

December 31, 2008

Land Use Commission
State of Hawaii, Department of Business,
Economic Development & Tourism
PO Box 2359
Honolulu HI 96804-2359



Subject: Annual Report for LUC Docket SP02-397, Special Use Permit for an Educational Retreat Center at Hamakua, Hawaii,

TMK 4-4-11:015

In accordance with Condition No. 9 of the above referenced Special Use Permit (SUP), Hawaii United Methodist Union is required to submit an annual progress report to the State Land Use Commission (LUC). As required this report has been prepared to: 1) outline the status of the subject development; and 2) reference compliance with the ten conditions of the SUP approval. The following report is for years 2007-2008.

Project Status

During 2007 renovation and expansion of existing staff housing at Camp Mekokiko was completed. For the larger project, our master plan was approved by the County Planning Department in August 2006. As reported in 2006, plans to begin construction of quarters and bathrooms was halted when the Fire Department refused to approve permits without a road and bridge adequate to allow a fire truck to the construction site. It has taken two years of negotiations to arrive at a bridge acceptable to the Fire Department and County of Hawaii. A bridge was finally built and completed in December of 2008. Meanwhile, other construction was halted because of the inability to get permits due to the lack of a bridge. As we enter 2009 we are beginning the process of completing a road from the bridge to construction sites and re-submitting permit applications for planned cottages, bunk houses, tent sites, bathrooms and a water tank. Camping pavilions and bathrooms will be the first to be built under the special permit granted by the LUC. The bridge cost \$100,000.00.

Conditions of Approval

Condition No. 1

That the Applicant, successors or assigns shall be responsible for complying with all of the stated conditions of approval.

Response: The Hawaii United Methodist Union (HUMU) acknowledges and will adhere to the terms of this condition.

Condition No. 2

That the Applicant shall complete the development in keeping with substantial representations made in the Application and to the Land Use Commission. These representations include, but are not limited to: i) limiting the operation of the Project to a non-profit organization; ii) constructing no more than four 1,200 square-foot, single-story dormitories and no more than six 600-square foot, single-story cottages; and iii) limiting the maximum number of beds to 40 exclusive of staff quarters.

Response: HUMU's Master Plan submitted to the County of Hawaii Planning Director portrays four bunkhouses and six cottages within the prescribed size limits.

Condition No. 3

That an archaeological letter of clearance be secured from the Department of Land and Natural Resources (DLNR) – Historic Preservation Division with a copy submitted to the Planning Director prior to any land clearing activities.

Response: An archaeological letter of clearance, dated July 5, 2005, has been received, as previously reported.

Condition No. 4

That all construction for the proposed expanded retreat shall be completed in ten (10) years from the effective date of this permit. Prior to the start of any new construction, Final Plan Approval shall be secured from the Planning Director. Plans shall identify all proposed structures, parking area(s), access driveway(s) and landscaping associated with the proposed use.

Response: Final Plan Approval has been secured. Presently HUMU has lost two years of construction time due to the bridge approval difficulties. It is doubtful they will now be able to complete construction within the ten-year period allotted. Currently they are applying for all necessary permits and will make a best effort. HUMU may request a time extension.

Condition No. 5

That the Applicant shall secure and finalize all existing permits as required by the Department of Public Works, Building Division.

Response: As previously reported, HUMU determined to demolish existing buildings with outstanding permits rather than finalize these permits. The buildings, constructed by lessees, were substandard.

Condition No. 6

That access shall meet with the requirements of the Department of Public Works.

Response: HUMU will ensure that access meets the requirements of the Department of Public Works.

Condition No. 7

That should any unidentified sites or remains such as artifacts, shell, bone, or charcoal deposits, human burials, rock or coral alignments, pavings or walls be encountered, work in the immediate area shall cease and the DLNR-State Historic Preservation Division (DLNR-SHPD) shall be immediately notified. Subsequent work shall proceed upon an archaeological clearance from the DLNR-SHPD when it finds that sufficient mitigative measures have been taken.

Response: HUMU will observe this condition. The property evidenced few sites during a professional archaeological inventory survey.

Condition No. 8

That the Applicant shall comply with all other applicable laws, etc., of affected government agencies.

Response: The Applicant plans to comply with requirements of government agencies and departments.

Condition No. 9

That a written annual status report shall be submitted to the Planning Director and the Land Use Commission in connection with the status of the Project and the Applicant's progress in complying with the conditions imposed herein. The annual report shall be due prior to or on the anniversary date of the issuance of this Decision and Order. The annual report shall be submitted in a form prescribed by the Executive Officer of the Land Use Commission.

Response: This status report is currently late. Please accept our apology. It was overlooked as we were not doing new construction due to the bridge difficulties. Our anniversary date is December 18 and we will submit future reports by that annual date.

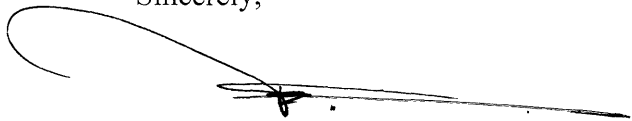
Condition No. 10

That an initial extension of time for the performance of conditions within the permit may be granted by the Planning Director and Land Use Commission upon the following circumstances:

1. Non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors or assigns and that are not the result of their fault or negligence.
2. Granting of the time extension would not be contrary to the General Plan or Zoning Code.
3. Granting of the time extension would not be contrary to the original reasons for the granting of the permit.
4. The time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year).

Response: As noted above, the last two years of non-construction were unforeseen. This factor has affected HUMU's performance within the given deadline. It will be difficult to meet the deadline. However, we are making a best effort and will apply for an extension if need be.

Sincerely,

A handwritten signature in dark ink, starting with a large, sweeping loop on the left and ending with a horizontal stroke on the right.

Reverend Dr. Theodore Lesnett

cc: Mr. Trexel Beer, United Methodist Division of Outdoor Ministries, Richard Chadwick,
President of HUMU