November 3, 2017

Committee Report No. \_\_\_\_\_

Honorable Chair and Members of the County Council County of Maui Wailuku, Maui, Hawaii

Chair and Members:

Your Land Use Committee, having met on October 18, 2017, makes reference to County Communication 17-397, from Council Chair Mike White, relating to a District Boundary Amendment for 4356 Hana Highway, Hana, Maui, Hawaii.

By correspondence dated October 6, 2017, the Director of Housing and Human Concerns transmitted a proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURAL DISTRICT TO RURAL DISTRICT FOR PROPERTY SITUATED AT 4356 HANA HIGHWAY, HANA, MAUI, HAWAII, TAX MAP KEY NO. (2) 1-3-004:001 (POR.), CONTAINING A TOTAL OF 7.226 ACRES."

The purpose of the proposed bill is to grant a request from GTH Land Company LLC ("Developer") for a State Land Use District Boundary Amendment from Agricultural District to Rural District for 7.226 acres at 4356 Hana Highway, Hana, Maui, Hawaii, identified for real property tax purposes as a portion of tax map key (2) 1-3-004:001 (the "property"), to facilitate the development of a Chapter 201H, Hawaii Revised Statutes ("HRS") project referred to as the 100 Percent Affordable Hana Housing Project.

Your Committee notes the proposed Chapter 201H project was separately submitted to the Council pursuant to Section 201H-38, HRS, by correspondence dated October 5, 2017, from the Director of Housing and Human Concerns. Your Committee also considered the proposed project on October 18, 2017.

The proposed project would provide 25 single-family lots which are a minimum of 10,000 square feet in size, with associated infrastructure

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and roadway access, on the property. The lots would be available for sale to qualified individuals earning from below 80 percent up through 140 percent of the area median income.

Your Committee notes that, pursuant to Section 201H-38, HRS, the Developer sought various exemptions for the proposed project from certain requirements of the HRS, Maui County Code ("MCC"), and Revised Charter of the County of Maui (1983), as amended ("Charter"), relating to planning, zoning, construction standards for subdivisions, the development and improvement of land, and the construction of dwelling units. As it relates to the proposed District Boundary Amendment, the Developer proposed, and your Committee separately recommended approval of, exemptions from Sections 19.68.020(B)(8), 19.68.020(C)(2), and 19.68.030, MCC, relating to District Boundary Amendment applications and procedures, respectively. Your Committee also recommended exemptions from Charter Sections 8-8.4 and 8-8.6, to exempt the project from certain procedural requirements.

The proposed District Boundary Amendment bill incorporated five conditions as submitted. The first condition made the ordinance conditional upon the Council's passage of a resolution approving the Chapter 201H project ("201H resolution"). The second would terminate the District Boundary Amendment ordinance concurrently with an expiration of the 201H resolution caused by the Developer's failure to start physical construction on the property by the deadline established in the resolution. The third would require the Developer to act in good faith to complete the 25 lots on the property with all related roads and infrastructure within five years of the effective date of the resolution. The fourth condition required the property to be developed entirely as a workforce housing project in accordance with the 201H resolution. The fifth condition required the property to be developed in strict compliance with the representations made to the Council in obtaining the District Boundary Amendment.

At the request of the Chair of your Committee, the Department of the Corporation Counsel transmitted a revised proposed bill, approved as to form and legality, incorporating the two Hawaii Right-to-Farm Act

## Committee Report No.

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conditions required by Section 205-3.5(a), HRS, when the property for which a District Boundary Amendment is being granted is adjacent to land in the agricultural district. The revised proposed bill also incorporated revisions to Section 2 of the bill, to refer to the conditions set forth in Exhibit "C" thereto, and the unilateral agreement attached as Exhibit "D," and provided a draft of the unilateral agreement.

The Developer's consultant, Jordan Hart of Chris Hart & Partners, Inc., subsequently informed your Committee the business entity, GTH Land Company LLC, has been converted and the Developer is now GTH Land Company, Inc. A Deputy Corporation Counsel advised there were no problems with reflecting the new entity as the Developer.

Mr. Hart also informed your Committee the current owners of the property are Thomas Hoeffken and Nancy Hoeffken.

Your Committee voted 8-0 to recommend passage of the revised proposed bill on first reading. Committee Chair Carroll and members Atay, Cochran, Crivello, Guzman, King, Sugimura, and White voted "aye." Committee Vice-Chair Hokama was excused.

Your Committee is in receipt of a revised District Boundary Amendment map containing formatting revisions required by the Department of Planning and a map number.

Your Committee is also in receipt of an agreement entitled "Unilateral Agreement and Declaration for State Land Use District Boundary Amendment," executed by Developer GTH Land Company, Inc., and property owners Thomas Hoeffken and Nancy Hoeffken, and approved as to form and legality by the Department of the Corporation Counsel.

Your Committee is also in receipt of a revised proposed bill entitled "A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURAL DISTRICT TO RURAL DISTRICT (CONDITIONAL BOUNDARY AMENDMENT) FOR PROPERTY SITUATED AT 4356 HANA HIGHWAY, HANA, MAUI, HAWAII, TAX MAP KEY NO. (2) 1-3-004:001 (POR.), CONTAINING A TOTAL OF 7.226

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KEY NO. (2) 1-3-004:001 (POR.), CONTAINING A TOTAL OF 7.226 ACRES," incorporating the revised map and executed unilateral agreement as exhibits, and nonsubstantive revisions.

Your Land Use Committee RECOMMENDS the following:

- 1. That Bill \_\_\_\_\_\_\_ (2017), attached hereto, entitled "A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURAL DISTRICT TO RURAL DISTRICT (CONDITIONAL BOUNDARY AMENDMENT) FOR PROPERTY SITUATED AT 4356 HANA HIGHWAY, HANA, MAUI, HAWAII, TAX MAP KEY NO. (2) 1-3-004:001 (POR.), CONTAINING A TOTAL OF 7.226 ACRES," be PASSED ON FIRST READING and be ORDERED TO PRINT;
- 2. That the County Clerk RECORD the unilateral agreement; and
- 3. That County Communication 17-397 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.

ROBERT CARROLL, Chair

lu:cr:17046aa:cmn

### ORDINANCE NO.

BILL NO. \_\_\_\_\_ (2017)

# A BILL FOR AN ORDINANCE TO AMEND THE STATE LAND USE DISTRICT CLASSIFICATION FROM AGRICULTURAL DISTRICT TO RURAL DISTRICT (CONDITIONAL BOUNDARY AMENDMENT) FOR PROPERTY SITUATED AT 4356 HANA HIGHWAY, HANA, MAUI, HAWAII, TAX MAP KEY NO. (2) 1-3-004:001 (POR.), CONTAINING A TOTAL OF 7.226 ACRES

#### BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Pursuant to Section 205-3.1, Hawaii Revised Statutes, and Chapter 19.68, Maui County Code, the State Land Use District Classification is reclassified from the Agricultural District to the Rural District (Conditional Boundary Amendment) for that certain land situated at 4356 Hana Highway, Hana, Maui, Hawaii, identified for real property tax purposes by Tax Map Key No. (2) 1-3-004:001 (por.), containing a total of 7.226 acres, and more particularly described in Exhibit "A" attached hereto and made a part hereof, and in District Boundary Amendment Map No. DB-304, attached hereto as Exhibit "B" and made a part hereof, which is on file in the Office of the County Clerk of the County of Maui.

SECTION 2. Pursuant to Section 19.68.040, Maui County Code, and Section 205-3.5, Hawaii Revised Statutes, the State Land Use District classification granted by this ordinance is subject to the conditions set forth in Exhibit "C," attached hereto and made a part hereof, and the Unilateral Agreement and Declaration of Conditions for State Land Use District Boundary Amendment, attached hereto and made a part hereof as Exhibit "D."

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

JERF UEC

Deputy Corporation Counsel County of Maui S:\ALL\JTU\HOUSING\201H\Hana\DBA\Ordinance.docx 2017-0623

#### EXHIBIT "A"

### LAND DESCRIPTION

## Tax Map Key (2) 1-3-004:006(Portion) (Fist Parcel)

#### Land situated at Kawaipapa, Hana Island and County of Maui, State of Hawaii.

#### Being a portion of Grant 2579 to Paele and Kuihanui.

Beginning at the northeast corner of this parcel of land, along the west side of Hana Highway the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAUIKI" being 5,408.15 feet North and 5,425.22 feet West and running by azimuths measured clockwise from true South:

1.	327° 30'	247.86	feet along the west side of Hana Highway to a point; thence,
2.	327° 30'	253.84	feet along Government Land designated as Tax Map Key : (2) 1-3-004::022 to a point; thence,
3.	339° 45'	195.36	feet along the same to a point; thence,
4.	315° 00'	136.49.	feet along the same to a point; thence,
5.	51° 00'	164.81	feet along Grant 4534 to Ulunaele to a point, thence,
6.	332° 48' 53"	118.98	feet along the same to a point; thence,
7.	88° 18' 53"	161.12	feet along portion of Grant 2579 to Paele and Kuihanui being portion of Tax Map KeY : (2) 1-3- 004:001 a point; thence,
8.	146° 00'	981.65	feet along the same to a point; thence,
9.	253° 32' 30"	364.96	feet along Government Land to the point of beginning and containing an area of 6.986 acres, more or less.

Page 1 of 2

Note: This metes and bounds description has been prepared for Land Use District Boundary Amendment purposes only.

This work was prepared by me OL. or under my direct supervision. LICENSEL PROFESSIONAL LAND SURVEYOR DMC, ENGINEERING 6 No. 10009 Bernardo L. Raronal WAIL U. Licensed Professional Land Surveyor State of Hawaii Certificate No. 10009 License Expire:4/18

End of description.

#### LAND DESCRIPTION

#### Tax Map Key (2) 1-3-004:006(Portion) (Second Parcel)

Land situated at Kawaipapa, Hana Island and County of Maui, State of Hawaii.

Being a portion of Grant 2579 to Paele and Kuihanui.

Beginning at the northeast corner of this parcel of land, along the west side of Hana Highway, (Federal Aid Project F58(1)) the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAUIKI" being 4,593.72 feet North and 4,873.89 feet West and running by azimuths measured clockwise from true South:

	Along the west side of Hana H	lighway	(Federal Aid Project F58(1)) on a curve to the right a radius of 2,242.52 feet and a central angle of 3° 15' 15" the chord azimuth and distance being:
1,	325° 33' 53.1"	126.04	feet to a point; thence,
2.	90° 00'	199.65	feet along portion of Grant 2579 to Paele and Kuihanui being portion of Tax Map Key :(2) 1-3- 004:001 to a point; thence,
8.	231° 00'	165.19	feet along Grant 4534 to Ulunaele to the point of beginning and containing an area of 0.240 acre, more or less.

Note: This metes and bounds description has been prepared for Land Use District Boundary Amendment purposes only.

O This work was prepared by me, or under my direct supervisions LICENSEL PROFESSIONAL DMC. ENGINEERING 60 LAND SURVEYOR No. 10009 Rarogal Ber ardo L Licensed Professional Land Surve State of Hawaii Certificate No. 10009 License Expire:4/18 End of description.

Page 1 of 1

EXHIBIT "B"



#### EXHIBIT "C" CONDITIONS

1. This ordinance is conditional upon the Council's passage of a resolution approving, with modifications, the independent development of Hana Housing Development, pursuant to Section 201H-38, Hawaii Revised Statutes (the "201H Resolution").

2. If the 201H Resolution shall expire due to the developer's failure to start physical construction on the Property by the time deadline set forth in the201H Resolution, this ordinance shall also terminate concurrently with the expiration of the 201H Resolution.

3. Developer shall act in good faith and with its reasonable best efforts to complete all of the 25 residential workforce housing lots on the Property with all related roads and infrastructure not later than the fifth anniversary of the effective date of the 201H Resolution.

4. The Property shall be developed as a residential workforce housing project in accordance with the 201H Resolution.

5. The Property shall be developed in strict compliance with the representations made to the Council in obtaining approval of the State District Boundary Amendment.

6. There shall be a prohibition on any action that would interfere with or restrain farming operations; provided the farming operations are conducted in a manner consistent with generally accepted agricultural and management practices on adjacent or contiguous lands in the Agricultural District.

7. There shall be notification to all prospective developers or purchasers of land or interest in land in the petition area and subsequent notification to lessees or tenants of the land, that farming operations and practices on adjacent or contiguous land in the Agricultural District are protected under Chapter 165, the Hawaii Right to Farm Act, and the notice shall be included in any disclosure required for the sale or transfer of real property or any interest in real property.

GTH Land Company, Inc. 651 Papipi Road Kula, Hawaii, 96790 UNITED STATES	
Thomas A. Hoeffken and Nancy M. Hoeffken 651 Papipi Road Kula, Hawaii, 96790 UNITED STATES	
LAND COURT SYSTEM	REGULAR SYSTEM
Return By Mail ( X ) Pickup Office of the County Clerk County of Maui 200 South High Street Wailuku, Hawai`i 96793	( ): To:
	Total Number of Pages: 13

Affects Tax Map Key (Maui) (2) 1-3-004:001 Portion

### UNILATERAL AGREEMENT AND DECLARATION FOR STATE LAND USE DISTRICT BOUNDARY AMENDMENT

THIS INDENTURE, made this \_\_\_\_\_ day of \_\_\_\_\_ (hereinafter referred to as the "Declaration" or "Unilateral Agreement"), by GTH Land Company, Inc., a Hawaii Corporation, whose mailing address is 651 Papipi Road, Kula, Hawaii, 96790, UNITED STATES, who is the developer of that certain portion of a parcel located at Hana, Maui, Hawai`i, comprised of approximately 7.226 acres, and identified for real property tax purposes as a portion of Tax Map Key No.(2) 1-3-004:001, hereinafter referred to as "PROPERTY"; and Thomas A. Hoeffken, and Nancy M. Hoeffken, whose mailing address is 651 Papipi Road, Kula, Hawaii, 96790, UNITED STATES, who are the owners of the property;

Hereinafter GTH Land Company, Inc., Thomas A. Hoeffken, and Nancy M. Hoeffken are referred to collectively as the "Declarants".

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EXHIBIT ™D "

#### WITNESSETH:

WHEREAS, the Council of the County of Maui, State of Hawai`i, hereinafter referred to as "Council", is considering the Declarants' request for a State Land Use District Boundary Amendment for the Property, comprised of approximately 7.226 acres, which is more particularly described in Exhibit "1", which is attached hereto and made a part hereof, and which is more particularly identified in Land Use District Boundary Amendment Map No. DB-304, which is attached hereto as Exhibit "2" and made a part hereof and which is on file in the Office of the County Clerk of the County of Maui; and

WHEREAS, the Council recommends through its Land Use Committee, Committee Report No.\_\_\_\_, that said State Land Use District Boundary Amendment for the Property be approved for passage on first reading subject to certain conditions, pursuant to Section 19.68.040, Maui County Code; and

WHEREAS, the Declarants have agreed to execute this instrument pursuant to the State Land Use District Boundary Amendment provisions of Section 19.68.040, Maui County Code;

NOW, THEREFORE, the Declarants make the following Declaration:

1. That this Declaration is made pursuant to the provisions of Section 19.68.040, Maui County Code, relating to State Land Use District Boundary Amendments;

2. That until written release by the County of Maui, the Property, and all parts thereof, is and shall be held subject to the covenants, conditions and restrictions which shall be effective as to and shall run with the land as to the Property, from and after the recording of this Declaration with the Bureau of Conveyances or the Land Court of the State of Hawai`i, without the execution, delivery or recordation of any further deed, instrument, document, agreement, declaration, covenant or the like with respect thereto by the Declarants, the County of Maui, or any heir, devisee, executor, administrator, personal representative, successor, and assign; that the acquisition of any right, title or interest in or with respect to the Property by any person or persons, entity or entities, whomsoever, shall be deemed to constitute the acceptance of all of the covenants, conditions and restrictions of this Declaration by such person

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or persons, entity or entities; and that upon any transfer of any right, title or interest in or with respect to the Property the same shall be subject to, and the transferee shall assume and be bound and obligated to observe and perform all of the covenants, conditions and restrictions of this Declaration;

3. That this Declaration and all of the covenants, conditions and restrictions contained herein shall continue to be effective as to and run with the land in perpetuity, or until the Declarants notify the appropriate County Department that any of said covenants, conditions and restrictions are satisfied by the Declarants, and the appropriate County Department verifies the satisfaction and provides a written release of the covenant, condition or restriction;

That term "Declarants" 4. the and any pronoun in reference thereto, wherever used herein, shall be construed to mean the singular or the plural, the masculine or the feminine, or the neuter, and vice versa, and shall include any and shall be held to corporation, mean and include the "Declarants", the Declarants' heirs, devisees, executors, administrators, personal representatives, successors, and assigns;

5. That the Declaration shall become fully effective on the effective date of the ordinance approving the establishment of the Rural State Land Use District Boundary Classification and this Declaration shall be recorded in the Bureau of Conveyances or Land Court of the State of Hawai`i;

6. That the Declarants agree to develop said Property in conformance with the conditions set forth in Exhibit "3", which is attached hereto and made a part hereof and which shall be made a part of the State Land Use District Boundary Amendment ordinance;

7. That the conditions imposed are reasonable and rationally relate to the objective of preserving the public health, safety and general welfare and such conditions fulfill the need for the public service demands created by the proposed use;

AND IT IS EXPRESSLY UNDERSTOOD AND AGREED that until released in writing by the County, the conditions imposed in this Declaration shall run with the land identified hereinabove and shall bind and constitute notice to all subsequent lessees, grantees, assignees, mortgagees, lienors and any other persons

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who claim an interest in said land, and the County of Maui shall have the right to enforce this Declaration by appropriate action at law or suit in equity against all such persons, provided that the Declarants or their successors and assigns may at any time file a petition for the removal of the conditions and terminate this Unilateral Agreement, such petition to be processed in the same manner as petitions for State Land Use District Boundary Amendments.

This Declaration may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Declaration.

Each person signing this Unilateral Agreement represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Unilateral Agreement. Each party represents and warrants to the other that the execution and delivery of this Unilateral Agreement and the performance of such party's obligations hereunder have been duly authorized and that this Unilateral Agreement is a valid and legal agreement binding on such party and enforceable in accordance with its terms.

IN WITNESS WHEREOF, the undersigned has executed this Declaration the day and year first above written.

DECLARANTS:

GTH Land Company, Inc. 651 Papipi Road Kula, Hawaii, 96790 UNITED STATES

Salue ] ]

By: Gabriel T. Hoeffken Its: Vice President

Thomas A. Hoeffken 651 Papipi Road Kula, Hawaii, 96790 UNITED STATES

Thomas A. Hoeffken,

Nancy M. Hoeffken 651 Papipi Road Kula, Hawaii, 96790 UNITED STATES

HOeffken, By Owner Nancy -M-

APPROVED AS TO FORM AND LEGALITY:

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Deputy Corporation Counsel County of Maui

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On this <u>A4</u> day of personally appeared <u>MOMGS</u> <u>A</u> known, who, being by me duly such person executed the fore and deed of such person, and	<b>OCHEV</b> , 2017, before me swofn or affirmed, did say that going instrument as the free act if applicable, in the capacity ized to execute such instrument in
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	C CERTIFICATION
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Notary Signature:	PUBLIC 19

STATE OF MANAU )
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Document Description: Milatthe agrammel
And declaration Notary Signature: Date: 10/24/17 No.05-316. No

8

### EXHIBIT "1"

#### LAND DESCRIPTION

## Tax Map Key (2) 1-3-004:006(Portion) (Fist Parcel)

## Land situated at Kawaipapa, Hana Island and County of Maui, State of Hawaii.

## Being a portion of Grant 2579 to Paele and Kuihanui.

Beginning at the northeast corner of this parcel of land, along the west side of Hana Highway the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAUIKI" being 5,408.15 feet North and 5,425.22 feet West and running by azimuths measured clockwise from true South:

1.	327° 30'	247.86	feet along the west side of Hana Highway to a point; thence,
2.	327° 30'	253.84	feet along Government Land designated as Tax Map Key : (2) 1-3-004::022 to a point; thence,
3.	339° 45'	195.36	feet along the same to a point; thence,
4.	315° 00'	136.49.	feet along the same to a point; thence,
5.	51° 00'	164.81	feet along Grant 4534 to Ulunaele to a point, thence,
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9.	253° 32' 30"	364.96	feet along Government Land to the point of beginning and containing an area of 6.986 acres, more or less.

Note: This metes and bounds description has been prepared for Land Use District Boundary Amendment purposes only.

This work was prepared by me or under my direct supervision. LICENSEL PROFESSIONAL LAND SURVEYOR DMC, ENGINEERING 0 No. 10009 Bernardo L. Rarogal YAWAII, U Licensed Professional Land Surveyor State of Hawaii Certificate No. 10009 License Expire:4/18

End of description.

#### LAND DESCRIPTION

### Tax Map Key (2) 1-3-004:006(Portion) (Second Parcel)

#### Land situated at Kawaipapa, Hana Island and County of Maui, State of Hawaii.

Being a portion of Grant 2579 to Paele and Kuihanui.

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	Along the west side of Hana H	lighway	(Federal Aid Project F58(1)) on a curve to the right a radius of 2,242.52 feet and a central angle of 3° 15' 15" the chord azimuth and distance being:
1.	325° 33' 53.1"	126.04	feet to a point; thence,
2.	90° 00'	199.65	feet along portion of Grant 2579 to Paele and Kuihanui being portion of Tax Map Key :(2) 1-3- 004:001 to a point; thence,
8.	231° 00'	165.19	feet along Grant 4534 to Ulunaele to the point of beginning and containing an area of 0.240 acre, more or less.

Note: This metes and bounds description has been prepared for Land Use District Boundary Amendment purposes only.

DO L. R This work was prepared by me, or under my direct supervision? LICENSEL PROFESSIONAL DMC, ENGINEERING m LAND SURVEYOR No. 10009 Bernardo L. Rarogal Licensed Professional Land Survey (All, U State of Hawaii Certificate No. 10009 License Expire:4/18 End of description.

Page 1 of 1

EXHIBIT "2"



#### EXHIBIT "3" CONDITIONS

1. This ordinance is conditional upon the Council's passage of a resolution approving, with modifications, the independent development of Hana Housing Development, pursuant to Section 201H-38, Hawaii Revised Statutes (the "201H Resolution").

2. If the 201H Resolution shall expire due to the developer's failure to start physical construction on the Property by the time deadline set forth in the201H Resolution, this ordinance shall also terminate concurrently with the expiration of the 201H Resolution.

3. Developer shall act in good faith and with its reasonable best efforts to complete all of the 25 residential workforce housing lots on the Property with all related roads and infrastructure not later than the fifth anniversary of the effective date of the 201H Resolution.

4. The Property shall be developed as a residential workforce housing project in accordance with the 201H Resolution.

5. The Property shall be developed in strict compliance with the representations made to the Council in obtaining approval of the State District Boundary Amendment.

6. There shall be a prohibition on any action that would interfere with or restrain farming operations; provided the farming operations are conducted in a manner consistent with generally accepted agricultural and management practices on adjacent or contiguous lands in the Agricultural District.

7. There shall be notification to all prospective developers or purchasers of land or interest in land in the petition area and subsequent notification to lessees or tenants of the land, that farming operations and practices on adjacent or contiguous land in the Agricultural District are protected under Chapter 165, the Hawaii Right to Farm Act, and the notice shall be included in any disclosure required for the sale or transfer of real property or any interest in real property.