), lawyer, liaison, etc...EIS (zone change). How can they fund all this activity, then spend 70 ML to construct La'au and say don't have the money to reopen Kaluakoi Hotel, that's already built?

2.3
PAGE

2. CONTINUE 3

QUESTION: WHAT MAKES LA'AU IDEAL, WITH THE EVER PRESENT
BASELINE FOR WATER IN AN AREA THAT IS STILL
THE DRIEST HISTORICALLY AND NOW?

PAGE 300

4.1.2

ARCHAEOLOGY
LA'AU POINT CONTAINS NUMEROUS HISTORIC, HOUSE SITES,
COOKING HEAVS, ETC.

NOTE:

CALL FOR STATE WIDE MONITORING ON CONSTRUCTION IN THE
STATE (LOCAL COUNCIL MEETS 1/22/07) BECAUSE NOT
ENOUGH IS BEING DONE TO PROTECT HUMAN REMAINS, ANCHORS
ETC., THAT HAS BEEN UNEMIT ACROSS THE STATE AND
BEING LEFT AND STORED IN CONTAINERS, SINKERS, BACK ROOMS
ETC. AND THEIR DEVELOPMENT IS OPEN FOR BLENDS
THE SINKERS REPAIRS, NOT ENOUGH MAINTENANCE, DINK.
HOW CAN WE BE SOBER WITH NOT ENOUGH STATE AGENCIES
TO INCREASE THE SENSITIVE PROCEEDURE, BE HANDLED
WITH KNOWLEDGE AND RESPECT?

QUESTION

paragraph 3

THIS DISTRICT IS ON THE STATE OF HAWAII AND
THE NATIONAL REGISTER OF HISTORIC PLACES.

QUESTION

HOW CAN YOU ALLOW ANY DEVELOPMENT HERE?

Response: MPL estimates that to re-open the Kahuako'i Hotel will, at 2007 costs, need \$30 million and additional cash costs of up to \$5 million to fund initial losses before the hotel operation becomes cash positive.

MPL estimates that it will probably cost \$1 million to obtain the entitlements necessary for the Lā'au Point development, which is being funded by the sale of land. Operational losses of approximately \$3.6 million per annum are also being funded by the sale of land.

MPL has the minimal staff necessary to operate its property holdings. No more, no less.

Land sales will not fund the re-opening of the hotel as well as fund operational losses. The sale of Lā'au Point lots will fund the hotel's refurbishment, as has been stated in the Draft EIS and in the Master Plan.

4. *Page 26, 2.3.3: Why allow MPL to change our Community Plan to suit them, when their plate is already full? (Maunaloa Town, Tentalo sites (3x) 2 of which are shut down, Kahuako'i Hotel sitting idle since they bought it, going on 5 years now.*

Response: The Community Plan Amendment is proposed to change the project area's zoning from Agricultural to Rural for the residential areas, and also to re-designate the expanded Conservation District shoreline areas to Conservation from Agricultural.

5. *Page 87-88, 4.10.3: How did you estimate 25 mins for any emergency to Lā'au? A Molokai retired fire captain from the Hoolehua Fire Station said "It takes a least 25-30 mins to Maunaloa Town." Lā'au Point is 6-8 miles.*

Response: The 25-minute response time is an estimate; we concur that emergency response time can take longer. Currently, access to the area is via unimproved and dirt roads. Although previously addressed in Section 4.10.3 (Fire Protection) of the Draft EIS, the following revision will be added in the Final EIS as clarification:

The project may impact fire protection services due to the increased demand generated by additional population, the presence of more structures, and potential increased activity at the parks and along the shoreline. The project area is about 25 to 35 minute response time from the Ho'olehua fire station and about 20 additional minutes from Kamakakai's station. These response times are estimates and emergency response times may take longer. Currently access to the area is via unimproved and dirt roads. With the project, the access road will be paved, improving the road conditions, which may reduce emergency response times.

Most responses to the project area would probably be medical related given the older population. Further, there is a risk of brush fires in the area due to dryness and high winds, although fire breaks will be cut regularly during summer months.

A water storage tank or reservoir will be constructed above the project site to provide adequate pressure and to meet the storage requirements for fire protection. Fire hydrants will be installed along the road spaced at intervals between 450 to 500 feet.

To provide increased fire protection at Lā'au Point until there is a fire station within the five road miles required to have a favorable fire insurance rating as determined by the Hawaii Insurance Bureau, the Lā'au Point Covenants, Conditions, and Restrictions (CC&RS) will require all residential structures to have sprinkler systems meeting standards specified in the Fire Code. The Fire Department does not require MPL to provide a fire station on the West End for Lā'au Point.

Fire and rescue emergency services will be able to access Lā'au Point and the shoreline from the new paved access road from Kahuako'i and the existing emergency access dirt road from Hale O Lono Harbor, with access to the shoreline through the subdivision at designated locations. Emergency responders can also use an existing emergency access dirt road from Hale O Lono Harbor and do not have to go all the way to Kahuako'i to access Lā'au Point.

6. *Page 52-54, 4.2.1: 2nd paragraph...Totally correct. Why disturb Lā'au?*

Response: Lā'au has already been disturbed, but the Shoreline Access and Management Plan will ensure this is minimized and the area is protected.

In addition, we direct you to Section 2.2 of the Draft EIS, which provides explanation of the Lā'au Point project's purpose and need, and Section 6.1, which addresses the "no action" alternative.

7. *What makes Lā'au ideal, with the ever present battle for water in an area that is still the driest historically and now?*

Response: Lā'au Point was chosen because it is the only location with high-value for less density. In evaluating any proposed alternative (see Section 6.0 of the Draft EIS for various alternatives), there was the need for economically viable projects that could generate revenue and returns on investment which could make the overall conservation initiatives proposed by the Master Plan feasible and sustainable for the benefit of the Molokai community.

In summary, other alternatives proposed were evaluated against the project objectives and not selected over the proposed Lā'au Point project for the following primary reasons. The alternative plans:

- Did not produce the revenue and returns necessary to fund the re-opening of the Kahuako'i Hotel and support the future viability of Molokai Properties Limited.
- Were not viable economically as stand alone projects.
- Would require vastly increased safe drinking (potable) and non-drinking (non-potable) water use that could not be supported by the Land Use Committee or the EC.
- Proposed increases of up to 1,000 units which increased the resident population to levels that were unacceptable to the Land Use Committee and the EC.

MPL has further analyzed alternatives subsequent to those meetings. To reflect this information in the Final EIS, as well as to address other questions and concerns regarding

alternatives, Section 6.0 (Alternatives) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 6.0 (Alternatives)."

Concerning water, in summary, MPL did not want to seek more drinking (potable) water from island resources, nor propose population increases that appeared to be unacceptable to the island's community. At the Lā'au Point project's build-out, it is anticipated that permanent residents will occupy only 60 of the homes (30 percent), thus minimizing the social impact (see Section 4.8). Water use will be contained by strict CC&Rs attached to the project (see Section 4.9.2).

Another criteria was to ensure that current potentially usable agricultural land remain available for future agricultural use, thus protecting the desire to have Moloaka'i remain an agricultural-based economy. Section 3.3 and 3.4 discuss soils at the Lā'au Point site as being poorly suited for soil-based agriculture. Other more suitable agricultural land has been identified elsewhere on other MPL lands in the Plan.

MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Land Use Plan. A new non-potable source is being proposed. Currently permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses. When non-potable water from the Kākalahale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the Lā'au Point development.

The Kākalahale Well, the proposed new source of non-potable water, is situated where it is unlikely to have a measurable impact on the existing DHHL and DWS wells in Kualapu'u. First, the Kākalahale Well is down- and across-gradient from the DHHL and DWS wells. Second, the Kākalahale Well is approximately 12,200 feet (2.31 miles) away from the DHHL and DWS wells; at that distance, it is unlikely that pumping 1 mgd will create a measurable effect. Third, there are known subsurface intrusives between the Kākalahale and DHHL/DWS well sites, namely Pu'u Kākalahale and Pu'u Luahine, which are barriers to ground water flow.

The Kākalahale Well was developed in 1969 as a drinking water well for the Kāluako'i Resort. However, due to the brackish quality of the water, the well was never put into production. Relative to its distance inland, chlorides of the Kākalahale Well are anomalously high. This anomaly is explained, however, by the presence of upgradient subsurface intrusives, i.e., the subsurface "plumbing" of Pu'u Kākalahale, which function as barriers to normal mauka-to-makai flow of groundwater. The upgradient intrusives, which create the brackish result in the Kākalahale Well, also function to limit the effect of pumping the

Kākalahale Well on other wells upgradient of the intrusives, such as the DHHL and DWS wells in Kualapu'u.

Additionally, it is highly unlikely that withdrawing 1 mgd from the Kākalahale Well will have an adverse impact DHHL's ability to access its reservation amount from the Kualapu'u aquifer. For DHHL to develop its 2.905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2.905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

If the unlikely event occurs that DHHL and MPL must compete for the same water, MPL will recognize DHHL's priority rights to water and will seek alternative sources of water, including, but not limited to, desalination of brackish or salt water. Desalination is an alternative source of water that becomes increasingly viable with technological advances.

To ensure water availability to all, MPL, DHHL, and Maui County DWS are working cooperatively to coordinate future water development plans with the assistance of the USGS. It is anticipated that by proper placement of wells, the needs of DHHL, the County, and MPL for the foreseeable future can all be met at reasonable costs to the respective parties.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

8. *Page 50, 4.1.2: How can we be sure, why not enough state agencies to oversee this sensitive procedure, be handles with knowledge and respect?*

Response: The project will not proceed without approval from the State Historic Preservation Division on the archaeological plans. Appendix E of the Draft EIS provides the archaeological plans.

The situation at DLNR merits concern by all parties engaged in or commenting on development, and is currently the subject of activity in the legislature, where a management audit of the State historic Preservation Division appears likely. It is true that incomplete staffing at SHPD means that the program is unable to keep up with demand. Likewise, the Moloaka'i Island Burial Council (which makes the recommendations upon which the Burials Program typically relies) has not been active for quite some time, which presents a serious

Harry K. Purdy III
SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 6 of 6

roadblock to approval of the Burial treatment Plan intended to set the procedures for dealing with burials and reassuring the public.

It should also be noted that the Burials Program, while it does review burial treatment plans, is frequently not involved in the day to day fieldwork. This is more often the domain of an archaeological consultant, who must communicate any finds to the program. SHPD has never had dedicated, on-island Moloka'i archaeological or burial staff, and the community should be aware that even in the best of times, SHPD exercises oversight of archaeological work and monitoring, rather than having a field presence themselves.

9. *This District is on the State of Hawaii and the National Register of Historic Places. How can you allow any development here?*

Response: As shown in Appendix E of the Draft EIS, the Southwest Moloka'i Archaeological District (Site 803) and all other significant archaeological sites around Lā'āu Point will be preserved in place. No development will occur in the "Cultural Protection Zones," areas where groupings of historic sites exist, therefore providing the preservation of cultural landscapes rather than individual sites.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

- Revised Section 2.4 (Community Meetings and Involvement)
- Revised Section 6.0 (Alternatives)
- Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

JANUARY 4TH, 2007

To: Thomas B. Witten
President
PBR Hawaii
1001 Bishop St.
ASE Tower Suite 650
Honolulu, Hawaii 96813



ALOHA MR. WITTEN

I WOULD LIKE TO ASK THAT WITHIN THE POWER THAT YOU HOLD WITH THE PBR HAWAII - THAT YOU EXTEND THE TIME PERIOD CONCERNING THE ENVIRONMENTAL IMPACT STATEMENT IN REGARDS TO THE PROPOSED DEVELOPMENT OF OUR "SPECIAL" LA'AU POINT COASTAL AREAS... PLEASE CONSIDER THIS PETITION THAT I DO SUGGEST (FOR A MORE PROMPT OPPORTUNITY FOR ALL CONCERN) THAT THE HOLDING TIME PERIOD OF 45 DAY BE EXTENDED FOR ANOTHER 60 DAYS FOR ALL CONCERNED PEOPLE & EXTENDED FAMILIES WILL HAVE A MORE JUST MEANS OF PREPARING FOR THIS MOST HEART WRENSTOMING ISSUE THAT IS FREQUENTLY DIVIDING OUR COMMUNITY...

WE NEED TO COME TOGETHER SINCE AGAIN IN UNITY AND FULL OF ALOHA TO SIMPLY FULLY SHARE BRIGHTLY THE PEACE WITHIN THAT TRULY INDICES DEFINES THE LOVELINESS OF OUR MO-BETTER MOLOKAI LIFESTYLE. MOLOKAI IS SO VERY SPECIAL, THE PEOPLE ARE ALWAYS MOST SPECIAL - SO WITH A 60 DAY EXTENSION I'D FEEL IN MY HEART THE TRUTH WILL CLEARLY COME OUT AND THIS MOST IMPORTANT ISSUE ABOUT LA'AU WILL BE RESOLVED FOR THE BENEFIT OF THE PEOPLE.

MAHALO FOR YOUR INTEREST IN COMMUNICATING WITH THIS SIMPLE "BEACH BOG" FROM MOLOKAI ABOUT LA'AU...

Aloha
JAISSUJIN M. CARICEO
% NANI OHANA
P.O. BOX 1269
KAUNAKAKAI, HI 96748
PHONE: 808(558-8104)

PLEASE SEND:
ANTHONY CHING DIRECTOR OF LAND USE COMMISSION

January 16, 2007

Jaissujin Cariceo
P.O. Box 1269
Kaunakakai, Hawaii 96748

SUBJECT: La'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Mr. Cariceo:

We have received your request for an extension of the public comment period for the La'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the La'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the La'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control



November 1, 2007

James Puua-Spencer
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawai'i 96729

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear James:

Thank you for your letter regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *The first question I have is about burial sites and culturally important sites at La'au Point. I have read in the Plan that sites already found will be put into the land trust to preserve the area. My concerns is what will happen if bones are exposed in construction of roadways, and sewage drains what will happen to those bones? What will happen with the plan? Will it continue and the bones are moved or will construction continue around the bones?*

Response: As discussed in Section 2.3.1 (Protected Areas) of the Draft EIS, the roadways and residential lots avoid cultural and archaeological sites. These sites will be preserved and protected in place by designating the surrounding area of the archaeological site into Cultural Protection Zone and Conservation District.

As stated in Section 4.1 of the Draft EIS, MPL and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic remains such as artifacts, burials, concentrations of shell or charcoal be encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected from further damage. The contractor shall immediately contact the State Historic Preservation Division, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

According to the Burial Treatment plan (provided in Appendix E of the Draft EIS), construction will be planned to avoid any burials or suspected burials recorded in previous studies and during the supplemental road corridor survey. Therefore, it is very unlikely that any burials will be disturbed. Should it prove extremely difficult to plan around a possible burial, then (as a last resort) that feature may be tested to determine its actual function. If it is in fact a human burial, then it will be covered, and preserved in place. Human remains encountered during such a test will not be removed, photographed, or collected.

To Whom It May Concern:

My name James Puua-Spencer and I am a student at Molokai High School. I am writing the letter as an assignment for my Environmental Science class but also because I am a concerned citizen of Molokai. There are a few questions that I feel is important not only for me to know but for my classmates to know the answer to so that we have an idea of how this "Plan" will impact our home and our future.

The first question I have is about burial sites and culturally important sites at La'au Point. I have read in the Plan that sites already found will be put into the land trust to preserve the area. My concerns is what will happen if bones are exposed in construction of roadways, and sewage drains what will happen to those bones? What will happen with the plan? Will it continue and the bones are moved or will construction continue around the bones?

And the second question is if brackish water is taken from the Kakalabale well the will salt water not ruin the fresh water that is in there? I feel that the well should not be touched and another system should be used before the well is ruined like those once found down Palaa.

I would like to thank you for taking time to read my letter and hopefully you get back to me.

Respectfully, James Puua-Spencer

Mr. James Puaa-Spencer
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

2. *And the second question is if brackish water is taken from the Kāalahale well the will salt water not ruin the fresh water that is in there? I feel that the well should not be touched and another system should be used before the well is ruined like those once found down Pālaau.*

Response: Not all potable aquifers have a potable water lens overlying salt water with a brackish transition zone in between. In the basal aquifers in West Moloka'i brackish water is encountered at the uppermost layer of the lens.

This situation is also found at the Kāalahale Well site. The Kāalahale Well was developed in 1969 as a drinking water well for the Kaluako'i Resort. However, due to the brackish quality of the water, the well was never put into production. Relative to its distance inland, chlorides of the Kāalahale Well are anomalously high. This anomaly is explained, however, by the presence of upgradient subsurface intrusives, i.e., the subsurface "plumbing" of Pu'u Kāalahale, which function as barriers to normal mauka-to-makai flow of groundwater. The upgradient intrusives, which create the brackish result in the Kāalahale Well, also function to limit the effect of pumping the Kāalahale Well on other wells upgradient of the intrusives, such as the DHHL and DWS wells in Kualapu'u.

Withdrawing brackish water from the Kāalahale Well will not result in a situation where upconing would contaminate a potable water lens.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding water issues, Section 4.9.2 (Water) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)." See the section of the attachment titled, "Additional Information on the Kāalahale Well."

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Written, PBR HAWAII



To Whom It May Concern,

Hi my name is Jasper Kaho'iwai, I am a senior at Moloka'i High School. And I'm writing a letter in my environmental science class. The reason why imp writing this letter is so that I can share my thoughts and feelings on the developing of la'au point proposal.

I read the article that was about the marine environment at la'au point. And I just wanted to share some thoughts and feelings about it, I think that most of the information that was said was false. Like when you guys said that their only a few species and that their higher east of la'au point?

You cannot say that theirs only a few species, because there are a lot more than a few species that are down their and you don't know that they're higher east. Because I myself am in the water most of the time, & the fish don't stay in one place, they travel all over. I would like to thank you & everyone else that took the time to read my letter of concern.

Sincerely,

Someone Who Cares

Jasper Kaho'iwai

November 1, 2007

Jasper Kaho'iwai
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawai'i 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Kaho'iwai:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We acknowledge that you disagree with the findings of the marine biological surveys.

The marine biologists from TEC, Inc., who performed the baseline survey, are among the most well-respected researchers in Hawai'i; they are as knowledgeable of the taxonomy and habitats of endemic species as any marine scientists in Hawaii. Each has conducted research for many years throughout the Hawaiian Islands and other Pacific Islands as well. One of the researchers, Dr. Alan Friedlander, has been instrumental in development of the community-based management regime in place at Mo'omomi, and is intimately familiar with the marine biota of Moloka'i.

In their comment letter on the Draft EIS, the State Department of Land and Natural Resources, Division of Aquatic Resources confirmed that the methodology employed for the marine biological surveys is sufficient. Section 3.8 (Marine Environment) of the Final EIS has been revised to include the following:

According to their letter dated February 15, 2007, the State Department of Land and Natural Resources, Division of Aquatic Resources stated: "the methodology employed by their subcontractor TEC is consistent with acceptable practices, and very likely akin to what we would have done ourselves if given the task."

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,

Peter Nicholas
President and CEO
Molokai Properties Limited

Mr. Jasper Kaho'iwai
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

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*V. Study - ps, re
to LUC*

JEANNINE JOHNSON
5648 PIA STREET
HONOLULU, HI 96821
PH: 373-2874 (H) / 523-5030 (W)

"Jeannine"
<jeannine@hawaii.rr.com>
01/09/2007 09:17 PM

To: <luc@dbedt.hawaii.gov>
cc: <annmarie@hawaii.rr.com>, "Chris Cramer"
<chris.cramer@maryknolls.school.org>
<raycarroll@Capitol.hawaii.gov>



Subject RE: La'au Point

FACSIMILE COVER SHEET

TO: FROM: **Anthony J.H. Ching, Executive Officer** **Jeannine Johnson**

COMPANY: **State Land Use Commission**

DATE: **1/9/07**

FAX NUMBER: **587-3827**

TOTAL NO. OF PAGES, INCLUDING COVER: **1**

RE: **Molokai Properties Limited Proposal for La'au Point Molokai**

LAND USE COMMISSION
STATE OF HAWAII
2007 JAN 10 A 9:49

Via fax (587-3827) & email

Anthony J.H. Ching, Executive Officer
State Land Use Commission
P.O. Box 2359
Honolulu, HI 96804

Dear Mr. Ching and State Land Use Commissioners:

I object to Molokai Properties Limited's proposed development of an exclusive subdivision on La'au Point on Molokai. My father was a fisherman who grew up in Miloli'i, one of the last fishing villages in Hawaii. He taught our 'ohana to fish, love and respect the ocean and the 'aina. Unfortunately, my keiki do not have the same quality of life I experienced because access to the ocean and our beaches in East Honolulu are blocked by mansions lining our shorelines. This has had the effect of turning our public beaches in East Honolulu into private ones.

If you allow 200 gated mansions to line Molokai's southwestern shore, you will forever deny the keiki of Molokai the right to fish, enjoy the ocean and practice the culture as their ancestors did for centuries and lose what makes Molokai such a unique place. Development of 200 second homes for rich people will destroy the natural shoreline, deny public access to the shoreline, block the public's views and also bring increased taxes to the residents who cannot afford to pay for infrastructure improvements and higher property tax assessments. There is no way to mitigate these adverse impacts if you approve Molokai Ranch's plans.

Mahalo paha,

Jeannine
Jeannine Johnson
5648 PIA Street
Honolulu, Hawaii 96821
Ph: 373-2874 / 523-5030 (w)
Email: jeannine@hawaii.rr.com

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY

NOTES/COMMENTS:

Dear Mr. Ching and State Land Use Commissioners:

I object to Molokai Properties Limited's proposed development of an exclusive subdivision on La'au Point on Molokai. My father was a fisherman who grew up in Miloli'i, one of the last fishing villages in Hawaii. He taught our 'ohana to fish, love and respect the ocean and the 'aina. Unfortunately, my keiki do not have the same quality of life I experienced because access to the ocean and our beaches in East Honolulu are blocked by mansions lining our shorelines. This has had the effect of turning our public beaches in East Honolulu into private ones.

If you allow 200 gated mansions to line Molokai's southwestern shore, you will forever deny the keiki of Molokai the right to fish, enjoy the ocean and practice the culture as their ancestors did for centuries and lose what makes Molokai such a unique place. Development of 200 second homes for rich people will destroy the natural shoreline, deny public access to the shoreline, block the public's views and also bring increased taxes to the residents who cannot afford to pay for infrastructure improvements and higher property tax assessments. There is no way to mitigate these adverse impacts if you approve Molokai Ranch's plans.

Mahalo paha,

Jeannine Johnson



Jeannine Johnson
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

November 1, 2007

Jeannine Johnson
5648 Pia Street
Honolulu, Hawai'i 96821

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Johnson:

Thank you for your letter regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

1. *If you allow 200 gated mansions to line Molokai's southwestern shore, you will forever deny the keiki of Molokai the right to fish, enjoy the ocean and practice the culture as their ancestors did for centuries and lose what makes Molokai such a unique place.*

Response: Lā'au Point will not be a gated community. This is clearly stated in on page 29 in Section 2.3.6 of the Draft EIS.

As stated in Section 2.3.7 of the Draft EIS, an agreement between MPL and the Molokai i EC will ensure that the Lā'au Point project promotes the importance of maintaining subsistence activities in the Conservation District areas and other protected resource areas. Perpetual right to subsistence gathering will be noted on the land titles of the areas to be preserved. Protections to subsistence gathering will be specified in the Lā'au Point CC&Rs. The CC&Rs will establish policies that permit subsistence gathering and cultural practices, as well as allow the hiring of resource managers to protect the subsistence lifestyle.

A Shoreline Access Management Plan will also ensure that, in perpetuity, access to the shoreline will be regulated to protect the community's use of the shoreline for subsistence practices. The Shoreline Access Management Plan has been appended to the Final EIS.

Approximately 40,000 acres of Ranch land, previously reserved for commercial operations, will be opened up for subsistence hunters. These include all of the lands to be donated to the Molokai i Land Trust, the current 4,000 acres of preserves, and the land designated under the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) for Open Space/Protective Easements. The mauka boundary of the Lā'au Point community will be defined by a deer and livestock fence to minimize conflicts with adjacent subsistence hunting and pasture usage of the remainder of the parcel. As indicated in their CC&Rs, Lā'au Point buyers must accept that hunting occurs in the broader surrounding area.

2. *Development of 200 second homes for rich people will destroy the natural shoreline, deny public access to the shoreline, block the public's views and also bring increased taxes to the residents who cannot afford to pay for infrastructure improvements and higher property tax assessments.*

Response: As previously discussed in Section 2.1.6 of the Draft EIS, the Lā'au Point development has been put together with community input. By listening to the communities concerns and taking into account the importance of developing a solution that does not take away from the community, we have put together a development plan that will allow the public access to the shoreline forever, ensure that view planes are not destroyed and preserve the natural and cultural resources of the area.

Sections 3.6 and 3.7 (pages 42-45) of the Draft EIS discuss the project's impacts and mitigation measures for flora and fauna, including native and endangered species. With this project, the coastal ecosystem and shoreline habitats will continue to be preserved by an expansion of the Conservation District by 254 acres along the shoreline and related resource areas. This proposed expansion will provide for a total of 434 acres of the project area to be protected in the Conservation District. The Lā'au Point shoreline will forever be accessible to the public; the Land Trust will be in charge of managing these shoreline Conservation lands.

The residential lots are set back at least 250 feet from the designated shoreline or high water mark. In addition, boundaries for the makai lots fronting the proposed expanded Conservation District will have covenants requiring an additional 50-foot building setback. These specified setbacks result in providing substantial building setbacks from the shoreline; in some areas, this is as much as 1,000 feet.

The lots are large and only 30 percent of the lot is buildable area. Homes are limited to single story and must be placed in a manner that does not impact on view planes. These design elements, combined with the requirements of the Shoreline Access Management Plan, which provide access for subsistence, cultural and recreational purposes for all of the residents of Molokai will provide significant assurances to the public at large.

Regarding your concern higher property tax assessments. As discussed in Section 4.8.2 and Appendix L of the Draft EIS, assessments of existing property that is not adjacent (and thus not competing in the same market or market area), and/or that has different highest and best use potentials, will not be directly affected. This finding is based on analysis of paired assessment trends over time between expanding development and non-adjacent land holdings, an understanding of value trends and influences, and discussion with Maui County and O'ahu tax offices concerning this specific matter. The Lā'au Point project is physically separated from the rest of Molokai by hundreds of acres of Ranch land, and will be a unique market unto itself.

3. *There is no way to mitigate these adverse impacts if you approve Molokai Ranch's plan.*

Response: We respectfully disagree with your statement. The EIS thoroughly discusses the project's potential impacts to the natural and human environment, and mitigation measures for those impacts.

Jeanine Johnson
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.
Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PER HAWAII

Jennie Manlutac
55 S. Judd St. #2104
Honolulu, HI 96817
February 23, 2007

PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813
Attention: Thomas Witten
Telephone: (808) 521-5631
Fax: (808) 523-1402

Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, HI 96813
Attention: Peter Nicholas and John Sabas
Telephone: (808) 534-9502
Fax: (808) 521-2279

State Land Use Commission
PO Box 2359
Honolulu, HI 96804
Attention: Anthony Ching
Telephone: (808) 587-3822
Fax: (808) 587-3827

Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813
Fax: (808) 586-4185

Dear Mr. Witten:

I'm a student at the University of Hawai'i at Mānoa, and I'm writing this letter to comment on the Draft Environmental Impact Statement (DEIS) for the proposed Lā'au Point project on Moloka'i.

One of the major concerns of the people who are opposed to the development is the irreversible social and cultural effects it will have on many Hawaiian families. In Davianna McGregor's cultural impact study/assessment, which is discussed in the DEIS, Moloka'i is "The Last Hawaiian Island" and Lā'au Point is one of the last untouched Hawaiian places on this last Hawaiian island. Many Hawaiian

families are protecting and taking care of their island by trying to stop the Lā'au Point development project not only because it will greatly affect their everyday lives, but it will also disturb and disrespect historic places, which include burials, heiaus, and other habitation sites.

If the Lā'au Point development project goes through, many, if not all, owners of the luxury homes will not be very familiar with the Hawaiian culture. Local traditions and beliefs many not be appreciated and understood creating social conflicts and a negative environment.

In addition, Hawaiians are family-oriented and are closely-tied to the land, ocean, and nature. In one article posted on starbulletin.com website entitled "Molokai: Battle for Survival," John Sabas, who works for Moloka'i Ranch, has seen the issue of the Lā'au Point project divide friends and neighbors. Regardless of how many incentives or jobs will be offered to the community in exchange for the Lā'au Point development, the community will not benefit from it because they do not support the proposed plan. Searching for other alternatives would be the best way to move forward with the project as a whole community.

On page 61 under 4.2.4 Cultural Assessment of the DEIS, it states that the projected average occupancy of the 200 homes is only approximately 30 percent. Even though this is considered to be relatively few residents, it is enough to disturb the spiritual quality and the cultural resources of the Lā'au Point.

Most native Hawaiian families on Moloka'i still rely on fishing, hunting, and gathering. In Davianna McGregor's book entitled *Mā Kua'āina*, about 38 percent of their food come through subsistence activities" (297). I believe the Lā'au Point development will interrupt such activities, which will greatly affect the local families who depend on the island's natural resources to survive.

Another article found on TheMolokaiDispatch.com website entitled "Molokai Ranch's 800-Page Impact Report," talks about how Peter Nicholas, the Ranch's CEO, was often heard in several meetings saying that "the community was to decide if the Lā'au Point development was to be approved or disapproved." I believe that the local residents of Moloka'i has proven enough that they are opposed to the Lā'au Point development for several other reasons.



In Davianna McGregor's book, it states that "Hawaiians believe that in return for good stewardship, the land sustains the people who care for it," (299) and this has been the case on Moloka'i. They have the right to shape the island's future because they are the people who live there and take care of the island. Their traditions, beliefs, and knowledge will be passed on to their next generations, and their decision to protect Lā'au Point should be greatly considered and respected.

Thank you for your time reading this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennie Manlutac".

Jennie Manlutac

November 1, 2007

Jennie Manlutac
55 S. Judd Street, #2104
Honolulu, Hawaii 96817

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Manlutac:

Thank you for fax dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your concerns.

1. *One of the major concerns of the people who are opposed to the development is the irreversible social and cultural effects it will have on many Hawaiian families. In Davianna McGregor's cultural impact study/assessment, which is discussed in the DEIS, Molokai is "The Last Hawaiian Island" and Lā'au Point is one of the last untouched Hawaiian places on this last Hawaiian island. Many Hawaiian families are protecting and taking care of their island by trying to stop the Lā'au Point development project not only because it will greatly affect their everyday lives, but it will also disturb and disrespect historic places, which include burials, heiaus, and other habitation sites.*

Response: As discussed in Section 2.3.1 (Protected Areas) of the Draft EIS, the roadways and residential lots avoid cultural and archaeological sites. Cultural and historic places and sites will be protected in conservation zones. The *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan), included in the Draft EIS as Appendix A, provides the following guidelines for access to and use of cultural sites:

- Sites can be accessed to fulfill traditional and customary Native Hawaiian responsibilities for cultural, religious, and subsistence purposes.
- Education and training activities can be organized through the kahu or the resource manager.
- In some cases access may be seasonal, such as during the non-hunting season, rainy/muddy season.
- Use of sites and related protocols will vary according to use of the particular site, including but not limited to:
- Monitoring its condition - integrity, boundary and buffer, setting access routes, relation to overall complex or nearby sites and resources. Sites should be assessed once a year during the dry season.
- Work to stabilize and restore sites. A plan for the stabilization and restoration of selected sites should be developed and approved by the State Historic Preservation Office.
- Rededicated for specific spiritual and cultural purposes. Identify sites which have been in continuous use, those which have been rededicated and those which shall be rededicated.
- Access and use of sites should follow protocols established by the Kahu and resource manager.

- Protocols should address manner of approach, entry, use, and exit of site; chants seeking entry and granting entry to sites; appropriate ho'okupu; chants and procedures to stabilize sites.
- Kahu and stewardship resource persons should train stewards in mo'olelo, protocols and responsibilities of stewardship for each site.

2. *If the Lā'au Point development project goes through, many, if not all, owners of the luxury homes will not be very familiar with the Hawaiian culture. Local traditions and beliefs many not be appreciated and understood creating social conflicts and a negative environment.*

Response: As previously discussed in Section 2.3 of the Draft EIS, the target market for Lā'au Point are people who respect the unique character of the site and of Moloka'i, and who support conservation, cultural site protection, and coastal resource management. Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles. The intent for Lā'au Point is for it to be a community for people that demonstrate the value of mālama 'aina (caring for, protecting, and preserving the land and sea). The project "must be the most environmentally planned, designed, and implemented large lot community in the State." This statement precedes the covenant document determined by the Land Use Committee that will place many restrictions on lot owners. Lā'au Point will be unlike any other community in Hawai'i. Therefore, it is expected that Lā'au Point lot buyers will want to familiarize and integrate themselves into the Moloka'i lifestyle.

The Shoreline Access Management Plan (SAMP) for the area sets forth an education program required of all homeowners and visitors to the area that covers: cultural practices; cultural sensitivity and respect; environmental protection and concerns; historical significance of the area and resources; and the social fabric, traditions and culture of the Moloka'i community. In sum, the program is intended to make the users of the area aware of the value of the resources they encounter/harvest and to honor others rights and needs in the area.

SAMP education will be conducted in a variety of forms - written, audio-visual and personal hands-on on-site orientations - and not be limited to any one form. The educational requirement will be mandatory. From a practical standpoint, it is recognized that short-term guests may not have the time to undertake the program. However, it can be assumed that the homeowners who have undertaken the program will inform and educate their guests.

Admittedly, educational classes for landowners, vacationing or permanent, are a new approach to a decades old problem of disconnect between new landowners from outside Hawai'i and the local and Native Hawaiian communities.

We assume that educating new residents would have a better effect than if new residents were not educated at all. It is very likely that new buyers will be willing to attend classes to learn how to protect the environmental resources and Moloka'i lifestyle and culture. This is already occurring, whereby relatively newer residents are participating in environmental advocacy and protection efforts.

Currently, MPL allows limited beach access for MPL employees and Maunaloa residents to the area projected for residential development. It is mandatory that employees and their guests view a conservation video in order to qualify for a beach pass. This system has worked well and received the cooperation of those who have used beach passes.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

3. *In addition, Hawaiians are family-oriented and are closely-tied to the land, ocean, and nature. In one article posted on Starbulletin.com website entitled "Molokai: Battle for Survival," John Sabas, who works for Molokai Ranch, has seen the issue of the Lā'au Point project divide friends and neighbors. Regardless of how many incentives or jobs will be offered to the community in exchange for the Lā'au Point development, the community will not benefit from it because they do not support the proposed plan. Searching for other alternatives would be the best way to move forward with the project as a whole community.*

Response: We note that there are also many Moloka'i residents who support the project. The Master Plan was created by participating community members that volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Moloka'i. The Master Plan is a thoughtful and comprehensive compilation of many community members' visions for Moloka'i. The Lā'au Point project, and the Master Plan, which the project is an integral part of, is the product of more than 150 community and special interest group meetings over a three-year span. The Master Plan participants have made it clear their support through the comprehensive Master Plan document.

Section 6.0 of the Draft EIS provides numerous alternatives that were explored for this project, and the reasons to why those alternatives were not preferred.

MPL still believes there is a majority community support for the Master Plan, with supporters afraid to publicly demonstrate support because they are targeted by the vocal and militant opposition with reprisals and abuse.

4. *On page 61 under 4.2.4 Cultural Assessment of the DEIS, it states that the projected average occupancy of the 200 homes is only approximately 30 percent. Even though this is considered to be relatively few residents, it is enough to disturb the spiritual quality and the cultural resources of the Lā'au Point.*

Response: In responding to your comment regarding the spiritual quality of Lā'au point, it is first important to note that Lā'au Point, itself, can be considered a significant cultural property. The geographic location identified as Lā'au Point comprises 51 acres owned by the federal government; the Lā'au lighthouse is managed by the US Coast Guard. This property will not be disturbed or developed on by the proposed project.

The west and south shorelines adjacent to Lā'au Point is where the proposed development is projected. According to the archaeological surveys and ethnographic documents, there were settlement clusters around protected bays, such as at Kapukuwahine and Kanalukaha on the south shore. In addition, the Master Plan identified Kamāka'ipō as an important cultural and spiritual place. Molokai Ranch has applied to the State Land Use Commission to re-district these areas from Agricultural to Conservation district in order to protect the significant settlement areas and clusters along the west and south shores adjacent to Lā'au Point, notably at Kamāka'ipō, Kapukuwahine, and Kanalukaha. These proposed conservation zones will be gifted to the Molokai 'i Land Trust.

The Shoreline Access Management Plan, included in the Final EIS, sets out management guidelines for the Lā'au shoreline area, which includes an expanded conservation district zone between the makai boundary of the proposed residential lots and the shoreline, and two parks at the culturally significant Kamāka'ipō Gulch and Pu'u Hakina areas. Access will be limited to foot travel in these areas to limit the amount of traffic and disturbance.

In addition, a cultural management plan will guide protection, access to and use of the cultural and spiritual sites. These cultural guidelines are provided on pages 116-117 of the Cultural Impact Assessment report (provided as Appendix F of the Draft EIS).

5. *Most native Hawaiian families on Molokai still rely on fishing, hunting, and gathering. In Davianna McGregor's book entitled Nā Kua'āina, about "38 percent of their food come through subsistence activities" (297). I believe the Lā'au Point development will interrupt such activities, which will greatly affect the local families who depend on the island's natural resources to survive.*

Response: As discussed in Section 2.3.7, an agreement between MPL and the Molokai 'i Land Trust/FEC will ensure that the Lā'au Point project promotes the importance of maintaining subsistence activities in the Conservation District areas and other protected resource areas. The Shoreline Access Management Plan (SAMP) will be managed and enforced by the Land Trust.

Given that the area proposed for development has been the private property of Molokai Ranch, the primary cultural practitioners of the area are current and former Molokai Ranch cowboys and employees, their 'ohana and longtime kama'āina residents of the Maunaloa community. The Master Plan outlines cultural principles and policies for the establishment and management of a Cultural Protection and Subsistence Management Zone, including areas of the proposed Lā'au development. Extraordinary measures will be taken by the Molokai 'i Land Trust in cooperation with the homeowners to work with the longtime residents of Maunaloa and longtime ranch cowboy and employee families to protect subsistence hunting and fishing. These measures will also protect the quality of the cultural sites, complexes, and resources.

The SAMP provides for its implementation and further development by a committee that will include representatives of cultural practitioners of the area including Ranch employees, Maunaloa residents, persons with ancestral ties to the south and west coasts, well as the

homeowners, and the Molokai 'i Land Trust which is comprised of members from the larger community.

During the community-based planning process that resulted in the Master Plan, the persistence of subsistence on Molokai 'i was of central significance. The Cultural Impact Assessment (provided as Appendix F of the Draft EIS) refers to the measures outlined in the Master Plan to protect subsistence fishing on page 113 and referred to above. Details of the plan to protect subsistence fishing and gathering were provided on pages 118 through 121. In addition, access will be managed to protect subsistence resources as discussed on pages 116 - 118.

Additionally, the CC&Rs and the SAMP for the project will include measures to restrict access to foot only between Dixie Maru and Hale O Lono in order to conserve resources, with an acknowledgement of Native Hawaiian gathering rights as defined by law for subsistence purposes, in a designated subsistence management area.

The project's CC&Rs reflect the community-driven SAMP, which outlines the guidelines to monitor and enforce protection of the cultural and natural resources in the area proposed for development.

6. *Another article found on TheMolokaidispatch.com website entitled "Molokai Ranch's 800-Page Impact Report," talks about how Peter Nicholas, the Ranch's CEO, was often heard in several meetings saying that "the community was to decide if the Lā'au Point development was to be approved or disapproved." I believe that the local residents of Molokai has proven enough that they are opposed to the Lā'au Point development for several other reasons:*

Response: We note that there are also Molokai 'i residents who support the project. The Master Plan was created by participating community members who volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Molokai 'i. The Master Plan is a thoughtful and comprehensive compilation of many community members' visions for Molokai 'i. The Lā'au Point project and the Master Plan, which the project is an integral part of, is the product of more than 150 community and special interest group meetings over a three-year span. The Master Plan participants have made it clear their support through the creation of the Master Plan document.

7. *In Davianna McGregor's book, it states that "Hawaiians believe that in return for good stewardship, the land sustains the people who care for it," (299) and this has been the case on Molokai. They have the right to shape the island's future because they are the people who live there and take care of the island. Their traditions, beliefs, and knowledge will be passed on to their next generations, and their decision to protect Lā'au Point should be greatly considered and respected.*

Response: Please see our response to #6 above. In addition, the Cultural Impact Assessment concluded that although the overall Master Plan is not a perfect plan, it still "truly a grassroots community plan which represents a historic good faith effort on the part of Molokai Properties Limited and Ke Aupuni Lōkahi-Molokai 'i Enterprise Community to create sustainable economic solutions that will protect the cultural integrity of a unique

Ms. Jennie Manlutac
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 6 of 6

Hawaiian island community. This monumental effort deserves serious reflection, deliberation and endorsement" (Appendix F: page 154).

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.3 (Trails and Access)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

FROM: JILL MULHOLLAND
P.O. Box 452154
KAUNAKAKAI, HI 96748
8/11/07

RECEIVED
FEB 21 2007
PBR HAWAII



November 1, 2007
Jill Mulholland
P.O. Box 452154
Kaunakakai, Hawaii 96748

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Mulholland:

Thank you for your letter postmarked February 20, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

Section 3.3 of the Draft EIS states:

Kapuhikani Extremely Stony Clay (KKTC) – These soils are well drained and extremely stony with slope ranges from 3 to 15 percent, and elevation ranges from nearly sea level to 500 feet. These soils are used for wildlife habitat and pasture. Runoff is slow to medium, and the erosion hazard is slight to moderate. The project area contains a significant amount of this type of soil. KKTC soils are rated Class VII, non-irrigated. Class VII soils have very severe limitations that make them unsuited to cultivation (i.e., abundant stones and shallow soil).

Very Stony Land (rVS, rVT2) – Very Stony Land (rVS) occurs where 50 to 90 percent of the surface is covered with stones and boulders. The slope ranges from 7 to 30 percent. Elevations range from sea level to 1,500 feet. This land type is used for pasture and wildlife habitat. Pasture improvement is very difficult because of the many stones. Very Stony Land, eroded (rVT2) supports a thicker stand of vegetation than Very Stony Land because it has more soil material.

A majority of the Lā'au Point site contains rVT2 soil. This soil is classified as VILs, non-irrigated. Type VII soils have very severe limitations that make them unsuited to cultivation and that restrict their use largely to pasture or range, woodland, or wildlife. Subclass VILs soils are limited mainly because they are shallow, droughty, or stony.

Since the Draft EIS publication, a Geotechnical Engineering Reconnaissance (Survey) was completed by Geolabs, Inc., in the project area. This Survey has been appended to the Final EIS. In the Final EIS, Section 3.3 will be revised to include the following summary:

3.3.4 Geotechnical Engineering Reconnaissance

A Geotechnical Engineering Reconnaissance (Survey) was performed by Geolabs, Inc., in July and August of 2007 within the project area. The Survey, which is provided as Appendix D, provides a general study of the predominant soil characteristics of the project area.

Molokai Properties Limited dba Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 • Telephone 808.531.0158 • Facsimile 808.521.2279

TO: THOMAS S. WITTEN, ASLA
PRESIDENT
PBR HAWAII

Re: Rezoning and Development
at Lā'au Point on Molokai

Dear Sir,

I have a question regarding the soil quality at Lā'au Point.

In Section 3.3 of the EIS the soils are referred to as agriculturally unproductive.

At a workshop I attended here on Molokai, Jonathan Deenik, Assistant Specialist, Soil Fertility of the Department of Tropical Plant and Soil Sciences, stated that the soils at Lā'au Point are some of the most fertile on the island.

The type of clay is called Montmorillonite, and it is very rare on Molokai - found only at Lā'au Point.

He went on to say that it is very unsuitable for building on due to it's tendency to crack.

Could you please clarify this discrepancy.

Sincerely,
Jill Mulholland
Jill Mulholland

Ms. Jill Mulholland
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

A review of aerial photographs combined with site reconnaissance and laboratory testing of selected soil samples, indicates that the predominant soil at the project site is represented by a reddish brown to brown colored silty clay with a typical shrink-swell potential of less than about two to four percent, which is considered to be of generally low expansion potential. Based on an evaluation of the existing site conditions, these soils reside over approximately 70 to 80 percent of the land area within the project limits. The remaining 20 to 30 percent of the land area within the project limits may contain generally isolated and discontinuous deposits of expansive, dark grayish brown colored clay, which may be classified as a true vertisol containing a higher percentage of montmorillonite clay mineralogy.

In summary, the predominant surface soils encountered during reconnaissance consists of reddish brown to brown silty clays (CH) representing residual soil material derived from the weathering of basaltic rock. In general, these soils appear to have a low expansion potential. Reddish brown to brown clayey soils (CH) with sand are encountered mainly in alluvial depositional environments, which appear generally confined to topographic low elevations such as depressions and drainage ravines. These soils appear to have a low to moderate expansion potential.

Finally, the dark brown to grayish brown clay (CH) soil is encountered as isolated inland deposits and discontinuous deposits along the lower elevation coastal regions at the southern portion of the project site. These soils may have a relatively high expansion potential. With the exception of the northernmost portions of the project site (northerly of Kanaka Ipo Gulch), basalt rock formation is encountered at the ground surface and partly exposed at the ground surface mixed with the soils mentioned previously.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Molokai Ranch Community
PBR Hawaii
601 Bishop St. 8th Floor
Ste 650 Honolulu, HI 96813

January 16, 2007
P.O. Box 180324
Honolulu, HI
FEB 26 2007
RECEIVED
JAN 29 2007
FBI HAWAII
PBR HAWAII

To whom it may concern,

Although I do not live on Molokai, I have a comment for the record. While I support preserving 50,000 acres of Molokai Ranch land by donating it to a community land trust, I do not favor the corresponding development of 200 one-acre homesites on Lā'au Point. I understand my opinion essentially having my cake and eating it too, yet I strongly feel that this proposed development will indeed alter the spirit and history of the area, encroach on traditional harvesting and fishing grounds, and permanently change the character of the area through attraction of outside, wealthy interests.

I live in an area which is impacted by elite, high-income, exclusive homes, and the attitudes, politics, and the attitudes, politics, restrictions and controls associated with such development is counter to the interest and spirit of most Hawaiians. There's already too much of this type of development on the Islands.

My recommendation is to find a way to protect/preserve the entire Molokai Ranch—including Lā'au Point—via county/state buyback initiatives in the last election.

cc: State Land Use Commission
Office of the Environment Quality Center



November 1, 2007

John D. Lyle
P.O. Box 180324
Hawai'i National Park, Hawai'i 96718

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Lyle:

Thank you for your letter dated January 16, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

1. Although I do not live on Molokai, I have a comment for the record. While I support preserving 50,000 acres of Molokai Ranch land by donating it to a community land trust, I do not favor the corresponding development of 200 one-acre homesites on Lā'au Point. I understand my opinion essentially represents my having my cake and eating it too, yet I strongly feel that this proposed development will indeed alter the spirit and history of the area, encroach on traditional harvesting and fishing grounds, and permanently change the character of the area through attraction of outside wealthy interests.

Response: We note your opinion on the proposed project. First, we would like to clarify that homesites will be approximately two acres, not one acre as you stated. As discussed in Section 7.4 (Probable Adverse Environmental Effects That Cannot Be Avoided) of the Draft EIS, the project will have some impacts on the aspects you noted, such as spirit and character of the area. In light of the unavoidable effects, however, the Lā'au Point project should proceed because any negative impacts will be minimized or offset by substantial positive benefits for the community of Molokai from the implementation of the Community-Based Master Land Use Plan for Molokai Ranch (Master Plan).

2. I live in an area which is impacted by elite, high-income, exclusive homes, and the attitudes, politics, restrictions and controls associated with such development is counter to the interest and spirit of most Hawaiians. There's already too much of this type of development on the Islands.

Response: We acknowledge your comment; however, we think comparing Lā'au Point to your place of residence (which is listed as Hawai'i National Park in your return address) is inappropriate. This project and Master Plan, which the project is an integral part of, is unprecedented by any landowner in Hawai'i.

3. My recommendation is to find a way to protect/preserve the entire Molokai Ranch—including Lā'au Point—via county/state buyback initiatives in the last election.

Response: We acknowledge your recommendation; however, your recommendation would need to be directed to and implemented by the County or State.

Mr. John Lyle
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

We feel that the comprehensive land-planning process for the Master Plan, certainly the most unique ever to have taken place in Hawai'i, created a partnership between MPL and its island neighbors that had previously been acrimonious and adversarial. The Master Plan process set the stage for Moloka'i's future—a future in which self-determination by the island's residents is assured. It is from the implementation of this Master Plan and the La'au Point project that more than 55,000 acres (85 percent) of MPL's property would be protected from development in perpetuity. It is also from this Master Plan and this project that MPL's future as a major island employer is preserved.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

RECEIVED

FEB 08 2007

PBR HAWAII

JON T. GIVENS

601 West Fifth Avenue, Suite 900
Anchorage, Alaska 99501
(907) 276-1711 (Telephone)
(907) 279-5358 (Facsimile)

January 31, 2007

PBR Hawaii
ASB Tower
1001 Bishop St., Suite 650
Honolulu, HI 96813

Re: La'au Point Project, Molokai Hawaii

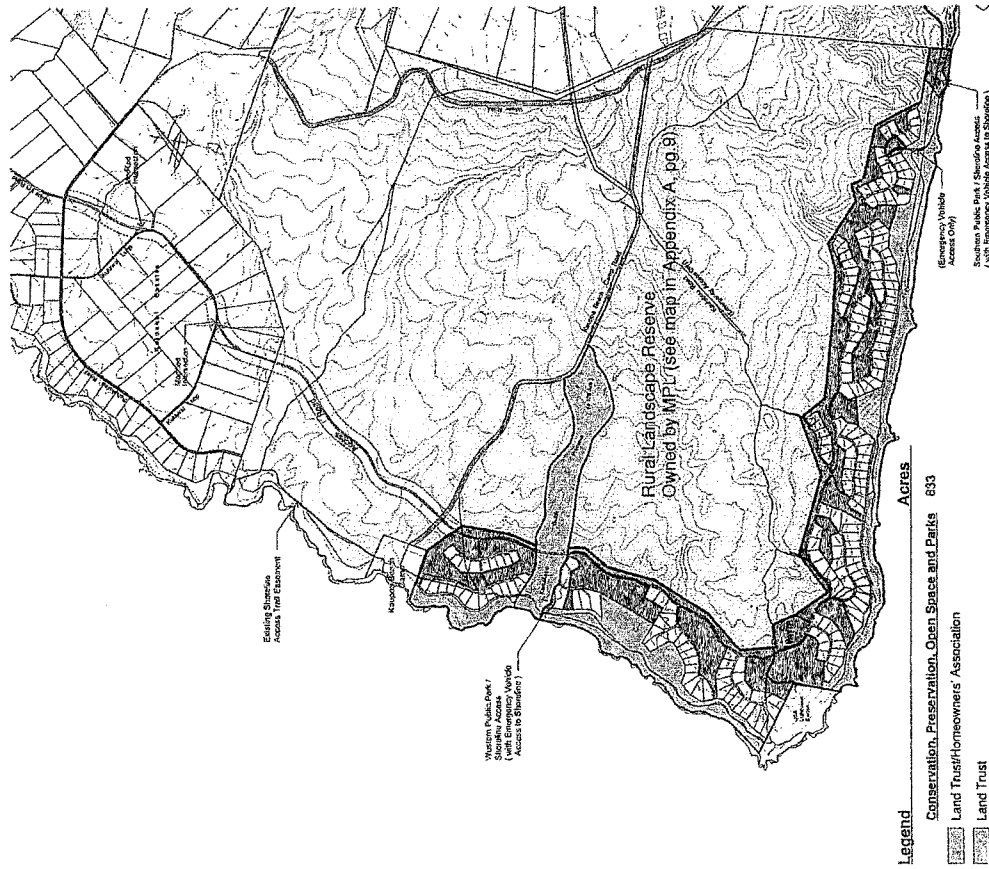
This letter is public comment concerning the draft environmental impact statement and the La'au Point project. In reviewing the proposed project there are only two public parks, a western public park and southern public park which appear to be part of the current land development plan. If there are additional public road accesses provided to the numerous beaches along the western and southern portions of the La'au Point project, I did not find them in the proposed development plan. There appear to be approximately a dozen openings between the proposed lots which allow access from the roadways to the shoreline. However, this property appears to be designated as homeowners' association property such that the general public would not have a right of access from the public roadways to the shoreline. The developed property north of La'au Point contains paved public access roadways, a shower, and parking at each major beach or pocket beach. Each one of the dozen or so open spaces which allow access to different beaches or locations along the western and southern shore should have a public access roadway and parking area. Two public parks on opposite ends of the development are not adequate public access to the numerous different beaches and shoreline areas of the La'au Point development area.

As a property owner on Molokai, I respect Molokai Ranch's private property rights but, consistent with the Hawaiian constitution, believe that there needs to be a significant availability of public access to shoreline areas. Many of the beaches in the La'au Point area and shoreline areas are not interconnected due to large outcrops and rocky formations that make it impossible to access the entire southern or western shorelines from a single access point. Therefore, additional public access points with roads and parking areas need to be provided.

Sincerely,

Jon T. Givens

JTG:jmv
Cc: State Land Use Commission
Office of Environmental Quality Control
Molokai Ranch
JTG.HAWAII@LTERpr



Legend

Category	Acres
Conservation, Preservation, Open Space and Parks	633
Land Trust/Homeowners' Association	
Land Trust	
Homeowners' Association	
Public Park (County or Land Trust)	
House Lots and Infrastructure	400
Private Homeowners (200 Lots)	60
Homeowner's Association Roads and WWTP	139
Onsite Road Corridor	
Total Project Area	1,432
Project Area (Mauia Fence Line)	
Rural Landscape Reserve (MPL)	

Figure 11
Proposed Ownership and Management
La'au Point



Note: For planning purposes only.



Mr. Jon Givens
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

November 1, 2007

Jon T. Givens
601 West Fifth Avenue, Suite 900
Anchorage, Alaska 99501

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Givens:

Thank you for your letter postmarked January 31, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

The issues you bring up regarding the lack of public beach accesses throughout the subdivision were discussed in Section 4.3 (Trails & Access) of the Draft EIS. We recognize that 16 shoreline rights of way would be required by Maui County. Through the course of the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan) process, significant input was obtained from the community regarding access to the area. The community members were concerned that allowing additional public access to the shoreline and to the area in general would result in a significant change in character to the area and would spoil the traditional uses and activities in the area enjoyed by ahupua'a inhabitants. At the community's behest, it was agreed that access to the area would be limited to the two parks at the ends of the project area and via foot traffic.

During the planning process, subsistence fishermen and gatherers were particularly concerned of marine resource depletion that could be caused by opening up the south and west shores to public access every 1,500 feet, as the Maui County Code (MCC) Section 18.16.210 provides. Subsistence fishermen regretted that the opening of nearby Hale O Lono Harbor to general public access had severely decreased the marine resources there and they did not want to see the same happen to Lā'au Point. Opening up access points every 1,500 feet would have severe impact on the subsistence resources along the west and south coasts adjacent to Lā'au Point. The subsistence fishermen and gatherers felt that the provision of two access points and parking at either end of the project site would afford sufficient access, and that the need to walk in would protect the area.

Based on the community-proposed access plan (see Appendix A, p. 105), it was determined that protection of the off-shore coastal resources at Lā'au Point would best be achieved by controlling access to the area so that the community can retain the area for subsistence gathering. Therefore, a shoreline access management plan (provided in the Final EIS) has been developed and adopted to regulate (through legal and enforceable means) the use of the land and ocean resources to ensure the continuance of the resources for future generations.

We respect your comment that there needs to be a significant availability of public access to shoreline areas. The proposed plan, however, was made to accommodate the subsistence gatherers, and MPL's desire to respect their wishes for limiting access.

Molokai Properties Limited *aka* Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 •
Telephone 808.531.0158 • Facsimile 808.521.2279

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,

Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Q:\JOB\7171733.10 Molokai Ranch-Laa Pt. EIS\EIS\DEIS\Comment Letters\Responses\Individuals\Final\Jon Givens.doc

February 23, 2007

John Sabas, General Manager of Community Affairs
Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, Hawai'i 96813

Thomas S. Witten, ASLA

President
PBR HAWAII & Associates, Inc.
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, Hawai'i 96813

Anthony Ching, Executive Officer
State Land Use Commission
P.O. Box 2359
Honolulu, Hawai'i 96804

This letter is in response to the Draft Environmental Impact Statement (DEIS) for the Lā'au Point Development, Moloka'i, dated December 2006 by Molokai Properties Limited and their consultants, PBR Hawai'i. These are my personal observations and issues of concern regarding this development.

Bundling the Lā'au Point development to the reopening of the Kaluako Hotel.

The applicant claims that the development of Lā'au Point is necessary to reopen the Kaluako'i Hotel and thereby provide jobs for the community. This is disingenuous. The reality is that this renovation is simply being dangled in front of the community as a tradeoff for the Lā'au Point development. Similarly, the applicant is threatening the community stating the "critical importance" and the "urgency to reach consensus" in the development of Lā'au Point as without the development at Lā'au Point, Molokai Ranch lands would be "split-up and sold, or parent company Brierly Investments (BIL) would sell MPL because it would never be economically viable." MPL also claimed that the community would face "the resultant prospect of never again being able to have the opportunity of planning its future." It is under these dark threats that the DEIS claims in the appendix (p. vii) :

This Environmental Impact Statement (EIS) is one component of the implementation of an integrated *Community-Based Master Land Use Plan for Molokai Ranch*. Because this Lā'au Point EIS cannot be viewed in isolation, the entire Plan has been included as Appendix A.

This EIS is 835 pages long. While there is no merit to planning and decision-making in a vacuum, this project needs to be considered on its own merits, outside the long-range community plans. This DEIS document is created to fulfill the requirements of the

Hawai'i Revised Statutes (HRS) chapter 343, its purpose to establish a comprehensive review process for projects such as this that significantly impact Hawai'i's natural and cultural resources. This process was designed to "ensure that environmental concerns are given appropriate consideration in decision-making along with economic and technical considerations." The decision making criteria in assessing the impacts should be limited to the development, i.e., 200 housing lots and associated infrastructure at Lā'au Point.

The loss of 5 miles of pristine relatively untouched coastline for 200 homes.
This proposal will have a significant negative impact on the environment.

Environmental Impact Statement Rules, Chapter 200 Title 11 Department of Health Hawai'i Administrative Rules specifies criteria for determining whether an action may have a significant effect on the environment. Article (1): "Involves an irrevocable commitment to loss or destruction of any natural or cultural resource".

There is a precedent being set in this DEIS, the development of an area that is wild. This proposal would permanently and irreversibly alter this place by the addition of roads, utility lines and pipes, landscaping, housing, permanent residents, visitors and maintenance staff. Let me repeat, the loss of FIVE MILES ^{of} pristine and culturally significant coastline for 200 owners/investors.

In your DEIS (page 54) you state the value and significance of Lā'au in its current state:

A large part of the significance of the Lā'au Point area is that it is raw and untouched.

It is so isolated that most of the residents of Molokai may have never been there and may have no direct experience with the place.

Lā'au Point has become an icon of what Molokai represents - a rural stronghold and reserve of Native Hawaiian culture, a cultural kipuka. If Molokai is "The Last Hawaiian Island" then Lā'au is one of the last untouched Hawaiian places on "The Last Hawaiian Island.

How does the irreversible impacts of destroying, "one of the last untouched Hawaiian places on [The Last Hawaiian Island]" be outweighed by the creation of 200 housing lots?

Again page 54 from your DEIS:

In Hawaiian tradition, *lae*, or points of land into the ocean, are culturally significant.

How does this development benefit the people of Hawai'i, who stand to lose a place that is considered culturally significant? How can this development justify destroying a wild area and deny forever future generations the opportunity for that experience? As you



November 1, 2007

Joseph Farber
2722 Ferdinand Avenue
Honolulu, Hawai'i 96822

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Farber:

Thank you for your letter dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

Bundling the Lā'au Point development to the reopening of the Kaluako'i Hotel

We respectfully disagree with your comment. There is no threat here, merely economic reality. The economic reality is that without the funds from the Lā'au Point development, MPL does not have an economic future, and certainly has no funds to re-open the Kaluako'i Hotel. MPL has no debt and no borrowing capacity because it is operationally cash negative and would not meet any bank's requirements for interest cover on any debt funding to re-open the hotel.

The Lā'au Point project is one of the elements of in the Master Plan. Successful implementation of the Master Plan depends on the Lā'au Point project. A discussion of the Master Plan is necessary to place into context the breadth of measures available to mitigate the environmental, social and cultural impacts of the project. The State Land Use District Boundary Amendment Petition on Lā'au Point before the Land Use Commission, if approved, would not represent the LUC's approval of the Master Plan.

The loss of 5 miles of pristine relatively untouched coastline for 200 homes

The five miles of the Lā'au Point coastline will not be lost. The nearest structure would be at least 250 feet mauka of the shoreline. Residential lot lines will be 50 feet mauka of the Conservation District Boundary, which is a minimum of 200 feet mauka of the shoreline. Structures will be prohibited within a 50-foot setback from the makai property line. As the lands within the Conservation District will not include any structures, the shoreline will be preserved in its current state.

Further, much of the project area will be in open space. Of the 1,432 acres in the Lā'au Point project area, only 400 acres would be used for residential lot development. Of the total acreage, 254 acres will be added to the existing 180 acres Conservation District, 128 acres comprising the Kamāka'ipō Gulch will be donated to the Land Trust, and 390 acres will be kept in open space and a park. The remaining lands are proposed for roadways and infrastructure.

Molokai Properties Limited dba Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 •
Telephone: 808.531.0158 • Facsimile 808.521.7279

state in the DEIS, "[Lā'au] ... is so isolated that most of the residents of Molokai'i may have never been there."

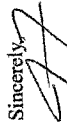
As development pressure continues unabated *throughout* the state of Hawai'i, these wild coastal areas grow more precious and valued. The development of this treasure for short-term financial gain and intended for a select few is too large of a loss for the rest of us.

Water
Molokai'i lacks sufficient water to support current uses as well as future expansion at Lā'au.

The DEIS fails to adequately consider critical information regarding Molokai's ground and surface water resources. Molokai'i is a Sole Source Aquifer (59 FR 23063) under Section 1424(e) of the Safe Drinking Water Act. Sole Source Aquifers are areas designated by the EPA (Safe Drinking Water Act, Section 1427) as the "sole or principal" source of drinking water for an area.

Molokai's drinking water supply is inherently limited because it has only a single aquifer. In addition, water use and withdrawals in one part of the aquifer affect water quality and discharge in other areas. Current demand is already taxing remaining supply, and water quality has decreased as pumping has increased.

The Water Commission's designation of Molokai's sole source aquifer as a water management area and Usage's 2006 report establish that there is not enough water on Molokai'i now to supply current uses, let alone future expansion as is proposed by your DEIS for Lā'au Point.

Sincerely,

Joseph Farber

Mr. Joseph Farber
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
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As discussed in Sections 7.3 (Irreversible and Irrecoverable Commitments of Resources) and 7.4 (Probably Adverse Environmental Effects that Cannot be Avoided) of the Draft EIS, we acknowledge there are tradeoffs with any development project.

We note that the juxtaposition of natural beauty and expensive homes may be offensive for those who resent the presence of outsiders or structural development. On the other hand, existing residents may appreciate the ability to visit Lā'au Point, a previously inaccessible area, regardless of nearby uses.

Extraordinary measures are incorporated into the Master Plan (provided as Appendix A in the Draft EIS) to buffer and protect the subsistence and cultural rural resources from negative impacts. These include:

- Upholding and assuring Native Hawaiian rights of access for cultural, subsistence and spiritual purposes.
- Creating sizeable conservation zones and buffer areas to protect the cultural sites and shoreline area.
- Limiting shoreline access to a foot trail.
- Ending commercial hunting so that Moloka'i Kama'āina can legally engage in subsistence hunting on Ranch lands.
- Hiring community cultural and natural resource managers who will work with the community to monitor every phase of the project, from clearing and grading, to construction and when the new homeowners move in.
- Orienting homeowners to appreciate and support the unique and special way of life on Moloka'i as the "Last Hawaiian Island."

The findings of the cultural and social impact assessments (Appendices F and M in the Draft EIS) provide further rationale for proceeding with the project based on community input. People who were active in the formation of the Master Plan as well as non-participants felt that the Master Plan is a rare and unique opportunity which offers many benefits to the Moloka'i community. Given over three decades of conflicts between the community and Molokai Ranch, the Master Plan provides mutually beneficial results.

As recognized by both supporters and opponents of the Lā'au Point project, the Master Plan is not perfect but it represents a historic good faith effort on the part of MPL and the EC to create a sustainable economic solution that will protect cultural integrity of a unique Hawaiian island community. More importantly, the Master Plan process set the stage for Moloka'i's future – a future in which self-determination by the island's residents is assured.

Water

We acknowledge your comments about Moloka'i's aquifer. MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

Mr. Joseph Farber
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
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MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Land Use Plan. A new non-potable source is being proposed. Currently permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses. When non-potable water from the Kākalahale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the Lā'au Point development.

The Kākalahale Well, the proposed new source of non-potable water, is situated where it is unlikely to have a measurable impact on the existing DHHL and DWS wells in Kualapu'u. First, the Kākalahale Well is down- and across-gradient from the DHHL and DWS wells. Second, the Kākalahale Well is approximately 12,200 feet (2.31 miles) away from the DHHL and DWS wells; at that distance, it is unlikely that pumping 1 mgd will create a measurable effect. Third, there are known subsurface intrusives between the Kākalahale and DHHL/DWS well sites, namely Pu'u Kākalahale and Pu'u Luahine, which are barriers to ground water flow.

The Kākalahale Well was developed in 1969 as a drinking water well for the Kahaako'i Resort. However, due to the brackish quality of the water, the well was never put into production. Relative to its distance inland, chlorides of the Kākalahale Well are anomalously high. This anomaly is explained, however, by the presence of upgradient subsurface intrusives, i.e., the subsurface "plumbing" of Pu'u Kākalahale, which function as barriers to normal mauka-to-makai flow of groundwater. The upgradient intrusives, which create the brackish result in the Kākalahale Well, also function to limit the effect of pumping the Kākalahale Well on other wells upgradient of the intrusives, such as the DHHL and DWS wells in Kualapu'u.

Additionally, it is highly unlikely that withdrawing 1 mgd from the Kākalahale Well will have an adverse impact DHHL's ability to access its reservation amount from the Kualapu'u aquifer. For DHHL to develop its 2,905 mgd reservation in the Kualapu'u aquifer, new and appropriately spaced wells east of the existing DHHL/DWS well field will be required. All of these new wells will be upgradient of the known subsurface intrusives, Pu'u Kākalahale and Pu'u Luahine. These subsurface intrusives create a barrier to groundwater flow, benefiting wells that are upgradient of the intrusives and adversely impacting the wells downgradient of the intrusives. They also limit the impact that wells on one side of the intrusives have on wells on the other side of the intrusives.

The Kākalahale Well will be down- and across-gradient, and on the downstream side of known intervening intrusive structures, from any wells that DHHL is likely to develop to access any part of its 2,905 mgd reservation. Therefore, an adverse impact on future DHHL wells is highly unlikely.

If the unlikely event occurs that DHHL and MPL must compete for the same water, MPL will recognize DHHL's priority rights to water and will seek alternative sources of water, including, but not limited to, desalination of brackish or salt water. Desalination is an alternative source of water that becomes increasingly viable with technological advances.

Mr. Joseph Farber
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To ensure water availability to all, MPL, DHHL, and Maui County DWS are working cooperatively to coordinate future water development plans with the assistance of the USGS. It is anticipated that by proper placement of wells, the needs of DHHL, the County, and MPL for the foreseeable future can all be met at reasonable costs to the respective parties.

In response to your comments above, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Joseph K.
P6

La'au point Letter

To whom it may concerns:

I'm writing a letter for my class that deals with having the west end of Molokai called la'au point being developed into 200 luxury estates. My question to the development of la'au point is... what are they going to give us, in return of the development on the west end, or what are you willing to give us back in return.

To my understandings you are providing two new shoreline access parks for the community, Increased access for hunting and family gathering on west end of Molokai, and giving us land. All of these things you are giving us back is good.

As a resident of Molokai, I want to know how do you plan to protect these zones. Would you set up signs that say keep out or set up fences. How would protect these zones and protect the environment.

These are my questions that I hope you answer. Thank you for your time.



Molokai
Properties
Limited

November 1, 2007

Joseph K.
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawai'i 96729

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Joseph:

Thank you for your letter regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *My question to the development of la'au point is...what are they going to give us, in return of the development on the west end, or what are you willing to give us back in return.*

Response: Lā'au Point is one component of the implementation of an integrated Community-Based Master Land Use Plan for Molokai Ranch (Master Plan). The Master Plan demonstrates the many benefits the community is to receive in what has been described by many as a "lastly settlement" in relation to development. Positive impacts of the project include the donation of 26,200 acres to a Moloka'i Land Trust and Community Development Corporation, restrictive easements on another 24,000 acres of Molokai Ranch land, preservation of cultural and archaeological sites, increased subsistence gathering access, and permanent parks and open space. Appendix A of the Draft EIS contains the Master Plan in its entirety.

Under Section 1.6 of the Master Plan are outlined "Precedents" which discuss the Land Trust, easements, areas protected from development, subsistence enhancement, community expansion, jobs for the community and Land Trust funding.

2. *To my understandings you are providing two new shoreline access parks for the community, Increased access for hunting and family gathering on west end of Molokai, and giving us land. All these things you are giving us back is good.*

Response: We acknowledge your comment and agree.

3. *As a resident of Molokai, I want to know how do you plan to protect these zones. Would you set up signs that say keep out or set up fences. How would protect these zones and protect the environment.*

Response: The protected zones will be set apart through landscaping, signage, and structures. A shoreline access management plan (SAMP) has been developed and adopted to regulate (through legal and enforceable means) the use of the land and ocean resources to ensure the continuance of the resources for future generations. The SAMP adopts protocol, rules, and permitted activities for persons engaging in subsistence shoreline fishing and

Mr. Joseph K.
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gathering in these Conservation District shoreline areas. Mandatory educational classes in traditional subsistence gathering and access responsibilities, safety and protocol would also be required for every person wishing to gain access. A Resource Manager will supervise access to ensure overfishing does not take place, and that those who access the area have taken the appropriate education classes.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.3 (Trails and Access)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Joseph LaRosa
1810 University Ave
Honolulu HI, 96822

PBR Hawaii

Attn: Thomas Witten
ASB Tower, Suite 650
1001 Bishop Street
Honolulu HI, 96813

Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, HI 96813
Attention: Peter Nicholas and John Sabas
Telephone: (808) 534-9502
Fax: (808) 521-2279

State Land Use Commission
PO Box 2359
Honolulu, HI 96804
Attention: Anthony Ching
Telephone: (808) 587-3822
Fax: (808) 587-3827

Office of Environmental Quality Control
235 S. Beretania St., Suite 702
Honolulu, HI 96813
Fax: (808) 586-4185

Dear Mr. Witten,

Subject: La'au Point - Environmental Impact Statement Preparation Notice
(EISPN) Wes Molokai, Hawaii

I am a senior at The University of Hawaii at Manoa. I am writing this letter to help you and come to grip with some possible problems with your development in Molokai, on La'au Point. My major concern is largely non-renewable resources and native species. I would hate to see a pristine tropical climate such as the one found on La'au Point end up with 10 lanes of traffic and urban development like much of Honolulu today.

Section 1.7.7 of the La'au Point - Environmental Impact Statement deals with Irreversible and irretrievable commitments of resource, while section 1.7.8 deals with Probable Adverse Environmental effects that cannot be avoided in the case of development. You Have Energy, Labor among other vague descriptions of what it will

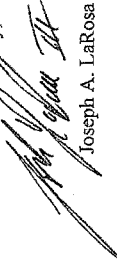
take to develop along La'au Point. Energy must come from a power plant or generator, which contributes to the burning of fossil fuels, while those non-renewable resources that are vaguely, should be specifically listed as the untouched beautiful tropical ecosystem that the state of Hawaii bases its existence on today. In section 1.7.8 it states an increase of wastewater and a need for an increase in fresh water. With wastewater a problem in Honolulu already one would think that we would learn from our lesson and not create the same problem in a different location. Then the issue of fresh water comes to the surface. The state of Hawaii is already struggling to sustain the developed areas already with fresh clean drinkable water, developing another undeveloped area with in these islands spreads the water supply thinner island wide which will not only hurt the people of Molokai but people state wide

Section 3.6 deals with the Flora of the area. It is no surprise to you that there are many indigenous plants that can only be found in Hawaii growing naturally right on La'au point. If this area is developed then these plants will become more endangered and closer to extinction then they already are. I am sure you took this into consideration so this flora is not harmed by construction and if this is indeed true then the influx of people in to this area will certainly do grave damage to this small eco system of Molokai. Section 3.7 deals with fauna and although you may be right by saying there is no native birds at this site there are, as you know a large Monk Seal population. Even though considerable measures have probably been taken to protect them during construction the sheer volume of people coming to the area along with people in the ocean harming the reef will drive the seals out of La'au Point thus killing this largest seal habitat from here to the Northwest Hawaiian Islands.

I ask you to use your head and your heart when you consider developing La'au point because killing the pristine ecosystem of this tropical climate is not worth a few dollars. People come from all over the world to enjoy the untouched Hawaiian climate more so then to sit in traffic and be around tons of people. I think you should give the people of Hawaii what is truly needed a safeguarded place where these seals and native flora can grow and prosper with out the intervention of construction, that is why I ask you please leave La'au point as it is today.

I would like to thank you Mr. Witten for taking the time to read this letter and allowing the people of Hawaii the time to read the Environmental Impact Statement and respond with questions and arguments. Again your time was appreciated.

Sincerely,



Joseph A. LaRosa III



Mr. Joseph LaRosa
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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November 1, 2007

Joseph LaRosa
1810 University Avenue
Honolulu, Hawaii 96822

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. LaRosa:

Thank you for letter postmarked February 21, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

1. *My major concern is largely non-renewable resources and native species. I would hate to see a pristine tropical climate such as the one found on Lā'au Point end up with 10 lanes of traffic and urban development like much of Honolulu today.*

Response: We acknowledge your comments. We note that the climate at Lā'au Point is not tropical; it is one of the driest areas on the island, and has little rainfall (see Section 3.1 of the Draft EIS).

We agree that we would not like Lā'au Point to end up like urban Honolulu either. This project will not create an urban development like Honolulu; the area will remain rural.

2. *Section 1.7.7 of the Lā'au Point — Environmental Impact Statement deals with Irreversible and irremediable commitments of resource, while section 1.7.8 deals with Probable Adverse Environmental effects that cannot be avoided in the case of development. You Have Energy. Labor among other vague descriptions of what it will take to develop along Lā'au Point. Energy must come from a power plant or generator, which contributes to the burning of fossil fuels, while those non-renewable resources that are vaguely, should be specifically listed as the untouched beautiful tropical ecosystem that the state of Hawaii bases its existence on today. In section 1.7.8 it states an increase of wastewater and a need for an increase in fresh water. With wastewater a problem in Honolulu already one would think that we would learn from our lesson and not create the same problem in a different location. Then the issue of fresh water comes to the surface. The state of Hawaii is already struggling to sustain the developed areas already with fresh clean drinkable water, developing another undeveloped area with in these islands spreads the water supply thinner island wide which will not only hurt the people of Molokai but people state wide*

Response: We note your concerns about energy, wastewater, and water. As discussed in Section 2.3.6 of the EIS, the Lā'au Point Conditions, Covenants & Restrictions (CC&Rs) have been strengthened to protect the environment and resources at Lā'au Point. To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding energy, Section 2.3.6 (Covenants) in the Final EIS has been amended to include key design restrictions and covenants that will be implemented at Lā'au Point related to energy, wastewater, and water as shown in the attachment titled, "Revised Section 2.3.6 (Covenants)."

3. *Section 3.6 deals with the flora of the area. It is no surprise to you that there are many indigenous plants that can only be found in Hawaii growing naturally right on Lā'au Point. If this area is developed then these plants will become more endangered and closer to extinction then they already are. I am sure you took this into consideration so this flora is not harmed by construction and if this is indeed true then the influx of people in to this area will certainly do grave damage to this small eco system of Molokai. Section 3.7 deals with fauna and although you may be right by saying there is no native birds at this site there are, as you know a large Monk Seal population. Even though considerable measures have probably been taken to protect them during construction the sheer volume of people coming to the area along with people in the ocean harming the reef will drive the seals out of Lā'au Point thus killing this largest seal habitat from here to the Northwest Hawaiian Islands.*

Response: As discussed in Section 3.6 of the Draft EIS, the majority of the native plant communities are located in the sandy beach and rocky shoreline areas, where no development is proposed. In fact, the project proposes to increase the Conservation District by 254 acres along the shoreline and related natural resource areas. The Conservation District areas at Lā'au Point will be managed by the Land Trust to ensure appropriate protocol is established for the protection of rare and endangered species in the shoreline habitats.

We acknowledge your concerns about the Hawaiian monk seal habitat. We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'au Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'au Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Molokai, a Resource Manager will monitor the Lā'au Point shoreline area daily.

The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk

Mr. Joseph LaRosa
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seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding monk seals, Section 3.7 (Fauna) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)." The SAMP has been included as an appendix to the Final EIS.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

Revised Section 2.3.6 (Covenants)
Revised Section 3.7 (Fauna)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



January 24, 2007

Joseph O'Leary
2591 Dole Street H251
Honolulu, Hawaii 96822

SUBJECT: Lā'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Aloha Mr. O'Leary:

We have received your request for an extension of the public comment period for the Lā'au Point Draft Environmental Impact Statement (EIS).

Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the Lā'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the Lā'au Point Draft EIS and your participation in this public review process.

Sincerely,

John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

PBR HAWAII
1001 Bishop Street
ASB Tower, Suite 600
Honolulu HI 96813

Subject: Extension Request in RE: Lā'au Point, Draft Environmental Impact Statement

To Whom It May Concern:

The Lā'au Point Draft Environmental Impact Statement is the result of 150 community and special interest group meetings, occurring over a two year time span. Seeing as the statement was released to participants recently, and containing such depth of information provided, a request for extra time is in order to provide for comments which would be insightful towards the project.

Respectfully,

Joseph O'Leary
2591 Dole St H251
Honolulu, HI 96822

CC: Molokai Properties Limited, State Land Use Commission, Office of Environmental Quality Control.

To:
Peter Nichols
Molokai Properties Limited
745 Fort Street Mall, Ste. 600, Honolulu HI 96813

Thomas Witten
PBR Hawaii
1001 Bishop Street, Ste. 650, Honolulu HI 96813

Anthony Chiang
State Land Use Commission
P.O. Box 2359, Honolulu HI 96804

Genevieve Salmonson
OEQC
235 S. Beretania St, Ste. 702, Honolulu HI 96813

RE: Comments on EIS for La'au Point.

With respect to the Environmental Impact Statement to La'au Point, I wish to raise these concerns:

- 1) Page 49, section 4.1.1 states "There are often permanent habitations, fishing shrines, and abundant cultural deposits clustered around the bays. Inland of these, the lower gulches have a mixture of agricultural fields, temporary habitations and work areas." On page 50 the reverse is stated "Regardless of reasons, archeological literature has accepted that Kahuako'i was a dry and thinly populated area." Was there a permanent inhabitation of the contended area, what was the population of the area during seasonal inhabitation, and how much agriculture was being undertaken?
- 2) Maurice Major, composer of Appendix E, states in the opening that community involvement was important in the process of the La'au Subdivision Archeological Preservation and Mitigation Plan, I question this. In CRM issue number 8, Major states "CRM firms operate under competitive bidding conditions that leave little to no time for community interaction." How much community interaction took place, was interaction separate or combined with other meetings that occurred in discussion for La'au Point project, and was Mr. Major present at said meetings?
- 3) The homes being built at La'au Point are often called "vacation/second homes" with expected low occupancy rates (pg 12). This wording opens a myriad of possibilities, none of which are discussed in the EIS.

- a) With these being vacation homes, there is no discussion of the possibility of the owners of said homes utilizing them for income when unoccupied. These 'weekly renters' will not have taken the 'mandatory course' on the Moloka'i way of life, and likely little respect for it. Has any thought been put into the possibility that these 'low occupancy' homes may be occupied year round if renting occurs?
- b) If these are 'vacation homes', people on vacation have certain wants when they are on vacation, things such as shopping, eating out, drinking, and various other recreation activities. If these are vacation homes, has any thought been put into people wanting these activities, and thereby further development?

4) With the building of 200 two-acre house lots on the coast of Moloka'i and the further development that will come with the building of these homes, does MPL feel that Moloka'i will still have "surroundings of peace, tranquility and wide open spaces" (<http://www.molokairanch.com/activities.cfm>), with 200 families and the lifestyles they bring?

I thank you for the opportunity to make comments to the EIS,

Respectfully,



Joseph O'Leary



Mr. Joseph O'Leary
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

November 1, 2007

Joseph O'Leary
2591 Dole Street
Honolulu, Hawai'i 96822

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. O'Leary:

Thank you for your letter postmarked February 21, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

1) *Page 49, section 4.1.1 states "There are often permanent habitations, fishing shrines, and abundant cultural deposits clustered around the bays. Inland of these, the lower gulches have a mixture of agricultural fields, temporary habitations and work areas." On page 50 the reverse is stated "Regardless of reasons, archeological literature has accepted that Kalaako'i was a dry and thinly populated area." Was there a permanent inhabitation of the contended area, what was the population of the area during seasonal inhabitation, and how much agriculture was being undertaken?*

Response: We do not agree with your conclusion that these are "reverse" statements. As discussed in Appendix E of the Draft EIS and backed up with archaeological evidence, settlement includes permanent and temporary habitation. In the context of population, the West End was historically less populated (or "thinly populated") compared to East Molokai.

2) *Maurice Major, composer of Appendix E, states in the opening that community involvement was important in the process of the Lā'au Subdivision Archeological Preservation and Mitigation Plan: I question this. In CRM issue number 8, Major states "CRM firms operate under competitive bidding conditions that leave little to no time for community interaction." How much community interaction took place, was interaction separate or combined with other meetings that occurred in discussion for Lā'au Point project, and was Mr. Major present at said meetings?*

Response: Although the archaeologist, Maurice Majors, was not a direct participant in community meetings on Molokai, he consulted an array of people (project supporters and opponents) there regarding the plans, and he did local community consultations in 2001, prior to drafting the original archaeological plans. Nobody objected to the increased emphasis on preservation protection.

Furthermore, Mr. Majors was closely involved in working with the Cultural Committee of EC Project #47, which produced the *Community-Based Master Land Use Plan for Molokai Ranch*, as they considered issues such as the location and significance of cultural resources (as evidence by a detailed map produced by Cultural Landscapes in 2004), archaeological issues in the management of the proposed land trust and subdivision, and management tactics and strategies regarding cultural resources.

Molokai Properties Limited Iha Molokai Ranch • 745 Fort Street Mall • Suite 600 • Honolulu, Hawaii 96813 •
Telephone 808.531.0158 • Facsimile 808.531.2279

Mr. Majors has also made myself available via email and phone for any interested community members, and met with the leaders of the Cultural Committee on Molokai in 2004.

3) *The homes being built at Lā'au Point are often called "vacation/second homes" with expected low occupancy rates (pg 12). This wording opens a myriad of possibilities, none of which are discussed in the EIS: a) With these being vacation homes, there is no discussion of the possibility of the owners of said homes utilizing them for income when unoccupied. These 'weekly renters' will not have taken the 'mandatory course' on the Molokai way of life, and likely little respect for it. Has any thought been put into the possibility that these 'low occupancy' homes may be occupied year round, if renting occurs? b) If these are 'vacation homes', people on vacation have certain wants when they are on vacation, things such as shopping, eating out, drinking, and various other recreation activities. If these are vacation homes, has any thought been put into people wanting these activities, and thereby further development?*

Response: As stated in Section 2.3.6 of the Draft EIS, the Conditions, Covenants, & Restrictions (CC&Rs) will prohibit vacation rentals.

As discussed in Section 2.3 of the Draft EIS, the target market for Lā'au Point are people who respect the unique character of the site and of Molokai, and who support conservation, cultural site protection, and coastal resource management. Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles. The intent for Lā'au Point is for it to be a community for people that demonstrate the value of mālama'āina (caring for, protecting, and preserving the land and sea). The project "must be the most environmentally planned, designed, and implemented large lot community in the State." This statement precedes the covenant document determined by the Land Use Committee that will place many restrictions on lot owners. Lā'au Point will be unlike any other community in Hawai'i. Therefore, it is expected that Lā'au Point lot buyers will be familiarized with the Molokai lifestyle and would not have the as "shopping, eating out, drinking, and various other recreation activities" expectations that you are concerned about.

4) *With the building of 200 two-acre house lots on the coast of Molokai and the further development that will come with the building of these homes; does MPL feel that Molokai will still have "surroundings of peace, tranquility and wide open spaces (http://www.molokairanch.com/activities.cfm), with 200 families and the lifestyles they bring?*

Response: Yes, MPL does feel that Molokai will still have "surroundings of peace, tranquility and wide open spaces" with the implementation of this project. An aspect of the project involves the dedication of 55,000 acres of open space to the Land Trust in the form of fee simple land donations and easements. This will be permanent open space (see Section 2.1.7 of the Draft EIS).

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Mr. Joseph O'Leary
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Josh Pastrana
P.O. Box 1334
Kaunakakai HI, 96748

To whom it may concern:

I would like to request a 60 day extension of the La'au Point (EIS) Environmental Impact statement public community period.

The 45 day period is too short of time to review a 1000 page report especially during the holiday season.

Please Grant us a 60 day extension.

Mahalo nui loa



January 16, 2007

Josh Pastrana
P.O. Box 1334
Kaunakakai, Hawaii 96748

SUBJECT: La'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Dear Mr. Pastrana,

We have received your request for an extension of the public comment period for the La'au Point Draft Environmental Impact Statement (EIS).

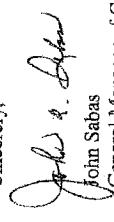
Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the La'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the La'au Point Draft EIS and your participation in this public review process.

Sincerely,



John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

RECEIVED
FEB 21 2007
PBR HAWAII

February 18, 2007
1132 Iikala Place
Kailua, Oahu, Hawaii
96734-1854

February 18, 2007

Peter Nicholas/John Sabas
Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, Hawaii 96813

Thomas Witten
PBR Hawaii
1001 Bishop Street, Suite 650
Honolulu, Hawaii 96813

Anthony Ching
State Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804

Genevieve Salmonson
OEQC
235 S. Beretania Street #702
Honolulu, Hawaii 96813

Re: Comments on EISPN FOR LA'AU POINT

To Whom It May Concern

Mahalo for allowing me this opportunity to ask questions of and comment on the E.I.S. for the La'au Project.

Per 1.7.1.

How will you attract people who respect the unique character of Molokai when Palatial vacation homes for the affluent are in direct conflict with that unique character?

Per 1.7.2.

Do you view "vacant land" as worthless unless people are generating financial gain from it. Do you see the value of open space?

Per 1.7.2.

Why do you think animals and shorebirds will readily relocate and repopulate after you disturb their longtime habitat. Hasn't loss of habitat and human disturbance led to the endangered status of some of these creatures?

Per 1.7.2.

How will a caretaker supervise access so "no environmental damage occurs"? Is this staff/ staffing for control of residents and public?

Per 1.7.2.

If you truly want to benefit the island and her residents while retaining Molokai's rural island lifestyle, how about affordable housing in another area allowing la'au to remain untouched.

2.

Per 1.7.2

Are the 100 jobs you will create by reopening Kaluakoi dedicated to present Molokai residents, or will you bring in cheaper labor from outside Hawaii?

Per 1.7.2

If you have not been able to make your ranch operation profitable (you've "lost 36 million between 2001-2006"), why would I want to trust that you can make a go of Kaluakoi or handle a project such as is proposed for Kāiāu?

Per 1.7.6

If you believe "community character may change as an inevitable consequence of growth", why do you keep telling Molokai residents you will keep the character the same?

Per 1.7.7

You want to "protect subsistence fishing, gathering, and hunting". Why not work to pass legislation to protect Kāiāu as it is forever and guarantee that outcome.

Per 1.7.8

Why should we feel confident you can carry out your "protection plans" when you acknowledge "unquantifiable impacts to spiritual quality" and "changes to a presently isolated fishing area"?

Per 1.7.8

Since most visitors view Hawaii as "their" playground, do you really believe you can educate these people and modify their values to respect our indigenous culture?

3.

Per 1.7.9

You make it sound as if hunting and gathering will be protected by your efforts. Are there not State laws in place preventing you from denying access for these activities?

Per 1.7.9

Water is the most important issue when Popu lation grows. Do you feel this issue should be resolved before any plans move forward?

Per 6.0

Since you anticipate only a 30% steady occupancy of the 200 homes, what will keep owners from running vacation rentals, greatly raising occupancy and impacting your "impact statistics".

Per 6.1

You warn, if the Kāiāu Project "does not go thru, residents may lose access to significant cultural sites" and are creating "unknown risks for Molokai" when the Ranch is forced to sell its land. Do these threatening and vindictive comments reflect respect for Molokai's character or the culture of Hawaii's indigenous people you say you will instill in others?

4.

Comment

For many tens of decades (and certainly for the 3 1/2 decades of my personal observation), the indigenous people of Hawaii have been guided, threatened, and chided by self-proclaimed benevolent Western (and other area) settlers who feel they know what is better for the islands than the original islanders. If the "guest" does not get what he wants from the "host", often there is manipulation and threatening with doomsday predictions.

Many times it is just outsiders using these tactics, but often now we see the recruitment of established members of the local community to make the effort seem more legitimate. These people may truly believe they are helping their indigenous people by securing land - but at what price to future generations?

Please allow me to share a poem:

O Hawaii, I came not to change you, but to keep you
as you were.
Your people have taught me how to express my love for
the land without shame.
I ache for these islands along with the many who have
watched her being eaten away by people who have
come before me, and continue to come.
My children are kama'aina and are learning the blessing
which is upon them for having first breathed
life on this land.

They were born here; I was born again. J. Mick '79

Aloha and mahalo,
Judith A. Mick



November 1, 2007
Judith A. Mick
1132 Iiikala Pl.
Kailua, HI 96734-1854

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Mick:

Thank you for your letter dated February 18, 2007 regarding the La'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

1. *Per I.7.1: How will you attract people who respect the unique character of Moloka'i when palatial vacation homes for the affluent are in direct conflict with that unique character?*

Response: As discussed in Section 2.3 of the Draft EIS, the target market for La'au Point are people who respect the unique character of the site and of Moloka'i, and who support conservation, cultural site protection, and coastal resource management. Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles. The intent for La'au Point is for it to be a community for people that demonstrate the value of mālama'aina (caring for, protecting, and preserving the land and sea). The project "must be the most environmentally planned, designed, and implemented large lot community in the State." This statement precedes the covenant document determined by the Land Use Committee that will place many restrictions on lot owners. La'au Point will be unlike any other community in Hawai'i.

2. *Per I.7.2: Do you view "vacant land" as worthless unless people are generating financial gain from it. Do you see value of open space?*

Response: Yes, we see great value in open space. The project and the overall implementation of the *Community-Based Master Land Use Plan for Molokai Ranch* (Master Plan), which was provided as Appendix A in the Draft EIS, will provide 55,000 acres of open space and agricultural lands, putting a restriction on development.

3. *Per I.7.2: Why do you think animals and shorebirds will "readily relocate and repopulate after you disturb their longtime habitat. Hasn't loss of habitat and human disturbance led to the endangered status of some of these creatures?"*

Response: There are many factors, other than "loss of habitat and human disturbance," which could put a particular species on the "endangered" list. We will pass your comments on to the US Fish & Wildlife Service, the federal agency charged with establishing the endangered species list.

As previously discussed in Section 3.7 of the Draft EIS, there are no endangered species habitats located in the residential development area. The endangered monk seal has been

Judith Mick

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007

Page 2 of 7

observed along the shoreline; however, no development is proposed to occur there. In fact, the project will expand the shoreline Conservation District area.

We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'āu Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'āu Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Moloka'i, a Resource Manager will monitor the Lā'āu shoreline area daily.

The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding monk seals, Section 3.7 (Fauna) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)." The SAMP has been included as an appendix to the Final EIS.

4. *Per 1.7.2: How will a caretaker supervise access so "no environmental damage occurs"? Is this 24/7 staffing for control of residents and public?*

Response: Similar to a park ranger, the Land Trust Resource Manager will make best efforts to educate Conservation District area users to respect the land and not cause environmental damage. The resource managers will have enforcement authority pursuant to the shoreline access management plan. This staffing is for rules control of both residents and the public.

Various resources are to be monitored to ensure that the SAMP is effective and actually protecting and preserving the various resources. Onsite Resource Managers will monitor the

Judith Mick

SUBJECT: LĀ'ĀU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007

Page 3 of 7

situation daily and adjustments made to the rules and plan to ensure the goals of the SAMP are met. Enforcement of the rules by the Managers will further serve to ensure the mitigation of any impacts on the area resources.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

5. *Per 1.7.2: If you truly want to benefit the island and her residents while "retaining Moloka'i's rural island lifestyle, how about affordable housing in another area allowing Lā'āu to remain untouched."*

Response: We believe the Master Plan (discussed in Section 2.1 of the Draft EIS) provides for Moloka'i to retain its rural island lifestyle. The Master Plan is provided in its entirety as Appendix A of the Draft EIS.

As discussed in Section 2.1.9 of the Draft EIS, the Master Plan provides for proposing the creation of the Moloka'i Community Development Corporation (CDC), which is tasked to develop affordable homes for the Moloka'i community. To assist the CDC with providing affordable housing, MPL will convey ownership of 1,100 acres of land mauka of Kaunakakai to the CDC for future housing development. MPL will also reserve 200 acres around the towns of Kualapu'u and Maunaloa to be made available for community housing. Section 4.8.2 of the Draft EIS provides further discussion about the CDC and its affordable housing plans.

6. *Per 1.7.2: Are the 100 jobs you will create by reopening Kaluako'i dedicated to present Moloka'i residents, or will you bring in cheaper labor from outside Hawai'i?*

Response: The Master Plan's benefits, which include the re-opening of the Kaluako'i Hotel, are for the Moloka'i community. MPL will always attempt to employ Moloka'i residents as its priority.

7. *Per 1.7.2: If you have not been able to make your ranch operation profitable (you've "lost 36 million between 2001-2006"), why would I want to trust that you can make a go of Kaluako'i or handle a project such as is proposed for Lā'āu?*

Response: We acknowledge your concerns. We emphasize that we are firmly committed to the Master Plan and our commitments made in the Master Plan.

In the 90s, MPL made decisions on developments without consultation with the community. Between 2003 and 2006, MPL underwent a community consultation process unprecedented in the State. See Section 2.4 of the Draft EIS regarding community meetings and involvement.

MPL, and its parent BIL International, are confident the Master Plan is not only the best solution for the property's future, but also for the future of its shareholders.

Judith Mick
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 5 of 7

8. *Per 1.7.6: If you believe "community character may change as an inevitable consequence of growth", why do you keep telling Moloka'i residents you will keep the character the same?*

Response: We do not state that we "will keep the character the same" in the EIS. In fact, Section 4.8.3 of the Draft EIS provides discussion of the potential impacts and mitigation measures for community character.

We understand that the island's character continues to be influenced by changes that have already occurred. The Social Impact Assessment (SIA), provided as Appendix M in the Draft EIS, found that Moloka'i has experienced steady growth since the 1970s for an overall 43 percent increase by 2000. Significantly, East Maui's population grew by 82 percent between 1970 and 2000. With this population increase came changes in demographics and socio-economic characteristics. Further changes are expected. Population forecasts estimate an 18 percent increase in population by 2030.

The SIA also found that the Moloka'i lifestyle and style continues to persist with the increase in population. In spite of the changes, those interviewed in the SIA (Section 4.2.2) described a long-standing "Moloka'i style," which was founded on Hawaiian values, and included characteristics of being laid back, respectful, helpful and accepting social interactions, and a tradition of survival.

We believe that these values will continue to persist with the addition of new Lā'au Point residents for two reasons. First, the level of new population due to Lā'au Point is not significant to cause major social impact. As discussed in Section 4.8.1 of the Draft EIS, the project's permanent population at build-out is estimated at 174 persons, which is only two percent of the forecasted 2025 population. We do not believe that adding 174 permanent residents to Molokai will significantly change the Molokai character, which has persisted in spite of changes that have already occurred.

Second, the Master Plan is intended to preserve the very qualities that contribute to the uniqueness of Molokai's character.

9. *Per 1.7.7: You want to "protect subsistence fishing, gathering, and hunting." Why not work to pass legislation to protect Lā'au as it is forever and guarantee that outcome.*

Response: Please see our response to #7 above.

10. *Per 1.7.8: Why should we feel confident you can carry out your "protection plans" when you acknowledge "unquantifiable impacts to spiritual quality" and "changes to a presently isolated fishing area"?*

Response: The Land Trust will have a major influence on the protected areas at Lā'au and we believe will ensure its protection.

11. *Per 1.7.8: Since most visitors view Hawaii as "their" playground, do you really believe you can educate these people and modify their values to respect our indigenous culture?*

Response: Please see our response to #1 above regarding target buyers for Lā'au Point. The Shoreline Access Management Plan (SAMP) for the area sets forth an education program required of all homeowners and visitors to the area that covers: cultural practices; cultural sensitivity and respect; environmental protection and concerns; historical significance of the area and resources; and the social fabric, traditions and culture of the Moloka'i community. In sum, the program is intended to make the users of the area aware of the value of the resources they encounter/harvest and to honor others rights and needs in the area.

SAMP education will be conducted in a variety of forms - written, audio-visual and personal hands-on on-site orientations - and not be limited to any one form. The educational requirement will be mandatory. From a practical standpoint, it is recognized that short-term guests may not have the time to undertake the program. However, it can be assumed that the homeowners who have undertaken the program will inform and educate their guests.

Admittedly, educational classes for landowners, vacationing or permanent, are a new approach to a decades old problem of disconnect between new landowners from outside Hawai'i and the local and Native Hawaiian communities.

We assume that educating new residents would have a better effect than if new residents were not educated at all. It is very likely that new buyers will be willing to attend classes to learn how to protect the environmental resources and Moloka'i lifestyle and culture. This is already occurring, whereby relatively newer residents are participating in environmental advocacy and protection efforts.

Currently, MPL allows limited beach access for MPL employees and Maunaloa residents to the area projected for residential development. It is mandatory that employees and their guests view a conservation video in order to qualify for a beach pass. This system has worked well and received the cooperation of those who have used beach passes.

To reflect the information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

12. *Per 1.7.9: You make it sound as if hunting and gathering will be protected by your efforts. Are there not State laws in place preventing you from denying access for these activities?*

Response: Access to Lā'au via the shoreline has never been denied.

13. *Per 1.7.9: Water is the most important issue when population grows. Do you feel this issue should be resolved before any plans move forward?*

Response: Under the Hawai'i State Water Code, water decisions follow land use decisions.

Judith Mick
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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Judith Mick
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 7 of 7

14. *Per 6.0: Since you anticipate only a 30% steady occupancy of the 200 homes, what will keep owners from running vacation rental, greatly raising occupancy and impacting your "impact statistics."*

Response: As stated in Section 2.3.6 of the Draft EIS, the Lā'au Point CC&Rs prohibit vacation rentals.

15. *Per 6.1: You warn, if the Lā'au Project does not go thru, residents may lose access to "significant cultural sites" and are creating "unknown risks for Moloka'i," when the Ranch is forced to sell it's [sic] land. Do these threatening and vindictive comments reflect respect for Moloka'i's character or the culture of Hawai'i's indigenous people you say you will instill in others?*

Response: We acknowledge your comment that you feel Section 6.1 (No-Action Alternative) contains "threatening and vindictive comments;" however, we disagree with your opinion.

MPL has an economic reality; survival. It will be disrespectful to its own shareholders if it does not put their needs ahead of the island should this Master Plan not succeed. It will have given its best chance to try to protect its land while seeking an economic solution to its financial issues.

The social impacts related to a no-action alternative are based on non-implementation of Lā'au Point. Since the Lā'au Point project is the only springboard for the Master Plan, the Project's non-implementation means that most of the Master Plan will not be realized. The principal issue of the No-Project scenario is the viability of ongoing operations of Molokai Ranch and its employees. The net loss from operations, including capital spend on replacements between 2001 and 2006 was in excess of \$40 million. Cost cutting measures reduced operating losses from \$8.6 million in 2001 to a range of \$3.6 to \$3.8 million in the past three years. In addition to operating losses, annual capital expenditures annually average over \$800,000 million. In total, the MPL subsidy of operations and upkeep average between \$4.7 to \$10.2 million annually. The cumulative subsidy in the last six years is more than \$40 million.

Hence, if the Lā'au Point project is not implemented, it is highly likely that MPL will need to seek other options, such as the sale of other land inventory, further reductions in operations and employment force, and possible termination of ranch operations and land banks. These are not threats. They are realistic alternatives intended to reduce financial losses.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

Revised Section 3.7 (Fauna)
Revised Section 4.3 (Trails and Access)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



To whom it may concern,

Hi my name is Kainalu Purdy and I am a junior at Molokai High School. In our science class we were to pick out a topic in the environmental impact statement draft and come up with some questions.

I read page 6 in the draft and it was talking about the flora and fauna in La'au and it talks about how could they protect our plants and animals in La'au Point. I think that the people should study more about the plants and animals that are at La'au before anybody does anything to La'au. It would be important because there is a lot of native animals and plants at La'au that are endangered and hard to find on the other islands. The plants that are endangered are the Ma'o, 'Ihihilaaukea, and the cressa.

Questions:

How do u guys plan to deal with the historical things?

November 1, 2007

Kainalu Purdy
Moloka'i High School
P.O. Box 158
Ho'olehua, Hawaii 96729

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Purdy:

Thank you for your letter regarding the La'au Point Draft Environmental Impact Statement (EIS). We acknowledge your concerns about the flora, fauna, and historic resources at La'au Point.

Sections 3.6 and 3.7 (pages 42-45) of the Draft EIS provide a more detailed discussion of the project's potential impacts and mitigation measures for flora and fauna, including native and endangered species. Appendices B and C contain the full flora and fauna reports.

With this project, the coastal ecosystem and shoreline habitats will be preserved by an expansion of the Conservation District by 254 acres along the shoreline and related resource areas. This proposed expansion will provide for a total of 434 acres of the project area to be protected in the Conservation District. The Land Trust will be in charge of managing La'au Point's Conservation lands.

We confirm that 'ihi'hilaaukea (*Marsilea villosa*) has been found around Kama'ika'ipō Gulch. This area is proposed to be re-districted into Conservation District and designated a cultural protection zone, which will also be owned and managed by the Land Trust. The 'ihi'hilaaukea population is not within the proposed residential houselot area. To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding 'ihi'hilaaukea (*Marsilea villosa*), Section 3.6 (Flora) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.6 (Flora)."

We note that ma'o and cressa are not endangered plants.

Regarding your question about "historical things," we assume you mean the archaeological and historic resources. Section 4.1 of the Draft EIS provides detailed discussion of the project's potential impacts and mitigation measures for the archaeological and historic resources. Appendix E contains the Archaeological report.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

Kainalu Purdy
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 2

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 3.6 (Flora)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII



Molokai
Properties
Limited

Kalimakahilani Suganuma
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

November 1, 2007

Kalimakahilani Suganuma
835 Ahuwale Street
Honolulu, Hawai'i 96821

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Suganuma:

Thank you for letter dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below we respond to your comments.

1. *In the Lā'au Point Environmental Impact Statement Molokai Ranch states that negotiations are in action with Hawaiian Homelands and the County of Maui over water usage. It is important to know that Hawaiian Homelands does not have the right to negotiate any water rights. The Attorney General back in the mid 1980's specifically stated that DHHL "has no authority to give away their rights." For development support MPL proposed a deal to give Hawaiian Homelands 500,000 gallons per day from Kualapu u (Well 17), when in fact they do not own this water, and do not have the right to give it away, therefore their proposed water usage plan does not exist.*

Response: As stated in the Draft EIS, discussions are underway with DHHL regarding long term planning for the placement of wells and management of the water resources on Molokai. MPL is not seeking to gain control over any of DHHL's water rights and has in fact repeatedly reiterated recognition of DHHL's priority rights to water, which is a priority established by law.

To ensure water availability to all, MPL, DHHL, and Maui County DWS are working cooperatively to coordinate future water development plans with the assistance of the USGS. It is anticipated that by proper placement of wells, the needs of DHHL, the County, and MPL for the foreseeable future can all be met at reasonable costs to the respective parties.

To reflect the above information, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

2. *More importantly, over the last ten years there has been a drought, questioning how long Molokai can sustain itself, yet MPL wants to take away more water, eventually depleting the resource itself. The intent of the Molokai Irrigation system is to supply water to Hawaiian Homes/road lots. With MPL proposing to transport this water to Lā'au, this directly infringes on the rights of those who were intended to benefit from this system. It is the responsibility of all of us to preserve and conserve our water resources to the best of our ability.*

Response: MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

Molokai Properties Limited dba Molokai Ranch • 745 Fort Street, Mail • Suite 600 • Honolulu, Hawaii 96813 •
Telephone 808-531-0158 • Facsimile 808-521-2279

MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Land Use Plan. A new non-potable source is being proposed. Currently permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses. When non-potable water from the Kākalahale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the Lā'au Point development.

To minimize water demands, MPL will use a number of different strategies. "Conservation rates" that provide financial incentives to customers to conserve water have already begun to be implemented and its effectiveness has already been manifested. Additionally, covenants on Lā'au Point lots will limit further subdivision of the lots, restrict disturbance of each lot to no more than 30% (approximately 1/2-acre, require catchment systems for each residence for irrigation use, requiring drip irrigation systems, double flush toilets and other water conservation devices.

To reflect the above information, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)."

3. *The next issue deals with Molokai Ranch's reason for development in Lā'au. MPL has repeatedly stated that the sale of Lā'au lots are vital to the renovation of Kaluakoi Hotel. It is hard to believe this being that MPL has had excellent investment returns for Kaluakoi, which has increased by ten to twenty times since its purchase. In addition, MPL has sold over 25 million dollars worth of lots in that area and there has been a profit of approximately 150 million over the last two years. And still, with all of these monies MPL still cannot afford renovations for Kaluakoi Hotel with the sale of Lā'au? I find that hard to believe.*

Response: We acknowledge your comments regarding the projects' relationship to the Kaluakoi Hotel renovation. As discussed in the Draft EIS, both the Lā'au Point project and the Kaluakoi Use Plan for Molokai Ranch (Master Plan). As stated in Section 2.1.7 of the Draft EIS, the objectives of the Lā'au Point project are rooted in our company's desire to create a sustainable future for Molokai and Molokai Ranch through the implementation of the Master Plan. The goal of the Master Plan was to create new employment and training opportunities for Molokai residents and to provide the community with certainty about its future. The objectives of the Master Plan are shared by the Lā'au Point project and include:

- Developing sustainable economic activities that are compatible with Molokai and the vision of the Molokai Enterprise Community (EC).
- Securing the role of the community in the management of MPL's 60,000+ acres.
- Re-opening the Kaluakoi Hotel and creating over 100 jobs.
- Protecting cultural complexes and sites of historic significance on MPL lands.
- Protecting environmentally valuable natural resources, agricultural land, pasture, and open space.

Kalimakuhilani Suganuma
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
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- Providing an endowment that serves as a continuous revenue stream for the Moloka'i Community Development Corporation (CDC).
- Protecting and enhancing subsistence gathering, an important element of life on Moloka'i that includes ensuring public access to and along the shoreline area adjacent to the project.
- Protecting Moloka'i's water resources, by minimizing drinking (potable) water use.

Since the La'au Point project is the primary financial component to achieve the Master Plan's objectives, non-implementation of the project means that most, or all, of the Master Plan may not be realized.

Thank you for participating in the EIS process. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 4.9.2 (Water)

Cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

Ahupua'a o Moloka'i
P.O. Box 159
Ho'olehua, Moloka'i, HI 96729
Phone 808-567-6601



January 7, 2007

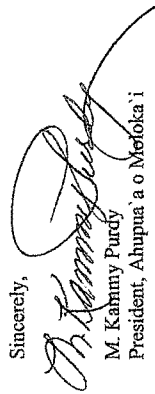
Thomas S. Witten, ASLA
President PBR Hawaii
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, HI 96813

Dear Mr. Witten:

I received the Moloka'i Properties Limited (MPL) La'au Environmental Impact Statement (EIS) draft from PBR Hawaii on December 22, 2006 (my travel date for the holidays). Apparently, your choice to distribute the EIS during the Christmas Holidays (the busiest travel time of the year) wasn't thought out. Upon my return, I finally had the chance to attend to your mailed EIS computer disk, of which, I could not open. I called PBR Hawaii requesting for a hard copy but was told that the EIS documents would cost me \$100. I'm presently sharing a written copy of the EIS with other residence of Moloka'i due to the limited text available to the public.

There are many residences on their holiday vacation until January 16, 2007 (when school reconvenes), it is imperative that they have the time to process this EIS. Therefore, I am requesting that your firm extend another sixty days for public comments. The additional time would be greatly appreciated.

Sincerely,



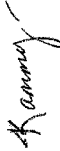
M. Kammy Purdy
President, Ahupua'a o Moloka'i

C. Mr. Anthony Ching, State of Hawaii LUC

January 19, 2007

M. Kammy Purdy
President, Ahupua'a o Moloka'i
P O Box 159
Ho'olehua, Moloka'i, HI 96729

SUBJECT: La'au Point Draft Environmental Impact Statement (EIS) Public Comment Period

Aloha Kammy: 

We have received your request for an extension of the public comment period for the La'au Point Draft Environmental Impact Statement (EIS).


Molokai Properties Limited will extend the deadline for comments from February 6 to February 23, 2007.

State law (Chapter 343, HRS) requires a 45-day public comment period for Draft EISs. The original 45-day public comment period for the La'au Point Draft EIS is from December 23, 2006 to February 6, 2007.

The extension to February 23 will provide for a public comment period of 63 days.

We look forward to your comments on the La'au Point Draft EIS and your participation in this public review process.

Sincerely,



John Sabas
General Manager of Community Affairs
Molokai Properties Limited

cc: Anthony Ching, State Land Use Commission
Genevieve Salmonson, Office of Environmental Quality Control

Appendix C

Page Conceptual WWTLP Layout

no page
number

How saddening and stupefying to consider that this highly valued real estate is planned to be served by such an inferior quality sewage treatment plant. Drying beds, which spread disease are left open to areas frequently assailed by high winds. The more energy efficient, organically managed types are available as shown on public television and discovery channel which manage the wastes in a greenhouse style environment with, skirmp, worms and living plants eating up bacteria and toxins. Already in use in inner city conurbations, creating drinkable water instead of sickening sludge, not "green architecture" as stated on Page 114, Cultural Impact Appendix P Page 5

There are not 36 perennial streams. Many of these are completely dry during the summer which means water from another source must be considered. The west and Central areas are already no longer drinkable, which means water must be brought from elsewhere. Saddening to see that a desalination plant was not considered in this "final" development, when such a plant could serve the needs of the entire island as in the Mediterranean Island of

Malta Gibraltar? Source Public Television / Discovery Channel.

Lā'au Point Cultural Assessment Page 130

water instead. People are more important than cows, and golf courses

Mrs Karen Ashley
PO Box 1302
Kāunakakai HI 96748



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Page 51 Social Impact Assessment

4.3.1 Positive Characteristics of the Plan. Non-participants

DID NOT feel the Plan offers many benefits to the Molokai Community.

Page 52 No plan for housing the scores of Hawaiian families made homeless by the latest real estate surge. How can these families work at the Kāunakakai resort if they have no homes to live in?

Lā'au Point Cultural Assessment Page 113.

Community housing in Kualapu'u, Maunaloa, and above Kāunakakai. 1) These areas are all far from the ocean. Must only the wealthy have ocean access?

Are the wealthy the only seafood addicts? This will create racial antagonism! 2) The area above Kāunakakai was posted for many years as an area subject to "sudden subterranean fires". Although the signs have been removed, I have seen no evidence, reports of evidence or read any news stating that area is now safe to build.

Lā'au Point Cultural Assessment Page 84

Subsistence fishing and gathering. The National Oceanographic and Atmospheric Administration has stated that "the most healthy mont seals live on Molokai". Due to overfishing in the Northwest Hawaiian Islands monument, seals are eating their own babies for the protein. Seals die to 1500 for their food. This area at Lā'au Point is the known safe place in all of Hawaii.

Mrs Karen Ashley
PO Box 1302
Kāunakakai HI 96748



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FEB 15 2007



Ms. Karen Ashley
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

Page 51 Social Impact Assessment

We note your opinion regarding the benefits of the Master Plan. We also note that the discussion on page 51 of the Social Impact Assessment (SIA) is based on analysis of input received from a public information meeting that was attended by 27 people, several focus groups that included 49 people, and 62 community interviews.

Page 52

Regarding your opinions on the re-opening of Kaluako'i Hotel, we understand that you are concerned about housing for Hawaiian families who may be employed at the resort. The desire to re-open the hotel was a common theme in the focus group sessions and interviews held in the SIA. As stated on page 52 on the SIA, the re-opening of the hotel was associated with positive economic activity that would help stabilize the economy and increase personal income. This type of economic activity would help families pay for housing and other necessities.

Throughout the community planning process, the vesting of land back into community hands and ensuring the development returns (Lā'au Point income) be shared by the community was part of a larger vision by the Moloka'i community to plan and finance housing for themselves through a Community Development Corporation, without the involvement of MPL, other than partnering in the provision of land. Further, MPL will donate 5 percent of Lā'au lot revenue (estimated to be \$10 million) to the CDC, whose main mission is the provision of affordable homes for the community.

Lā'au Point Cultural Assessment Page 113

During the community planning process, the EC and other Moloka'i community members involved in creating the Master Plan clearly indicated that "only Moloka'i residents will decide future expansion of existing communities" (Appendix A, p. 5). The community process identified up to 100 acres around each of the towns of Kualapu'u and Maunaloa for the future development of "Ohana Neighborhood Communities" to be developed by partnering various community resources such as Habitat for Humanity, Self-Help Housing, and others. As discussed in the Plan, the community desires a link between affordable housing and other community-facilities present at each of the three communities to insure that they be developed as balanced communities (Appendix A, p. 69).

The area about Kaunakakai to be dedicated for CDC community expansion is not "subject to sudden subterranean fires."

Lā'au Point Cultural Assessment Page 84

According to their letter dated February 5, 2007, the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service (NMFS) considers Lā'au Point a good monk seal habitat because of its limited access, sandy beach substrate, and proximity to foraging areas. To reflect this information in the Final EIS, as well as to address other questions

November 1, 2007

Karen Ashley
P.O. Box 1302
Kaunakakai, Hawai'i 96748

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Ashley:

Thank you for your letter dated February 14, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We would like to respond to your comments.

Appendix Q Conceptual WWTP Layout

We note your comments about energy-efficient, organically-managed wastewater treatment facilities you saw on public television and the discovery channel.

As discussed in Section 4.9.3 of the Draft EIS, biosolids from the wastewater treatment process will be stabilized by naturally occurring microbes in the waste stream. Long treatment times and an oxygenated environment afford microbes cultured in the treatment basins to convert organic matter to innocuous biosolids and inorganic constituents. In essence, the treatment plant processes replicate the treatment that happens naturally in streams, rivers, and oceans, but in confined tanks under controlled environment at an accelerated pace. Residues are humus-like devoid of objectionable matter and harmful microbes. As our islands are in a tropical zone, sunny and arid climate are well suited for drying the biosolids on sand beds in dug earthen basins or in concrete walled containment. Sand drying beds have been used for decades and have proven to perform reliably, effectively, and safe to public health.

Appendix P Page 5

We note your comments about water. After preliminary investigation, it was determined that desalination was not a reasonable alternative and it was therefore not included among those alternatives that were more rigorously explored. Desalination is too expensive to be considered as MPL's first choice as a source of non-potable water; this was previously discussed in Section 4.9.2 of the Draft EIS. However, it is an alternative source if water from the Kākalahale Well is not available.

Lā'au Point Cultural Assessment Page 130

The page you cite in the Cultural Impact Assessment references cultural viewpoints about the Water Plan. The concerns about the impacts of pumping brackish water are unsubstantiated.

Ms. Karen Ashley
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

and concerns regarding monk seals, Section 3.7 (Fauna) will be revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)."

NOAA NMFS verified that the overfishing of the Northwest Hawaiian Islands is not causing seals to eat their own pups for protein (personal communication, March 21, 2007).

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 3.7 (Fauna)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

To: Tom Schnell, Planner, PBR Hawaii
From: Karen M. Holt
Re: MPL Draft EIS for Redistricting of La'au, Moloka'i
Date: February 23, 2007

After reviewing Molokai Properties Limited's LUC redistricting petition and draft EIS, I have the following comments and questions:

MPL acknowledges that development at La'au will harm the area's pristine environmental qualities. To mitigate this damage, MPL proposes to impose covenants, conditions and restrictions on La'au subdivision owners. In addition, MPL asserts that substantial portions of its other land holdings outside of La'au will be protected through the use of restrictive easements and the donation of 26,000 acres to a Molokai Land Trust.

It does not appear, however, that MPL's promises to mitigate damage are reflected in any legal documents that can be examined to insure that they will be binding. Since MPL is asking the Land Use Commission to approve the self-admitted environmental degradation of La'au based on its promises, the burden is on MPL to produce evidence that they will be legally enforceable.

The following questions are based on my concern that MPL has not provided sufficient legal proof that its predicted environmental damages to La'au will be both minimized and mitigated:

1. What is the specific language of the proposed covenants, conditions and restrictions (CC&R's) that will be imposed on La'au subdivision owners?
2. Has MPL sought or received legal counsel regarding the long-term enforceability of its proposed CC&R's? What is the specific language of any legal opinions received, and what legal authorities were cited in support of those opinions?
3. What is the specific language of the proposed agricultural and rural easements on MPL's lands outside La'au? Will the construction of dwellings or any other buildings still be permitted under the terms of these easements?
4. Please define the following zoning term used by MPL: "Rural Landscape Reserve." What kinds of land uses are permitted under this zoning?
5. What is the specific language of the documents that created the Molokai Land Trust? And what is the specific language of any other documents that are relevant to the Land Trust's role as enforcer of MPL's proposed protective easements and/or CC&R's?

6. What role will MPL play in the governance or management of the Molokai Land Trust? Will any seats on the Trust board be filled by MPL officials or their agents? Will board members be compensated for their service?

7. Has MPL decided over the ~1,500 acres that it promised to give the Molokai Land Trust as soon as the Trust obtained its IRS tax-exempt status? Since MPL promised to do this as proof of its good faith commitment to protect lands outside La'au, if the donation has not yet been made, why not? And if it has not yet been made, when will the land be donated to the Trust, as promised?

8. What is the specific language of the "Stakeholders Agreement" with Ke Aupuni Lokahi, Inc. (KAL)? (MPL says that this Agreement spells out MPL's relationship to KAL regarding implementation of its Community Master Land Use Plan.) Has it been executed by both parties? If so, when?

Where I have asked for "specific language," I would like to see the actual draft documents if they exist. If they do not yet exist, please indicate this in your response to my questions.

Thank you for your assistance in responding to these questions.

Karen M. Holt
P.O. Box 354
Kaunakakai, Hawai'i 96748



November 1, 2007

Karen Holt
Moloka'i Community Service Council
P.O. Box 354
Kaunakakai, Hawai'i 96748

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Holt:

Thank you for your email dated February 23, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). Below, we respond to your comments.

1. *What is the specific language of the proposed covenants, conditions and restrictions (CC&R's) that will be imposed on La'au subdivision owners?*

Response: Section 2.3.6 of the Draft EIS contains proposed language of the CC&Rs. As of November 2007, a draft of the CC&Rs were being developed by MPL in conjunction with the Land Trust. The Land Use Commission and other regulatory agencies may further require changes to the CC&Rs during their review process; therefore, a final version of the CC&Rs is not available as of November 2007, and the issue of the completion of the CC&Rs is included as an unresolved issue in the Final EIS. The CC&Rs will be available for review at the Land Use Commission hearings on the State Land Use District Boundary Amendment petition.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding the CC&Rs, Section 2.3.6 (Covenants) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 2.3.6 (Covenants)."

2. *Has MPL sought or received legal counsel regarding the long-term enforceability of its proposed CC&R's? What is the specific language of any legal opinions received, and what legal authorities were cited in support of those opinions?*

Response: MPL has sought legal counsel to draft the CC&Rs using the Master Plan for guidance. MPL received advice that the provisions are enforceable because the CC&Rs will be signed as a pre-condition to lot ownership, and because the Moloka'i Land Trust will be a party to the CC&Rs. As a party to the document, the Land Trust can litigate the enforceability.

3. *What is the specific language of the proposed agricultural and rural easements on MPL's lands outside La'au? Will the construction of dwellings or any other buildings still be permitted under the terms of these easements?*

Response: The specific language of the agricultural easements contemplated in the Master Plan will be available at Land Use Commission hearings on the petition. The construction of single unit dwelling and ancillary farm buildings will be allowed on some lots per the Master Plan where bona fide farmers wish to live and work on the land they farm.

Karen Holt
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 2 of 3

4. *Please define the following zoning term used by MPL: "Rural Landscape Reserve." What kinds of land uses are permitted under this zoning?*

Response: As noted in Section 2.1.8 (Moloka'i Land Trust) of the Draft EIS, Rural Landscape Reserve easements will protect open space and views on five large parcels on which no buildings or development will be permitted. The Land Trust will administer agreed upon land use policies for these areas, and enforce the dedicated use of the easement lands.

5. *What is the specific language of the documents that created the Molokai Land Trust? And what is the specific language of any other documents that are relevant to the Land Trust's role as enforcer of MPL's proposed protective easements and/or CC&R's?*

Response: The specific documents pertaining to the establishment of the Moloka'i Land Trust are private to the organization. The specific language relevant to the Land Trust's enforcement role in protective easements and in relation to the CC&Rs will be available at Land Use Commission hearings for the State Land Use District Boundary Amendment petition.

6. *What role will MPL play in the governance or management of the Molokai Land Trust? Will any seats on the Trust board be filled by MPL officials or their agents? Will board members be compensated for their service?*

Response: MPL will play no role in the governance or management of the Land Trust. It has been invited (or will serve) in an ex-officio status to assist through its knowledge of the lands to be donated. It is non-voting. No MPL employees are directors of the Land Trust board. Board members are volunteers and do not receive compensation.

7. *Has MPL decided over the ~1,500 acres that it promised to give the Molokai Land Trust as soon as the Trust obtained its IRS tax-exempt status? Since MPL promised to do this as proof of its good faith commitment to protect lands outside La'au, if the donation has not yet been made, why not? And if it has not yet been made, when will the land be donated to the Trust, as promised?*

Response: MPL has prepared an agreement relating to the first donation of lands at Moku. Once the Moloka'i Land Trust completes its due diligence of the property, the fee land will pass to the Trust. The Land Trust is preparing a complete land inventory of the Moku Lands and also a management and access plan. Therefore, upon receiving the land donation, the Land Trust can be responsible stewards of the property. It is anticipated the handover can take place once these plans and the subdivision/boundary change amendments have been completed which should be in early 2008.

8. *What is the specific language of the "Stakeholders Agreement" with Ke Aupuni Lokahi, Inc. (KAL)? (MPL says that this Agreement spells out MPL's relationship to KAL regarding implementation of its Community Master Land Use Plan.) Has it been executed by both parties? If so, when?*

Response: MPL and the Land Trust have entered into a binding agreement for the transfer of the first donation of lands at Moku. Once the Land Trust has taken to ensure that it has full knowledge of the conditions on the property, completed its due diligence examination, as is prudent for any organization prior to transfer, the land will pass to the Trust. The Moloka'i Land

Karen Holt
SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
November 1, 2007
Page 3 of 3

Trust is preparing a complete land inventory of the Mokio Lands and is in the process of completing a management and access plan so that upon receiving the land, it can be a responsible steward. It is anticipated the handover can take place once these and subdivision/ boundary change amendments have been completed.

Thank you for reviewing the Draft EIS. Your letter will be included in the Final EIS.

Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachment: Revised Section 2.3.6 (Covenants)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII

RECEIVED

FEB 21 2007

PBR HAWAII

From: Kauwila Hanchett
PO Box 44
Kualapuu, HI 96734
Telephone: (808) 567-9078

TO: Peter Nicholas, President and CEO
John Sabas, General Manager of Community Affairs
Molokai Properties Limited
745 Fort Street Mall, Suite 600
Honolulu, Hawaii 96813
Telephone: (808) 534-9509
Fax: (808) 521-2279

CC: Thomas S. Whitten, ASLA
President
PBR HAWAII
1001 Bishop Street
ASB Tower, Suite 650
Honolulu, Hawaii 96813
Telephone: (808) 521-5631
Fax: (808) 5231402

Anthony Chung, Executive Officer
State Land Use Commission
P.O. Box 2359
Honolulu, Hawaii 96804
Telephone: (808) 587-3822
Fax: (808) 587-3827

Genevieve Salmonson
Office of Environment Quality Control
Leiopapa a Kamehameha
235 South Beretania Street, Suite 702
Honolulu, Hawaii 96813

RE: DEIS Comments, Questions & Concerns Regarding MPL's La'au Point Development

Aloha, I submit these comments: as a Native Hawaiian, born and raised on Molokai; as a member of a family who has always depended on the land and sea to provide food for our bodies and souls; as a future Molokai homesteader (still in the application process); as a person who is deeply rooted and connected to the land and to Molokai; as an active member of the Molokai Community; as a member of the next generation who embraces my kuleana to malama pono I ka aina aloha o Molokai.

Kupono I Ku'u Kuleana,

Kawika Hanchett

The Draft Environmental Impact Statement (DEIS), prepared by PBR for MPL's proposed development at La'au Pt, Molokai; fails to properly address the many concerns of the Molokai Community. Almost every single point addressed in the DEIS was found lacking in some way. Indeed MPL tries to gloss over the many imperfections in the project by continually "offsetting" negative impacts through the lands to be donated to the community. Donating the Na'iwa Makahiki grounds to a community land trust does not "fix" destroying the spiritual and pristine beauty of La'au point! Perhaps there is a lack of understanding about the true relationship between indigenous people and the lands they inhabit.

Land and People - A Cultural Perspective

In Western thought land is seen as a commodity: something to be bought and sold; something to make money off of. In Hawaiian thought land is part of our 'ohana (family) and treated as such. Natural objects, such as rocks or trees, are not thought of as "inanimate" but rather experienced as a living, breathing part of the 'ohana. Indeed there is a spiritual connection between people and the land they inhabit. This connection can be likened to the umbilical cord which connects mother to child, the health of each depends on the other. If the mother (the land) is not well, so too the child (the people). To put it simply, what ever is done to the island of Moloka'i, directly affects the health and well-being of her people, for the two are deeply connected.

This is why there has been such a strong force of community opposition. We are not just fighting to stop a development at La'au, we are fighting for our very health and well being. So much more so because of the spiritual significance of this particular place. The spiritual nature of La'au pt. is noted in the DEIS however it was not given the weight and consideration it deserves. Nor was the connection made between the impacts this project will have upon the spiritual health of the community and the rest of the island, not to mention all of Hawai'i. Also not given due consideration was the cultural and spiritual importance of lae, land extremities or points.

Spiritual Importance of Ka Lae O Ka La'au

In Hawaiian thought ka lae, land extremities or points, of an island are sacred. If you imagine that the island of Moloka'i is a halau or hale (structure/house), then these lae, extending towards the four cardinal directions; especially hikina (east) and komohana (west), are the kukulu, the corner pillars of the house. The lands within can be seen as the foundation; the sky, its' ceiling; and the people of Moloka'i, the family that dwells in this hale. And just as a house cannot stand without its' corners, so too an island without its' lae. If you damage even one corner, the whole structure is compromised. This is part of the spiritual and cultural importance of Ka Lae O Ka La'au. **There is no type of development that would be appropriate for this area due to its spiritual and cultural significance.**

Impact on Hawai'i

I have had the opportunity of spending a lot of time on the other islands especially: Hawai'i, Maui, O'ahu, and Kaua'i. I have also been very involved in the Hawaiian Community through my work as a teacher at Hakipu'u Learning Center, a native Hawaiian charter school and

as a student in a culturally rooted halau, Na Mamoa!i O Ka'uiki. What I have gathered from meeting with so many Hawaiian people from throughout the islands is that Molokai is held in great reverence and awe by the larger Hawaiian community. This is partly because of the history of Molokai as a place of great 'ike (knowledge) and spiritual power. But another part of this is the ability of the current generation of Molokai people to tap into this mana and resist the negative changes that development has caused on the other islands. We feel that in some ways we are "the last Hawaiian island", and the stand that we have taken to keep Molokai, Molokai is recognized and appreciated by the Hawaiian community.

One Last Development?

Though there has been promises by MPL that the La'au development would be "the last development" on ranch lands, there is nothing in the DEIS which shows the community how they will ensure this is so. Are we to take them at their word? We have already learned that MPL has no qualms about making empty promises to placate the community with no real intentions of upholding their word. Such as the promise of CEO Peter Nicholas that "the community would decide" about the development at La'au. If this is so then there is no need for this DEIS because the community has said "NO!" loud and clear at the EC vote in February. Again this is a conflict in Western and Hawaiian thought. Western thought is everything needs to be in writing, then it is binding. In Hawaiian thought "I ka 'olelo no ke ola, I ka olelo no ka make", life and death is in the spoken word, thus words are binding.

Community Land Trust?

Also not clearly defined was The Land Trust. So much of this project hinges on the donation of our "legacy lands" to this trust yet it is still unclear to the community how this entity will operate. Here are some of the unanswered questions:

- Who is the Land Trust?
- Who actually owns the Lands in the Land Trust? The trustees?
- How are trustees chosen? By appointment or election by community members?
- If appointed, who appoints?
- Is The Land Trust already formed? Are they seeking tax-exempt status?
- If already formed, who are the trustees? Why was the community not involved in it's creation?
- Is The Land Trust a public or private entity?
- What is the community voice in the Land Trust?
- Are their meetings open to public? Are their records open to public?
- What checks and balances are in place to assure that trustees will not abuse their power?
- How can we be sure that the Land Trust is actually for the community and not a select group of people working with the Ranch on the La'au Project?
- Who makes the decisions about the lands in the Land Trust?

It would seem obvious that in order to have a successful Land Trust you must have Land and you must have trust. One without the other will crumble and fall. Yet what has MPL done to build a relationship of trust with the Molokai Community? Though it may have appeared that MPL was attempting to do this through the development of their Master Land Use Plan it has

become clear that the Ranch had ulterior motives at work all throughout this process. Currently, the relationship that exists between the Community and the Ranch is again one of distrust and enmity. This distrust has extended to The Land Trust, which seems to be a "dangling carrot" the ranch is attempting to use to get the community to accept the unacceptable.

The Silent Majority.....that never showed up

Also troubling is MPL and the Enterprise Community's (also known as Ke Apuni Lokai) claim that the majority of the community supports the La'au project. The EC is supposed to represent the community in working with MPL regarding MPL's Master Land Use Plan. However the EC has taken a strong stand in support of the La'au development, despite community opposition to the project. Twice they denied the communities right to vote on the issue of La'au. But the community voted a resounding "NO!" at a recent EC election which was for all practical purposes a referendum on the La'au issue. About 1300 people showed up to vote, for two seats on the EC board (which is probably the most people to turn out for a vote in Molokai history). The two candidates who campaigned as "SAVE LA'AU" ousted the two pro-la'au incumbent garnering almost 70% of the votes. This is astounding when you calculate that there were 6 candidates on the bill!

As this process continues, MPL's and the EC's claim of the "silent majority" of Molokai supporting the development will fall through. MPL should change their DEIS to reflect the current status of community support, **that the overwhelming majority of the Molokai Community opposes the La'au Pt. Development.**

Empty Promises in the DEIS

Another common thread throughout the 800+ page document was that MPL makes a lot of empty commitments to the community, yet refuses to take any responsibility for doing the work fulfilling these commitments. Here are just a few examples of such commitments:

- CC&R's to be signed and upheld by landowners
- Educating landowners who have the critically endangered fern, ihiihilaakea, in their lots about the cultural significance of this plant and create a management plan to protect them
- Protect the Hawaiian Monk seal population at La'au Pt.
- Create a coastal management plan, like that at Mo'omomi
- Educating the general public who will access the area for subsistence purposes
- Protecting the spiritual quality of the area
- Avoid or lessen conflict between residents and landowners

The list goes on and on. Many of these commitments will take a huge amount of effort but not by MPL. The burden of fulfilling all of these commitments rest mostly upon The Land Trust, the Homeowners Association, and the larger community.

Teaching Aloha Aina?

In the DEIS MPL claims that social and environmental impacts will be mitigated by future homeowners being "educated" about the spiritual and cultural significance of the area as well as the unique lifestyle of Molokai. They say that these homeowners will sign and uphold

strict CC&R's limiting what they can and cannot do on their private property. Some of them will care for endemic and critically endangered species of flora and fauna that may be found in their property. They won't mind when locals are hunting in the area near their homes or accessing the beaches just past the boundaries of their land. They will deny themselves all the luxuries they are accustomed to and blend into "Moloka'i Style". They will limit their access to the beach in order to lessen the impact on subsistence fishing and the Hawaiian Monk Seal population. They will not legally challenge any of these restrictions on their lifestyle or their private property-which they have paid a lot of money for. Nor will they engage their powerful lawyers to change some of these restrictions so that their personal needs/wants will be better met. No, they will allow a community the do not know, on an island they may or may not care for determine their rights. And they will feel this way because they were "educated"?

REALY?!

This is what MPL would like us to believe. However, it will never happen. Why? It banks on future residents' willingness to accept and comply with things they most likely will not understand or deem valuable. How can you guarantee that 200+ wealthy landowners and their friends will not rise up and legally overthrow all of the carefully planned, legally questionable, restrictions at La'au Pt.?

What this does is set the community (especially those who will continue to use the area for subsistence purposes) and the future landowners up for continual social conflict. The mitigation plan in the DEIS fails to properly and realistically address this very real concern.

Specific Concerns

1. No mention or mitigation of negative impacts on the native seed bank present at La'au. Native seeds can last for many years awaiting the proper conditions for growth. Often times when non-native species take over an area native species decrease and sometimes disappear. However, as evident at He'eia Fishpond, Oahu, when these non-native species are cleared, native species come back. This is because of the many generations of native seeds that have accumulated in the soil forming a native seed bank. The proposed development would damage this native seed bank. One of the greatest risks of this is that in the case of the Ihuilauakea (*Marsilea Villosa*) which may wait a decade or more for proper conditions for growth.
2. In the DEIS it says MPL is committed to preserving "known archaeological sites". Due to the sacred nature of the area, there are some concerns about burials being uncovered during development. Traditional cultural practices often require that burials are purposefully left "unknown". And therefore it is highly possible that there are numerous unknown burials in the area that could be desecrated and destroyed during development. The DEIS states that native species of flora and fauna (specifically the Hawaiian Monk Seal and native bird species) will not be disturbed because they can move to other open spaces available in the area. It does not elaborate on whether or not this is something that actually could occur. It does not give much information on the patterns of these animals and plants and whether or not relocation is a viable option.
- 3.

4. In Davianna McGregor's Cultural Impact Statement numerous cultural resources are identified. However in the DEIS only a handful of these resources are address. The DEIS should address every single resources listed in the CIA (pg 13).

5. Water is the KEY issue because there isn't any for this project. The DEIS does not even come close to trying to address this issue. As a future homesteader, how can you assure me that I will not be negatively affected by water being taken for this project when Molokai is designated as a sole source aquifer?

6. Much of the protection of La'au point hinges on strict CC&Rs being accepted and upheld by landowners. However, the DEIS fails to provide the community with what these CC&Rs include saying only they are in "draft form". It also fails to explain how this process will work, if it is legally sound, or if there are any other examples of such measures being met in other developments throughout Hawaii.

In closing the DEIS has failed to properly address the impact that the La'au Pt. Development project will have on the spiritual and cultural health and well being of the Molokai Community and the larger Hawaiian community. It has also failed to make clear how this will be the "one last development" on Ranch lands and how the CC&Rs and the Land Trust will operate. It has not sufficiently covered the issue of burials at La'au, native species, native seed bank, cultural resources, and water issues. Nor has it realistically addressed potential social conflict between residents and landowners and how landowners will be made to follow the many restrictions at La'au Pt. In short, the DEIS has given many of the "whats" but almost none of the "hows". Without these details how can you expect the community to buy into this project which is being built on lands that have been designated as sacred space. **There is no type of development that is appropriate for La'au Pt. due to its' spiritual and cultural significance.** Therefore this project should be abandoned and other alternatives explored by MPL.



Ms. Kauwila Hanchett
SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT
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by the federal government. This property will not be disturbed or developed on by the proposed project.

The west and south shorelines adjacent to Lā'au Point, Keavakalani on the southeast and Kamāka'ipō on the northwest, is where the proposed development is projected. According to the archaeological surveys and ethnographic documents, there were settlement clusters around protected bays, such as at Kapukuwahine and Kanalukaha on the south shore. In addition, the Master Plan identified Kamāka'ipō as an important cultural and spiritual place.

Molokai Ranch has applied to the State Land Use Commission to re-district these areas from Agricultural to Conservation district in order to protect the significant settlement areas and clusters along the west and south shores adjacent to Lā'au Point, notably at Kamāka'ipō, Kapukuwahine, and Kanalukaha. These proposed conservation zones will be gifted to the Moloka'i Land Trust.

A Shoreline Access Management Plan (SAMP) sets out management guidelines for the Lā'au shoreline area, which includes an expanded conservation district zone between the makai boundary of the proposed residential lots and the shoreline, and two parks at the culturally significant Kamāka'ipō Gulch and Pu'u Hakina areas. Access will be limited to foot travel in these areas to limit the amount of traffic and disturbance. The SAMP will be included as an Appendix to the Final EIS.

In addition, a cultural management plan will guide protection, access to and use of the cultural and spiritual sites. These cultural guidelines are provided on pages 116-117 of the Cultural Impact Assessment report (provided as Appendix F of the Draft EIS).

To reflect the information above in the Final EIS, Section 4.2 has been revised as shown below:

Cultural Significance of Lā'au Point – In Hawaiian tradition, lae, or points of land into the ocean, are culturally significant. As a feature, the lae includes not only the point itself, which can be visualized as a nose on a face, but also the forehead, the land formation from which the point juts out into the ocean. The community refers to the lae, or points along the south shore, using numbers – first point (Kanalukaha), second point (Kapukuwahine), third point (Kahalepōhaku) and fourth point (Opihi Road).

A large part of the significance of the Lā'au Point area is that it is raw and untouched. It is so isolated that most of the residents of Moloka'i may have never been there and may have no direct experience with the place. This factor gives Lā'au an almost mythical quality. Lā'au Point has become an icon of what Moloka'i represents – a rural stronghold and reserve of Native Hawaiian culture, a cultural kipuka. If Moloka'i is "The Last Hawaiian Island" then Lā'au is one of the last untouched Hawaiian places on "The Last Hawaiian Island."

It should be noted that while the development is called Lā'au Point rural-residential subdivision, that Lā'au Point itself is not part of the development. It is not owned by MPL, but by the U.S. federal government, which owns and manages a lighthouse for navigational safety within a 51-acre parcel.

November 1, 2007

Kauwila Hanchett
P.O. Box 44
Kualapu'u, Hawaii'i 96734

SUBJECT: LĀ'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

Dear Ms. Hanchett:

Thank you for your letter postmarked February 20, 2007 regarding the Lā'au Point Draft Environmental Impact Statement (EIS). We respond to your comments.

Land and People – A Cultural Perspective

1. *In Western thought land is seen as a commodity, something to be bought and sold; something to make money off of. In Hawaiian thought land is part of our 'ohana (family) and treated as such. Natural objects, such as rocks or trees, are not thought of as "inanimate" but rather experienced as a living, breathing part of the 'ohana. Indeed there is a spiritual connection between people and the land they inhabit. This connection can be likened to the umbilical cord which connects mother to child, the health of each depends on the other. If the mother (the land) is not well, so too the child (the people). To put it simply, what ever is done to the island of Moloka'i, directly affects the health and well-being of her people, for the two are deeply connected. This is why there has been such a strong force of community opposition. We are not just fighting to stop a development at Lā'au, we are fighting for our very health and well being. So much more so because of the spiritual significance of this particular place. The spiritual nature of Lā'au pt. is noted in the DEIS however it was not given the weight and consideration it deserves. Nor was the connection made between the impacts this project will have upon the spiritual health of the community and the rest of the island, not to mention all of Hawai'i. Also not given due consideration was the cultural and spiritual importance of lae, land extremities or points.*

Spiritual Importance of Ka Lae O Ka Lā'au

2. *In Hawaiian thought ka lae, land extremities or points, of an island are sacred. If you imagine that the island of Moloka'i is a hale (structure/house), then these lae, extending towards the four cardinal directions; especially hikina (east) and komohana (west), are the kukulu, the corner pillars of the house. The lands within can be seen as the foundation; the sky, its' ceiling; and the people of Moloka'i, the family that dwells in this hale. And just as a house cannot stand without its' corners, so too an island without its' lae. If you damage even one corner, the whole structure is compromised. This is part of the spiritual and cultural importance of Ka Lae o Ka Lā'au. There is no type of development that would be appropriate for this area due to its spiritual and cultural significance.*

Response: We acknowledge your comments about cultural perspective. We note that Section 4.2 and Appendix F of the Draft EIS contain discussions and an assessment of the cultural resources.

In responding to your comment regarding the spiritual significance of Lā'au point, it is first important to note that Lā'au Point, itself, can be considered a significant cultural property. Hawaiians named specific sites according to their natural resources and features. Looking at historic and contemporary maps of Moloka'i, Ka Lae O Ka Lā'au is within the 51 acres owned

Hawaiians consider the land and ocean to be integrally united and that these land sections also include the shoreline as well as inshore and offshore ocean areas such as fishponds, reefs, channels, and deep sea fishing grounds. Coastal shrines called fishing ko'a were constructed and maintained as markers for the offshore fishing grounds that were part of that ahupua'a.

Impact on Hawai'i

3. *I have had the opportunity of spending a lot of time on the other islands especially: Hawai'i, Maui, O'ahu, and Kaua'i. I have also been very involved in the Hawaiian Community through my work as a teacher at Hōkūpū Learning Center, a native Hawaiian charter school, and as a student in a culturally rooted halau, Na Mamoali'i o Ka'ūki. What I have gathered from meeting with so many Hawaiian people from throughout the islands is that Molokai is held in great reverence and awe by the larger Hawaiian community. This is partly because of the history of Molokai as a place of great 'ike (knowledge) and spiritual power. But another part of this is the ability of the current generation of Molokai people to tap into this mana and resist the negative changes that development has caused on the other islands. We feel that in some ways we are "the last Hawaiian island", and the stand that we have taken to keep Molokai, Molokai is recognized and appreciated by the Hawaiian community.*

Response: The Community-Based Master Land Use Plan for Molokai Ranch (Master Plan) was created by participating community members that volunteered their time at numerous meetings (see Section 2.4 of the Draft EIS) to plan a sustainable future for Molokai. Implementation of the Master Plan will place over 50,000 acres into permanent protection from development. The Master Plan ensures Molokai's continued status as "the last Hawaiian island."

Section 6.1 of Draft EIS provided discussion of a "no action" alternative. It concluded that "no action" would lead to greater overall impacts on cultural sites; natural resources utilized for cultural, subsistence and spiritual purposes; water resources; and the overall Hawaiian way of life on Molokai. This scenario would result in uncontrolled growth and unmonitored utilization of lands and natural resources. The "no action" alternative which opponents advocate would ultimately lead MPL to close down its ranch operations and either land bank the property for the future or put the lands up for sale. Employment would be reduced to 10 fulltime staff, tourist expenditures would be lost, and local businesses at Maunaloa Town and elsewhere would be affected. This, in turn, will increase the need for County and State social services.

While the "No Action" alternative would reduce the immediate demand on water resources and leave Lā'au undeveloped, in the long run, when combined with the inevitable alternative of bulk or "Piece-Meal" sale of MPL lands, it would increase the level of development, not only at Lā'au but on all Ranch lands and increase the demand for water. Under the existing community plan and zoning, MPL lands can be sold to potentially eight times the number of new landowners proposed in the Master Plan. If sold to an investment corporation, land can be developed over and beyond the proposed 200 two acre lots. The U.S. Marine Corps has already indicated that it would purchase or lease Ranch lands now slated for development on the Western coast for amphibious landings exercises. The impact to cultural sites and natural resources utilized for subsistence, cultural and spiritual purposes would be far greater than what is projected in the proposed development. "No Action" would ultimately evolve into the worst case scenario for Molokai.

One Last Development?

4. *Though there has been promises by MPL that the Lā'au development would be "the last development" on ranch lands, there is nothing in the DEIS which shows the community how they will ensure this is so. Are we to take them at their word? We have already learned that MPL has no qualms about making empty promises to placate the community with no real intentions of upholding their word. Such as the promise of CEO Peter Nicholas that "the community would decide" about the development at Lā'au. If this is so then there is no need for this DEIS because the community has said "No," loud and clear at the EC vote in February. Again this is a conflict in Western and Hawaiian thought. Western thought is everything needs to be in writing, then it is binding. In Hawaiian thought "I ka 'olelo no ke ola, I ka olelo no ka make", life and death is in the spoken word, thus words are binding.*

Response: We disagree with your conclusion that the community has said "No" to this project. Three years of participation, planning, and creating the Master Plan indicates there is clear support of the Master Plan and project.

MPL's agreement with the EC and Project #47 is enshrined in agreements. In addition, other factors will prevent further development from occurring, such as: MPL does not have the water resources, even with the brackish water it hopes to have permitted at the former Kākalahale Well; and the Kaluako'i rural subdivisions are within the Molokai's special management area, and as such no development of any sort can be done without the majority support of the Molokai Planning Commission and the Maui County.

We also disagree with your conclusion that there is a direct correlation between the election results and the project. The EC Board election was not a mandate for the Lā'au Point project. The election held on January 31, 2007 was for two board members the Molokai Enterprise Community (EC) Governance Board. While some candidates ran on platforms that included stances on the proposed development at Lā'au Point, the proposed development at Lā'au Point is not a project of the EC.

The EC facilitated the Master Plan community-based planning process (as discussed in Section 2.1.6 of the Draft EIS), and later voted to support the Master Plan based on the strong recommendation from the Land Use Committee. The EC has also stated that the Master Plan represents the fulfillment at the highest levels of the key principles of the USDA's Empowerment Zone/Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

A total of 1,284 voters turned out for the January 31, 2007 EC election, casting a total of 2,541 votes (2 votes per person minus 27 abstentions and voided ballots). This turnout, while record-setting for EC elections, represents only 25.6% of Molokai's residents over 18 (According to the 2000 Census, the Molokai population over 18 years of age is 5,015). Bridget Mowat and Leila Stone, who won the two seats and campaigned on an "anti-Lā'au" platform, received a combined 1,683 votes, or 65.5%, equivalent to 841.5 voters. A total of 841.5 voters represent only 16.8% of Molokai's eligible voting age population.

To assume that an election for Board Directors of a private nonprofit corporation is equivalent to a referendum on the Master Plan or a mandate for the La'au Point project, no matter what the candidates' platforms, is not only a misrepresentation of fact on many levels, but could also be seen as disenfranchising the other 3,731 eligible Moloka'i residents (74.4%) who did not turn out to vote.

A community vote on the Master Plan never occurred; there is no provision for one. Regulatory organizations are charged with making the decisions on entitlement issues such as with La'au Point. The EC election was for Board Directors that have no such regulatory power.

Community Land Trust?

5. *Also not clearly defined was The Land Trust. So much of this project hinges on the donation of our "legacy lands" to this trust yet it is still unclear to the community how this entity will operate. Here are some of the unanswered questions:* • Who is the Land Trust? • Who actually owns the Lands in the Land Trust? • The trustees? • How are trustees chosen? • By appointment or election by community members? • If appointed, who appoints? • Is the Land Trust already formed? • Are they seeking tax-exempt status? • If already formed, who are the trustees? • Why was the community not involved in it's creation? • Is the Land Trust a public or private entity? • What is the community voice in the Land Trust? • Are their meetings open to public? • Are their records open to public? • What checks and balances are in place to assure that trustees will not abuse their power? • How can we be sure that the Land Trust is actually for the community and not a select group of people working with the Ranch on the La'au Project? • Who makes the decisions about the lands in the Land Trust? • It would seem obvious that in order to have a successful Land Trust you must have Land and you must have trust. One without the other will crumble and fail. Yet what has MPL done to build a relationship of trust with the Moloka'i Community? • Though it may have appeared that MPL was attempting to do this through the development of their Master Land Use Plan it has become clear that the Ranch had ulterior motives at work all throughout this process. Currently, the relationship that exists between the Community and the Ranch is again one of distrust and enmity. This distrust has extended to The Land Trust, which seems to be a "dangling carrot" the ranch is attempting to use to get the community to accept the unacceptable.

Response: The Moloka'i Land Trust (MLT) is a private, non-profit corporation with its focus on land conservation. The MLT owns land fee simple or acquires conservation easements to conserve land for future generations. MLT includes its own bylaws to govern its lands. The MLT is organized under Hawaii State Statute HRS-414D and with a determination from the Internal Revenue Service as a public charity under code 509(a)3. The MLT was incorporated in the State of Hawai'i in 2006. It received a tax-exempt, public charity determination from the IRS in late 2006.

The MLT is governed by a board of directors, (not trustees) who will act within the rules and regulations established by these two state and federal codes. They will also be bound under state law to adhere to their Articles of Incorporation and Bylaws. There are currently nine members on the board of directors, which include, as of June 1, 2007: Colette Machado, Richard Cooke III, Cheryl Corbelle, William Akutagawa, Stacy Crivello, Clarence Halona Kaopoiki, Edwin Misaki, Davianna McGregor, and David Lunney.

The Moloka'i community was directly involved in the formation of the MLT, in that the MLT was formed by a steering committee recommended by the Land Use Committee during the formation of the Master Plan. The MLT steering committee members spent several hundred hours educating themselves on the land trust model and working with consultants and experts in the land conservation field to create the Land Trust. The MLT steering committee was composed almost exclusively of members of the Moloka'i Community. Two members were part-time Moloka'i residents, while the remaining members were full-time Moloka'i residents. A majority of MLT board members are required by its Bylaws to be residents of Moloka'i. The MLT allows a minority of directors to be non-residents of Moloka'i in order to be open to having off-island people with special skills and talents serve on the board.

Since the MLT is a private, non-profit corporation, it is not required to make its board meetings open to the public. The MLT, however, will set its own policies on whether its board or subcommittee meetings will be open to the public. Same is true of its corporate documents -- except for its annual Form 990 tax return which will be public information, in accordance with code 501(c)3.

The MLT has adopted the same standards and practices of the Land Trust Alliance, a national organization that promotes voluntary land conservation and provides support to nonprofit land trusts by providing information, skills, and resources that land trusts need to conserve land. The Land Trust Alliance is the national convener, strategist and representative of more than 1,600 land trusts across America. The Land Trust Alliance's *Land Trust Standards and Practices*, which the MLT board has resolved to follow, are guidelines for the responsible operation of a land trust, which is run legally, ethically, and in the public interest and conducts a sound program of land transactions and stewardship. The Land Trust Alliance standards and practices can be reviewed at < <http://www.lta.org/sp/index.html> >. In the future, the MLT also plans to seek accreditation from the newly-formed Land Trust Accreditation Commission.

The MLT directors, of which we note that no members work for MPL, are a purely volunteer board, prohibited by the organization's Articles of Incorporation and Bylaws from receiving compensation. They are bound by law to work to forward the charitable purpose of their organization. As such, their motivation for serving on the MLT board of directors is to make decisions about the MLT lands that will benefit the community.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding the Land Trust, Section 2.1.8 (Moloka'i Land Trust) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 2.1.8 (Moloka'i Land Trust)."

The Silent Majority...that never showed up

6. *Also troubling is MPL and the Enterprise Community's (also known as Ke Anupuni Lokahi) claim that the majority of the community supports the La'au project. The BC is supposed to represent the community in working with MPL regarding MPL's Master Land Use Plan. However the EC has taken a strong stand in support of the La'au development, despite community opposition to the project. Twice they denied the communities right to vote on the issue of La'au. But the community voted a resounding "No!" at a recent EC election which was for all practical purposes a referendum on the La'au issue. About 1300 people showed up to vote, for two seats on the EC board (which is probably*

Ms. Kauwila Hanchett

SUBJECT: LA'AU POINT DRAFT ENVIRONMENTAL IMPACT STATEMENT

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the most people to turn out for a vote in Molokai history). The two candidates who campaigned as "Save La'au" ousted the two pro-la'au incumbents garnering almost 70% of the votes. This is astounding when you calculate that there were 6 candidates on the bill! As this process continues, MPL's and the EC's claim of the "silent majority" of Molokai supporting the development will fall through. MPL should change their DEIS to reflect the current status of community support, that the overwhelming majority of the Molokai Community opposes the La'au Pt. Development

Response: We previously responded to your comments regarding the EC election in #4 above. We note that the public process before the Land Use Commission, the Molokai Planning Commission, and the County of Maui are the public forums that are adequate for a decision on the La'au Point project and its associated Master Plan components.

MPL still believes there is overall community support for the Master Plan, with supporters afraid to demonstrate support because they are targeted by the vocal and militant opposition with reprisals and abuse.

The Enterprise Community (EC), also known as Ke Aupuni Lokahi, Inc. (KAL), facilitated the Master Plan process, and later voted to support the Master Plan based on the strong recommendation from the Land Use Committee. KAL has also stated that the Plan represents the fulfillment at the highest levels of the key principles of the USDA's Empowerment Zone/Enterprise Community program, which are: 1) Economic Opportunity; 2) Sustainable Community Development; 3) Community-based Partnerships; and 4) Strategic Vision for Change.

As a Hawai'i nonprofit corporation and a 501(c)3 public charity, KAL is legally obligated to act within its defined charitable purpose. To quote from KAL bylaws, "Ke Aupuni Lokahi, a Hawai'i non-profit corporation, is dedicated to protecting the island of Molokai and its resources, and improving the welfare of Molokai's people." KAL Board of Directors have also stated that its support for the Master Plan will greatly further the charitable purpose of KAL.

Questions as to the KAL Board's decisions to deny motions to call for a community vote should ideally be asked to KAL. Nevertheless, KAL's publicly-stated reasons for denying the motions were: 1) Faulty wording in the motions; 2) Motions in no way addressed who would be responsible for administering the proposed vote; 3) Motions in no way addressed who would be responsible for funding the proposed vote; and 4) KAL Board members questioned their own authority to call for a vote that would address proposed developments on private land that is not their own.

Empty Promises in the DEIS

7. Another common thread throughout the 800+ page document was that MPL makes a lot of empty commitments to the community, yet refuses to take any responsibility for doing the work fulfilling these commitments. Here are just a few examples of such commitments: • CC&R's to be signed and upheld by landowners • Educating landowners who have the critically endangered fern, ihihitauakea, in their lots about the cultural significance of this plant and create a management plan to protect them • Protect the Hawaiian Monk seal population at La'au Pt. • Create a coastal management plan, like that at Mo'omomi • Educating the general public who will access the area for subsistence purposes • Protecting the spiritual quality of the area • Avoid or lessen conflict between

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residents and landowners. The list goes on and on. Many of these commitments will take a huge amount of effort but not by MPL. The burden of fulfilling all of these commitments rest mostly upon The Land Trust, the Homeowners Association, and the larger community.

Response: We strongly disagree with your statement that MPL has made "empty commitments." MPL is firmly committed to the Master Plan and all the commitments made in the Master Plan. Master Plan participants were adamant in retaining community control of the donated and easement lands; therefore, we would disagree that management responsibility of these protected lands would be considered a "burden" to the Land Trust, homeowners' association, and the larger community.

Teaching Aloha Aina?

8. In the DEIS MPL claims that social and environmental impacts will be mitigated by future homeowners being "educated" about the spiritual and cultural significance of the area as well as the unique lifestyle of Molokai. They say that these homeowners will sign and uphold strict CC&R's limiting what they can and cannot do on their private property. Some of them will care for endemic and critically endangered species of flora and fauna that may be found in their property. They won't mind when locals are hunting in the area near their homes or accessing the beaches just past the boundaries of their land. They will deny themselves all the luxuries they are accustomed to and blend into "Molokai's Style". They will limit their access to the beach in order to lessen the impact on subsistence fishing and the Hawaiian Monk Seal population. They will not legally challenge any of these restrictions on their lifestyle or their private property-which they have paid a lot of money for. Nor will they engage their powerful lawyers to change some of these restrictions so that their personal needs/wants will be better met. No, they will allow a community the do not know, on an island they may or may not care for determine their rights. And they will feel this way because they were "educated"? Really?! This is what MPL would like us to believe. However it will never happen. Why? It banks on future residents' willingness to accept and comply with things they most likely will not understand or deem valuable. How can you guarantee that 200+ wealthy landowners and their friends will not rise up and legally overthrow all of the carefully planned, legally questionable, restrictions at La'au Pt.? What this does is set the community (especially those who will continue to use the area for subsistence purposes) and the future landowners up for continual social conflict. The mitigation plan in the DEIS fails to properly and realistically address this very real concern.

Response: We note that many assumptions have been made as to the type of people that will live at La'au Point. This potential social impact is discussed in Section 4.8 and Appendix M of the Draft EIS.

The Shoreline Access Management Plan provides for its implementation and further development by a council that will include representatives of cultural practitioners of the area including Ranch employees, Maunaloa residents, persons with ancestral ties to the south and west coasts, well as the homeowners, and the Molokai Land Trust which is comprised of members from the larger community.

The Shoreline Access Management Plan describes how an educational program shall be required of all homeowners and visitors to the area and cover cultural practices; cultural sensitivity and respect; environmental protection and concerns; historical significance of the area and resources; and the social fabric, traditions and culture of the Molokai community. These are all aimed at promoting understanding between the homeowners and the Molokai community. To reflect the

information above in the Final EIS, as well as to address other questions and concerns regarding shoreline access issues, Section 4.3 (Trails and Access) has been revised as shown on the attachment titled, "Revised Section 4.3 (Trails and Access)," and the SAMP has been included as an Appendix to the Final EIS.

A strong mitigation measure for the project is the target market for Lā'au Point. Lā'au Point aims to attract people who respect the unique character of the site and of Moloka'i, and who support conservation, cultural site protection, and coastal resource management (see Section 2.3 of the Draft EIS). Brochures, sales material, and other promotional documents will be reviewed by the Land Trust or the EC for accuracy and adherence to their principles. The intent for Lā'au Point is for it to be a community for people that demonstrate the value of mālama'aina (caring for, protecting, and preserving the land and sea). The project "must be the most environmentally planned, designed, and implemented large lot community in the State." This statement precedes the covenant document determined by the Land Use Committee that will place many restrictions on lot owners. Lā'au Point will be unlike any other community in Hawai'i.

Specific Concerns:

2. *No mention or mitigation of negative impacts on the native seed bank present at Lā'au. Native seeds can last for many years awaiting the proper conditions for growth. Often times when non-native species take over an area native species decrease and sometimes disappear. However, as evident at He'eia Fishpond, Oahu, when these non-native species are cleared, native species come back. This is because of the many generations of native seeds that have accumulated in the soil forming a native seed bank. The proposed development would damage this native seed bank. One of the greatest risks of this is that in the case of the Ithihitauakea (Marsilea Villosa) which may wait a decade or more for proper conditions for growth.*

Response: The few native plant species historically known from the project area are capable of existing for decades in the soil seed bank. These species will not be destroyed by the proposed activities, but the soil disturbance may stimulate them to grow in areas where they are not currently seen.

2. *In the DEIS it says MPL is committed to preserving "known archaeological sites". Due to the sacred nature of the area, there are some concerns about burials being uncovered during development. Traditional cultural practices often require that burials are purposefully left "unknown". And therefore it is highly possible that there are numerous unknown burials in the area that could be desecrated and destroyed during development.*

Response: The burial/potential burial sites are marked with orange dots and site numbers on Figure 10 of the Draft EIS. As shown in the figure, the subdivision lot lines are sited away from these burial sites. Except for two possible burial sites located in the residential open space areas between lots, all burial/potential burial sites are located within the proposed expanded Conservation District and Cultural Protection Zones. The burials will not be relocated.

While it is true that Hawaiians sometimes disguised burials, this was by no means universal. Unlike the lava fields of Hawai'i Island, where the geology affords many places to hide burials, western Kaluako'i is an easier place to find them, due to the thin soils, heavily eroded surfaces, and the high visibility of features such as mounds and platforms used for most burials.

Furthermore, we have archaeological, historical, and contemporary cultural knowledge that tell us the types of places where burials usually occur: in sand dunes, in permanent settlements, and at the mauka edge of the settlement zone. None of these is proposed for development.

The plans already address the possibility of finding previously unknown archaeological artifacts and features, as well as burials. The current footprint of the proposed subdivision reflects the strategy of avoiding known and potential burial areas, and at each step of the process they specify the actions that will be taken to protect burials. The plans make it clear that there is no intent to disturb or move burials, and that the latter would only be done were the island Burial Council to request it.

MPL and its contractors will comply with all State and County laws and rules regarding the preservation of archaeological and historic sites. Should historic remains such as artifacts, burials, concentrations of shell or charcoal be encountered during the construction activities, work will cease immediately in the immediate vicinity of the find and the find will be protected from further damage. The contractor shall immediately contact the State Historic Preservation Division, which will assess the significance of the find and recommend appropriate mitigation measures, if necessary.

3. *The DEIS states that native species of flora and fauna (specifically the Hawaiian Monk Seal and native bird species) will not be disturbed because they can move to other open spaces available in the area. It does not elaborate on whether or not this is something that actually could occur. It does not give much information on the patterns of these animals and plants and whether or not relocation is a viable option.*

Response: We consulted with the National Oceanic and Atmospheric Administration (NOAA) National Marine Fisheries Service about the monk seal population at Lā'au Point. The shoreline access management plan (SAMP) contains a plan and recommendations developed in consultation with the National Oceanic and Atmospheric Administration (NOAA) Monk seal program and elements were taken directly from their draft *Recovery Plan for the Hawaiian Monk Seal* (November 2006).

The SAMP also provides rules to ensure non-disturbance of Hawaiian monk seal habitat and the promotion of Lā'au Point as an area for Hawaiian monk seals to frequent and "haul out." Rules have been developed on removal of gear, the use of certain types of gear, and responses to Hawaiian monk seal sightings. No domestic pets and animals (including hunting dogs) will be allowed in the managed area. The use of toxins and pesticides is specifically prohibited and equipment will be purchased for cordoning off areas where Hawaiian monk seals have come ashore.

To ensure that the project does not alter behavior of Hawaiian monk seals that visit the area, residents and visitors will be educated about possible interaction with these animals and the appropriate human behavior for that interaction. Appropriate protocol if one encounters a Hawaiian monk seal on the beach is to notify National Marine Fisheries Service (NMFS), who will check if the animal is injured or entangled, then put tape around the site to keep people from approaching too closely. Due to the lack of available NMFS staff on Moloka'i, a Resource Manager will monitor the Lā'au shoreline area daily.

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The established mitigation measures for protecting hauled-out monk seals have been generally effective elsewhere in the Main Hawaiian Islands, and this segment of the monk seal population appears to be increasing. Prohibition of domestic animals from the shoreline may be of greater significance in limiting behavioral disturbances.

To reflect the above information in the Final EIS, as well as to address other questions and concerns regarding monk seals, Section 3.7 (Fauna) of the Final EIS has been revised as shown on the attachment titled, "Revised Section 3.7 (Fauna)." The SAMP has been included as an appendix to the Final EIS.

Regarding endangered species protection, similar to the Monk Seal Program, rules for access and designation of closed areas are set forth in the SAMP. The Resource Manager will be responsible for monitoring the health of any significant organisms, designating closed areas and enforcement of regulations designed to protect the resource including fire and times of access to the area. A long term monitoring program will also be developed to adapt to changed circumstances.

4. *In Deviana McGregor's Cultural Impact Statement numerous cultural resources are identified. However in the DEIS only a handful of these resources are address. The DEIS should address every single resources listed in the CIA (pg 13).*

Response: The purpose of Section 4.2 of the Draft EIS is to provide a summary discussion of the Cultural Impact Assessment. For the full discussion, you may refer to the Cultural Impact Assessment report attached to the Draft EIS as Appendix F.

5. *Water is the Key issue because there isn't any for the project. The DEIS does not even come close to trying to address this issue. As a future homesteader, how can you assure me that I will not be negatively affected by water being taken for this project when Molokai is designated as a sole source aquifer?*

Response: MPL believes that there is ample ground and surface water to meet DHHL's and the County's needs while still supporting MPL's plans for all of its lands. MPL's Water Plan does not adversely affect either DHHL's or the County's ability to develop the water resources they need for future uses.

MPL has committed to using only existing sources, at currently permitted amounts, to meet all of the potable water needs for its current water customers and MPL's future developments proposed under the Master Plan. A new non-potable source is being proposed. Currently permitted uses for potable water from Well 17 include more than 600,000 gpd for irrigation uses. When non-potable water from the Kākahāhale Well becomes available, those irrigation uses that are now supplied with potable water will utilize the new non-potable source, thus freeing up sufficient potable water to meet the demands of the Lā'au Point development.

In response to your comments regarding water issues, as well as to address other questions and concerns received regarding water issues, Section 4.9.2 (Water) in the Final EIS has been revised as shown on the attachment titled, "Revised Section 4.9.2 (Water)." The response to your

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specific comments is incorporated into the attachment. See the section of the attachment titled, "DHHL's Future Water Needs" and "Molokai's Sole Source Aquifer Designation."

6. *Much of the protection of Lā'au point hinges on strict CC&Rs being accepted and upheld by landowners. However, the DEIS fails to provide the community with what these CC&Rs include saying only they are in "draft form". It also fails to explain how this process will work, if it is legally sound, or if there are any other examples of such measures being met in other developments throughout Hawaii.*

Response: As of November 2007, a draft of the CC&Rs was being developed by MPL in conjunction with the Land Trust. The Land Use Commission and other regulatory agencies may further require changes to the CC&Rs during their review process; therefore, a final version of the CC&Rs is not available as of November 2007, and the issue of the completion of the CC&Rs is included as an unresolved issue in the Final EIS. The CC&Rs will be available for review at the Land Use Commission hearings on the State Land Use District Boundary Amendment petition.

The CC&Rs will be monitored and enforced by the Board of the Association of Owners of Lā'au Point, affected lot owners, and in certain circumstances, Molokai Properties Limited as the Declarant under the CC&Rs. To include this information in the Final EIS, Section 2.3.6 (Covenants) will be revised as follows:

~~As previously stated, Lā'au Point aims to attract people who respect the unique character of the site and Molokai, and who support conservation, cultural site protection, and coastal resource management. Residents of Lā'au Point will be educated and informed about the environment and culture, and taught to "malama āina," take care of the land and sea, through strict Conditions, Covenants, & Restrictions (CC&Rs) attached to the subdivision. The CC&Rs provide that every person whose name is on the property title must commit to undergo a certain amount of education about the Molokai community and its desires and aspirations with kupuna and the Maunaloa community. This will be conducted under the guidance of the Molokai Land Trust. The CC&Rs have been strengthened to protect the environment and resources at Lā'au Point. Enforcement and substantial penalties will be put in place to ensure that the covenants are respected and upheld. Although the CC&Rs are currently under development, because of the Master Plan process (Section 2.1.6), MPL does have a general idea of what the CC&Rs and some of the key provisions and concepts will be.~~

The CC&Rs will be monitored and enforced by the Board of the Association of Owners of Lā'au Point (the Board), affected lot owners, and in certain circumstances, the Molokai Land Trust as a signatory and Molokai Properties Limited as the Declarant under the CC&Rs. Failure to comply with the terms of the CC&Rs would expose the non-complying owner to sanctions which include monetary fines, suspending an owner's right to vote, suspending services provided by the Association, exercising self-help or taking action to abate any violation, removal of the non-compliant structure or improvement, precluding contractors, agents, or employees of any owner who fails to comply with the terms of the CC&Rs.

Thank you for your participation in the EIS process. Your letter will be included in the Final EIS.

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Sincerely,



Peter Nicholas
President and CEO
Molokai Properties Limited

Attachments:

- Revised Section 2.1.8 (Moloka'i Land Trust)
- Revised Section 4.3 (Trails and Access)
- Revised Section 3.7 (Fauna)
- Revised Section 4.9.2 (Water)

cc: Anthony Ching, State Land Use Commission
Office of Environmental Quality Control
Jeff Hunt, Maui Planning Department
Thomas S. Witten, PBR HAWAII