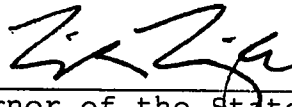


FOR ELDERLY AND/OR AFFORDABLE RENTAL HOUSING AND RELATED PURPOSES, to be under the control and management of the County of Hawaii, being that parcel of land situate at Waiakea, South Hilo, Island of Hawaii, Hawaii, identified as "Mohouli Heights Senior Neighborhood," containing an area of 15.948 acres, more particularly described in Exhibit "A" and delineated on Exhibit "B," both of which are attached hereto and made parts hereof, said exhibits being respectively, a survey description and survey map prepared by the Survey Division, Department of Accounting and General Services, State of Hawaii, both being designated C.S.F. No. 24,597 and dated April 11, 2008.

SUBJECT, HOWEVER, to the condition that upon cancellation of this executive order or in the event of non-use or abandonment of the premises or any portion thereof for a continuous period of one (1) year, or for any reason whatsoever, the County of Hawaii shall, within a reasonable time, restore the premises to a condition satisfactory and acceptable to the Department of Land and Natural Resources, State of Hawaii.

SUBJECT, FURTHER, to disapproval by the Legislature by two-thirds vote of either the Senate or the House of Representatives or by majority vote of both, in any regular or special session next following the date of this Executive Order.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Hawaii to be affixed. Done at the Capitol at Honolulu this 24th day of June, 2008.



Governor of the State of Hawaii

APPROVED AS TO FORM:


Deputy Attorney General

Dated: 6/5/08

STATE OF HAWAII

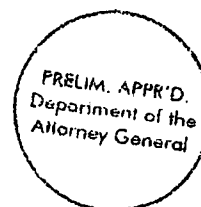
Office of the Lieutenant Governor

THIS IS TO CERTIFY That the within is a true copy of Executive Order No. _____ setting aside land for public purposes, the original of which is on file in this office.

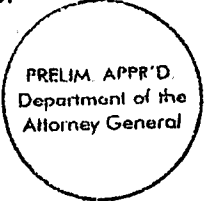
IN TESTIMONY WHEREOF, the Lieutenant Governor of the State of Hawaii, has hereunto subscribed his name and caused the Great Seal of the State to be affixed.



DONE in Honolulu, this JUN 26 2008 day of _____, A.D. 2008



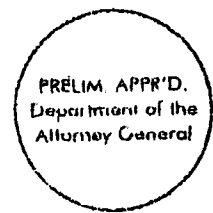
- 4. Thence along the northwest side of Mohouli Street on a curve to the right with a radius of 1930.00 feet, the chord azimuth and distance being:
64° 39' 30" 436.41 feet;
- 5. 341° 09' 20.00 feet along a jog on the northwest side of Mohouli Street;
- 6. Thence along the northwest side of Mohouli Street on a curve to the right with a radius of 1950.00 feet, the chord azimuth and distance being:
71° 40' 15.5" 35.46 feet;
- 7. Thence along Road Lot on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:
118° 00' 45.5" 43.03 feet;
- 8. 163° 50' 269.21 feet along Road Lot;
- 9. 73° 50' 50.00 feet along the north end of Road Lot;
- 10. 163° 50' 373.97 feet along Public Safety and Related Purposes Site;
- 11. 253° 59' 52" 424.66 feet along the Lots 347 and 346 as shown on Map 75 of Land Court Application 1205;
- 12. 238° 14' 669.24 feet along Lots 383 and 393 as shown on Map 81 and Lots 86, 85, 84, 83, 82 and 81 as shown on Map 37 of Land Court Application 1205;
- 13. 328° 10' 206.61 feet along the southwest side of Komohana Street;
- 14. 58° 10' 15.00 feet along a jog on the southwest side of Komohana Street;
- 15. 328° 10' 349.89 feet along the southwest side of Komohana Street to the point of beginning and containing an AREA OF 15.948 ACRES.



SUBJECT, however, to Easement A for Road and Utility Purposes affecting the above-described Mohouli Heights Senior Neighborhood as shown on plan attached hereto and made a part hereof and more particularly described as follows:

Beginning at the northwest corner of this easement, being the end of Course 10 of the above-described Mohouli Heights Senior Neighborhood, thence running by azimuths measured clockwise from True South:-

1. 253° 59' 52" 424.66 feet along Lots 347 and 346 as shown on Map 75 of Land Court Application 1205;
2. 238° 14' 204.92 feet along Lots 383 and 393 as shown on Map 81 of Land Court Application 1205;
3. 308° 28' 30" 26.56 feet;
4. 58° 14' 217.36 feet;
5. 73° 59' 52" 428.05 feet;

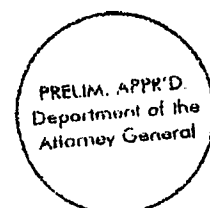


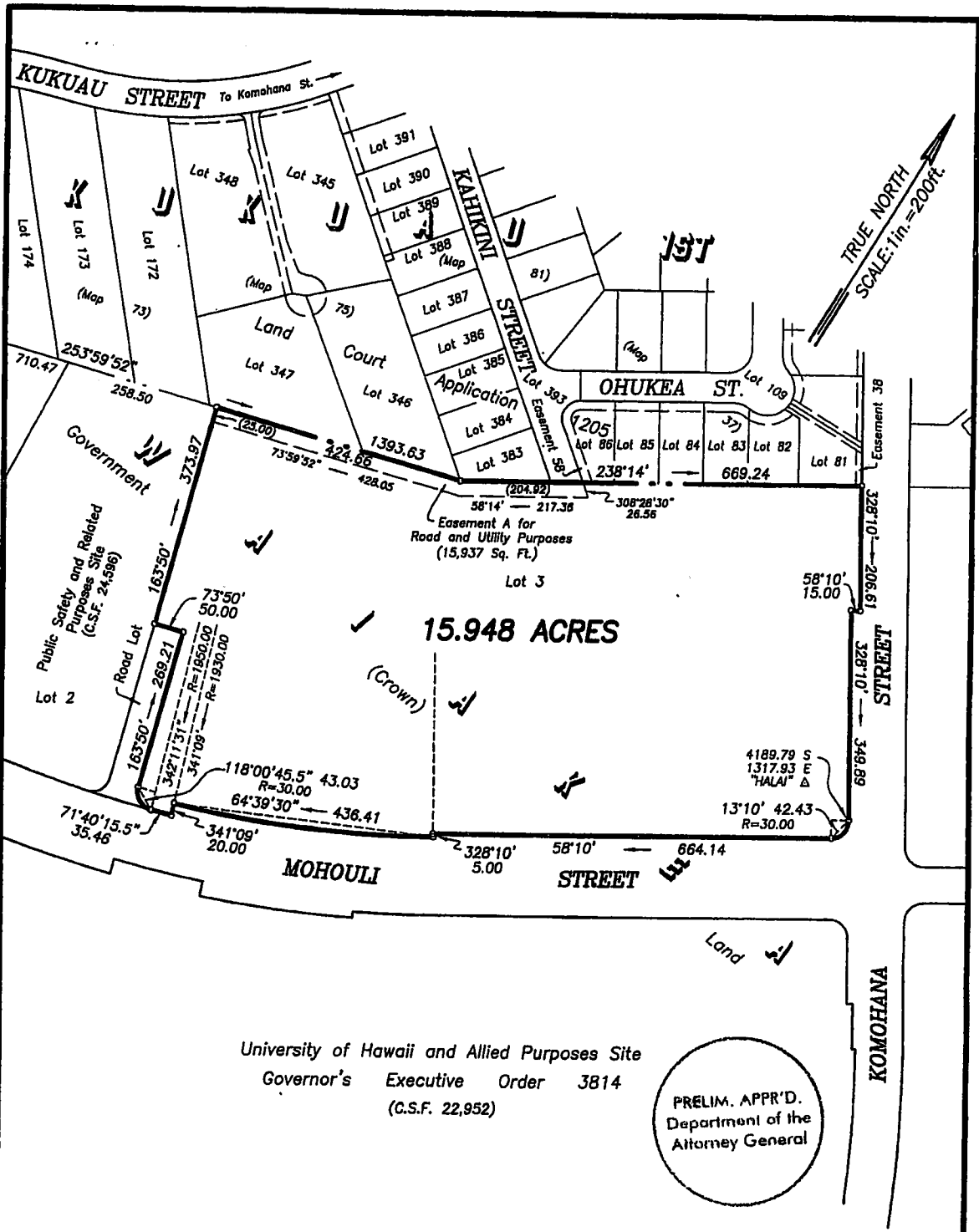
6. 163° 50' 25.00 feet along Public Safety and Related Purposes Site to the point of beginning and containing an AREA OF 15,937 SQUARE FEET.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: *Glenn J. Kodani*
Glenn J. Kodani
Land Surveyor ml

Compiled from map furn. by Inaba Engineering, Inc. Said map have been examined and checked as to form and mathematical correctness but not on the ground by the Survey Division.





University of Hawaii and Allied Purposes Site
 Governor's Executive Order 3814
 (C.S.F. 22,952)

PRELIM. APPR'D.
 Department of the
 Attorney General

REDUCED NOT TO SCALE

MOHOULI HEIGHTS SENIOR NEIGHBORHOOD

Waiakea, South Hilo, Island of Hawaii, Hawaii

Scale: 1 inch = 200 feet

Job H-105(08)
 C. BK.

EXHIBIT "B"

TAX MAP: 2-4-01:Por. 168

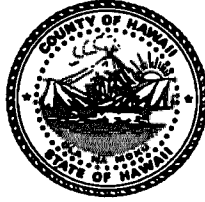
SURVEY DIVISION
 DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

C.S.F. NO. 24,597

STATE OF HAWAII

JGL April 11, 2008

Harry Kim
Mayor



William Takaba
Director

Nancy E. Crawford
Deputy Director

Harry Yada
Property Manager

County of Hawaii

Finance Department
25 Aupuni Street, Room 118 • Hilo, Hawaii 96720
(808) 961-8234 • Fax (808) 961-8248

COPY

September 24, 2008

Mr. Keith Kato
Hawai'i Island Community Development Corporation
100 Pauahi Street
Hilo, HI 96720

Dear Keith:

Subject: Right-of-Entry for the Mohouli Elderly Housing Project

Pursuant to your request, please find enclosed one executed copy of the Right-of-Entry for the proposed elderly affordable rental project on Mohouli Street.

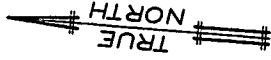
Should you have any questions, please feel free to call me at 961-8009.

Sincerely,

A handwritten signature in black ink, appearing to read "Harry Yada".

Harry Yada
Property Manager

Encl.

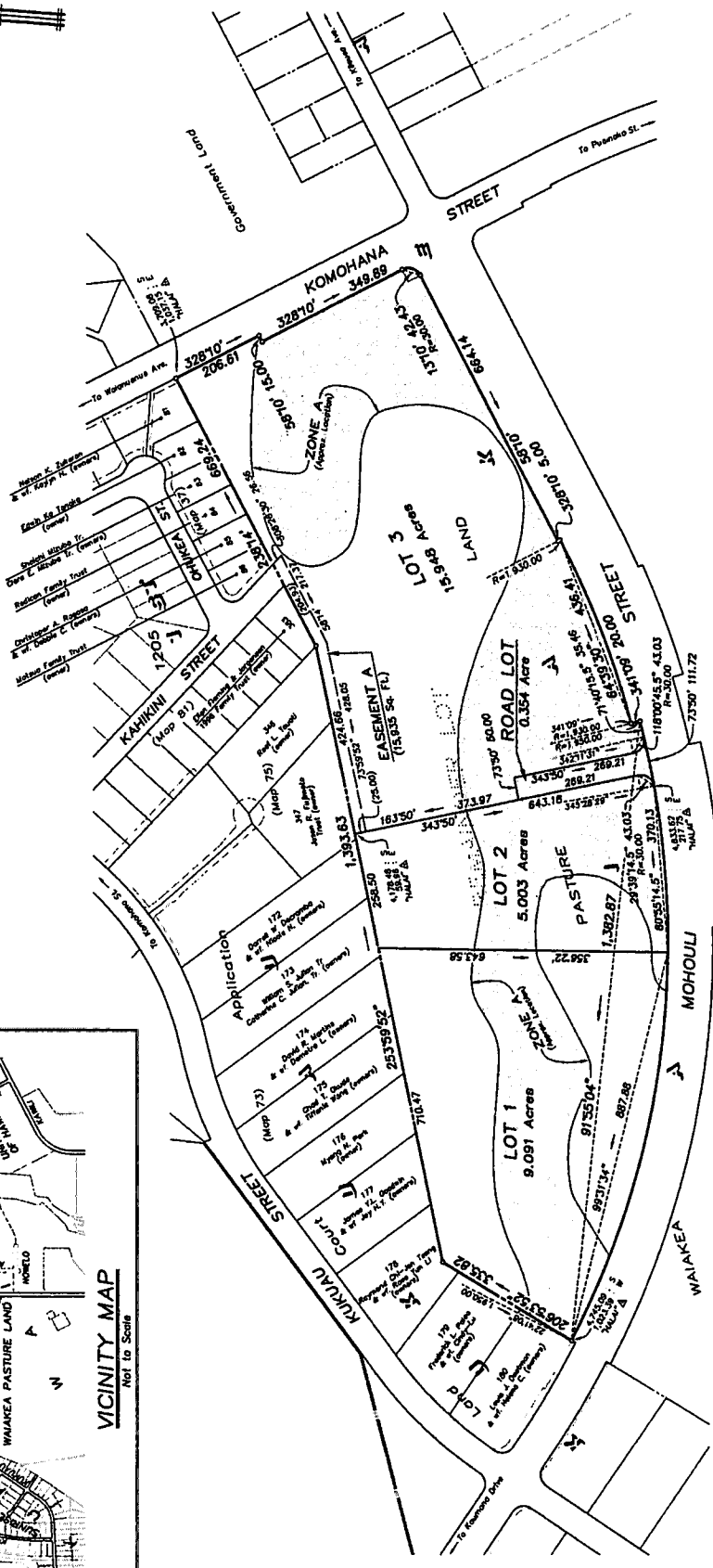


INABA ENGINEERING, INC.
 273 Waianuenu Ave.
 Hilo, Hawaii 96720



This work was prepared by
 me or under my supervision.
Alan Z. Inaba
 01/22/2007
 67 407011 - PB 7409

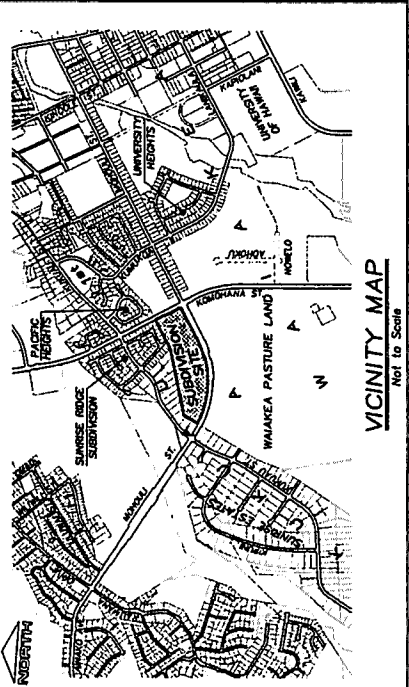
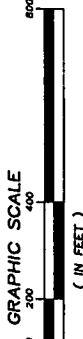
15' 421" x 219 541"



SUBDIVISION MAP

**SUBDIVISION OF REMAINDER LOT
 INTO LOTS 1, 2, 3, AND ROAD LOT
 AND DESIGNATION OF EASEMENT A
 (25'-ft. wide for road and utility purposes)**

WAIKAEA PASTURE LAND
 WAIKAEA, SOUTH HILO, ISLAND OF HAWAII, HAWAII



VICINITY MAP
 Not to Scale

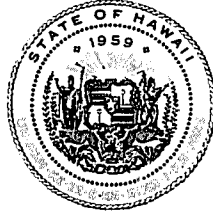
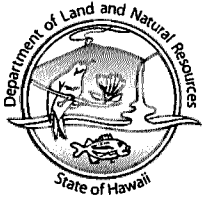
- NOTES:**
- Flood ZONE A designation transposed from Flood Insurance Rate Map, Parcel 680 of 939, Community-Plan Number 151516 (8800 C, Map Revised 11/15/06), effective 12/1/06, as provided by the Department of Public Works, County of Hawaii.
 - Coordinates adopted from C.S.F. No. 22,081 (Mahaui Street Extension, Parcel 10).

OWNER: STATE OF HAWAII
SUBDIVIDER: Building Division
 County of Hawaii, Suite 7
 111 Puhihi Street
 Hilo, Hawaii 96720

BUILDING DIVISION DEPARTMENT OF PUBLIC WORKS - COUNTY OF HAWAII	DATE
SUBMITTED BY: <i>Alan Z. Inaba</i>	11/16/07
RECEIVED BY: <i>Alan Z. Inaba</i>	11/16/07
APPROVED BY: <i>Alan Z. Inaba</i>	11/16/07
Director, Department of Public Works	Date

TAX MAP KEY: 3rd DIV. 2-4-01:168

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIKOOE LAKE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

February 27, 2008

Ref. No.:08HD-007

Author: LD Tsu

RECEIVED
LAND DIVISION
2008 MAR - 3 2 3:47

Honorable Harry Kim, Mayor
County of Hawaii
891 Ululani Street
Hilo, Hawaii 96720

Attention: Mr. Harry Yada, Property Manager

Dear Mayor Kim:

Subject: Set Aside to the County of Hawaii for Elderly, Affordable Rental Housing and Related Purposes and Issuance of a Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Key:3rd/ 2-4-001: 168

We are pleased to inform you that at its meeting of February 22, 2008, under agenda item D-4 (copy enclosed), the Board of Land and Natural Resources approved your request for a set aside for elderly, affordable rental housing and related purposes.

Upon final subdivision approval), please provide us with a CAD map, together with metes and bounds description, of the area to be set aside in accordance with the enclosed DAGS Survey Division CAD Mapping Standards.

The Board also granted a management right-of-entry to your agency pursuant to the following the terms and conditions:

1. This right-of-entry shall be effective upon the date of acceptance and shall terminate on the execution of the set aside documents, whichever is sooner.
2. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall procure at its own expense, and maintain during the entire period of this right-of-entry, from an insurance company or companies licensed to do business in the State of Hawaii, a policy or policies of comprehensive public liability insurance in an amount

45619

acceptable to the Department (\$300,000 per incident/\$500,000 aggregate) (or minimum limits of \$1,000,000 for bodily and property and \$500,000 for fire) insuring the State of Hawaii against all claims for personal injury, death, and property damage; that said policy shall, cover the entire right-of-entry area or premises, including all improvements and grounds and all roadways or sidewalks on or adjacent to the said right-of-entry area or premises in the control or use by its consultants, contractors and/or persons acting for or on its behalf. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall furnish the Department with a certificate(s) showing the policy(s) to be initially in force, keep certificate(s) on deposit during the entire period and furnish a like certificate(s) upon each renewal of the policy(s). The procuring of this policy shall not release or relieve County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf of its responsibility under this right-of-entry as set forth herein or limit the amount of its liability under this right-of-entry.

3. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf comply with all of the requirements of all municipal, state, and federal authorities and observe all municipal, state and federal laws applicable to the right-of-entry area or premises, now in force or which may be in force.
4. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall indemnify, defend, and hold the State of Hawaii, Department of Land and Natural Resources harmless from and against any claim or demand for loss, liability, or damage, including claims for bodily injury, wrongful death, or property damage, arising out of or resulting from: (1) any act or omission on the part of County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf relating to County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf use, occupancy, maintenance, or enjoyment of the right-of-entry area or premises; (2) any failure on the part of County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf to maintain the right-of-entry area or premises and areas adjacent thereto in County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf use and control, and including any accident, fire or nuisance, growing out of or caused by any failure on the part of County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf to maintain the area or premises in a safe condition; and (3) from and against all actions, suits, damages, and claims by whomsoever brought or made by reason of County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf non-observance or non-performance of any of the terms, covenants, and conditions of this right-of-entry or the rules, regulations, ordinances, and laws of the federal, state, municipal or county governments.
5. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall not cause or permit the escape, disposal or release of any hazardous materials except as permitted by law. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage

and use of such materials, nor allow to be brought onto the right-of-entry area or premises any such materials except to use in the ordinary course of County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf business, and then only after written notice is given to the State of Hawaii, Department of Land and Natural Resources of the identity of such materials and upon the Department's consent which consent may be withheld at the Department's sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf, then the County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall be responsible for the cost thereof. In addition, County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf shall execute affidavits, representations and the like from time to time at the Department's request concerning County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf best knowledge and belief regarding the presence of hazardous materials on the right-of-entry area or premises placed or released by County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf.

6. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf agree to indemnify, defend and hold the State of Hawaii, Department of Land and Natural Resources harmless, from any damages and claims resulting from the release of hazardous materials on the right-of-entry area or premises occurring while County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf is/are in possession, or elsewhere if caused by County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf. These covenants shall survive the expiration or earlier termination of this right-of-entry.

For purposes of this right-of-entry, "hazardous material" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or by-law, whether existing as of the date hereof, previously enforced, or subsequently enacted.

7. County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf in the exercise of this right-of-entry shall use appropriate precautions and measures to minimize inconveniences to surrounding residents, landowners, and the public in general.
8. In the event any unanticipated sites or remains such as bone or charcoal deposits, human burials, rock or coral alignments, pavings or walls are encountered, County of Hawaii, its consultants, contractors and/or persons acting for or on its behalf in the exercise of this right-of-entry shall stop work and contact the State Historic Preservation Division in Kapolei at (808) 692-8015 immediately.

9. All disputes or questions arising under this right-of-entry shall be referred to the Chairperson of the Board of Land and Natural Resources for a determination and resolution of the dispute or question. The Chairperson's decision shall be final and binding on the parties herein.
10. This right-of-entry is revocable and terminable at anytime for any reason in the sole and absolute discretion of the Chairperson.
11. This right-of-entry or any rights hereunder shall not be sold, assigned, conveyed, leased, let, mortgaged or otherwise transferred or disposed.
12. The Department of Land and Natural Resources reserves the right to impose additional, but reasonable terms and conditions as it deems necessary while this right-of-entry is in force.

Please indicate your acceptance of and compliance with the above-listed conditions by placing your signature in the space provided. Please return a copy of your signed acceptance of our terms and conditions.

If your staff has questions regarding the preparation of the survey map, please contact DAGS Survey Division at (808) 586-0380. If there are any other questions, please feel free to contact Charlene Unoki at 587-0426. Thank you.

Sincerely,



Laura H. Thielen
Chairperson

Enclosure

cc: Central Files
District Files

The foregoing terms and conditions of the above described right-of-entry is hereby accepted and acknowledged:

County of Hawaii

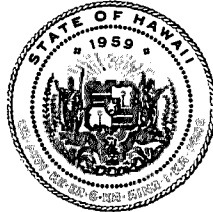
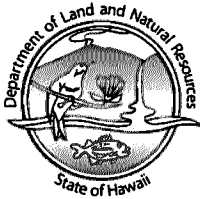
By its: _____

Date: _____

APPROVED AS TO FORM
AND LEGALITY:

CRAIG T. MASUDA
Deputy Corporation Counsel
County of Hawai'i

LINDA LINGLE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

February 19, 2008

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIIOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Ref. No.:08HD-007
Author: LD-cu

Honorable Harry Kim, Mayor
County of Hawaii
891 Ululani Street
Hilo, Hawaii 96720

RECEIVED
FEB 22 2008

Attention: Mr. Harry Yada, Property Manager

**County of Hawaii
Finance Department
Property Management Division**

Dear Mayor Kim:

Subject: Set Aside to the County of Hawaii for Elderly, Affordable Rental Housing and Related Purposes and Issuance of a Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Key:3rd/ 2-4-001: 168

The Board of Land and Natural Resources will consider the above referenced request at its meeting on February 22, 2008. Enclosed is a copy of the subject Board submittal, agenda item D-4, relating to this request. The meeting commences at 9:00 a.m. in the DLNR Boardroom located in the makai wing, first floor (Room 132), Kalanimoku Building, 1151 Punchbowl Street, Honolulu, Hawaii.

Although your presence is not required, applicants are encouraged to attend the meeting to provide any comments you may have and to answer questions the Land Board members may ask. Should you decide to attend, please sign in on the "move-up agenda" list to let the Board secretary know of your presence.

If you have any questions, please feel free to contact Charlene Unoki at 587-0426. Thank you.

Sincerely,

Laura H. Thielen
Chairperson

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

February 22, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.:08HD-007

HAWAII

Set Aside to the County of Hawaii for Elderly, Affordable Rental Housing and Related Purposes and Issuance of a Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Key:3rd/ 2-4-001: 168

APPLICANT:

County of Hawaii, a municipal corporation whose mailing address is 25 Aupuni Street, Hilo, Hawaii 96720

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: 3rd/ 2-4-001: 168, as shown on the attached map labeled Exhibit A.

AREA:

15.948 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: Agriculture (AG-1)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

D-4

D-4

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Elderly and/or Affordable Rental Housing and related purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely a transfer of management jurisdiction and does not constitute a use of State lands or funds, and therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Process and obtain the necessary change in Land Use Designation, Zone Change and any other land use approvals or permits appropriate for the proposed purpose;
- 2) Process and obtain subdivision at Applicant's own cost;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost; and
- 4) Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

BACKGROUND:

In connection with a previous request by the County of Hawaii, the Board of Land and Natural Resources approved a set aside of approximately 5 acres for a Fire Administration Facility on what is labeled as "Lot 2" on the map attached labeled as "Exhibit B". The map attached as "Exhibit B" is the subdivision map prepared by the County's consultant in connection with the previous request in meeting a condition to subdivide Fire Administration parcel. The subdivision action will create two remainder parcels, Lot 1 containing approximately 9.091 acres and Lot 3 containing approximately 15.948 acres.

By letter dated January 10, 2008, Mayor Harry Kim is requesting the Board's approval for a set aside to the County of Hawaii for the parcel identified as "Lot 3" on Exhibit B containing approximately

15.98 acres. The County of Hawaii would like to develop the subject newly subdivided parcel for an elderly affordable housing project. The County of Hawaii proposes to work with the Hawaii Island Community Development Corporation (HICDC), a Hawaii non-profit corporation, through a long-term lease, in the development of a series of senior residences. The County has successfully worked with HICDC on a number of other elderly and affordable housing projects. Upon agreement on the long-term lease, the proposed agreement will be brought to the Board for its consent as required pursuant to Chapter 171-11, HRS.

The following is a summary of the proposed project and development concept:

Mohouli Heights Senior Neighborhood

Location

The proposed Mohouli Heights Senior Neighborhood is located in the heart of Hilo town at the intersection of Komohana and Mohouli Streets. This central location provides ready access by short vehicle trips to all financial, medical, retail and personal services available in Hilo. This location is also convenient for Hilo, Puna and Hamakua residents who wish to visit their senior relatives and friends residing in Mohouli Heights.

The Plan

The proposed Mohouli Heights Senior Neighborhood is planned to be developed as an integrated series of senior residences focused around a central activity core. This core complex would form the nucleus of the neighborhood and would encourage continuing social interaction by the resident seniors as well as supplying much needed services.

As presently envisioned the complex would contain up to 250 residential units in multi-unit structures. The units will primarily be one bedroom units, while studio and two bedroom units are possible depending on the demand and financing available. All units would be accessible or adaptable to make daily living easier for all tenants.

The units would be arranged in 30-40 unit clusters, a scale that encourages neighbor to neighbor relations. Covered walkways are planned between the clusters and connecting to the central core. This will help the neighborhood remain functional throughout the typical Hilo weather pattern.

The central core will be composed of one or more structures that contain spaces for activities essential for daily living. These functions are planned to include:

- A transit center where residents can be picked up and dropped off
- Beauty/Barber Shop
- Small convenience retail space

- Visiting doctor office
- Office space for visiting agencies.
- Activity Rooms, e.g. an arts and crafts room
- Mini-Theatre
- Central kitchen and eating area
- Exercise Room

The grounds would include parking and areas for outdoor activities. These uses would be set in a landscape that is appropriate for Hilo's climatic conditions. The planned outdoor uses include:

- Raised garden plots scattered throughout the site
- Potting shed
- Exercise path
- Fenced dog run
- Barbeque areas
- Outdoor eating and lounging areas

Target Market

This neighborhood is planned for seniors 62 years of age and older. The income ranges would include those qualifying for low and moderate income housing and would be matched to the various complexes based on the project financing.

Rents and Financing

At this time all units are planned to be rental units. The rents would be established by the financing programs which are anticipated to include the full range of state and federal programs for low and moderate income residents.

Phasing

The initial phase would include all environmental and planning studies, including the development of a master plan for the entire site. Subsequent phases would include incremental development of the residential complexes and central core.

Services

It is anticipated that a variety of public and private agencies will be providing services in the Mohouli Heights Senior Neighborhood. These services are expected to include transportation, exercise, personal and professional care. Meal services will be sought consistent with the limitations imposed by the various funding programs.

DISCUSSION:

The agency's proposed request for the set aside is appropriate and satisfies a public purpose – to develop an elderly affordable rental housing project in East Hawaii.

Comments were solicited from:

DHHL	No comments
County Planning	No comments
County Public Works	See Exhibit C
County Water	See Exhibit D
OHA	Lands are ceded. Only management of the property can be transferred to the County.

The County of Hawaii is requesting the Land Board's favorable consideration for a right-of-entry permit for management purposes. This will allow the County and their consultants to start the necessary environment studies, surveying, etc..

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
2. Authorize the issuance of a management right-of-entry permit to the County of Hawaii covering the subject area, which are by this reference incorporated herein and further subject to the following:

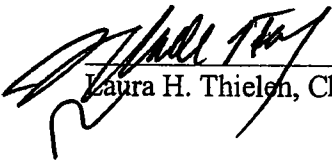
- A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time; and
- B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Charlene E. Unoki
Assistant Administrator

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson



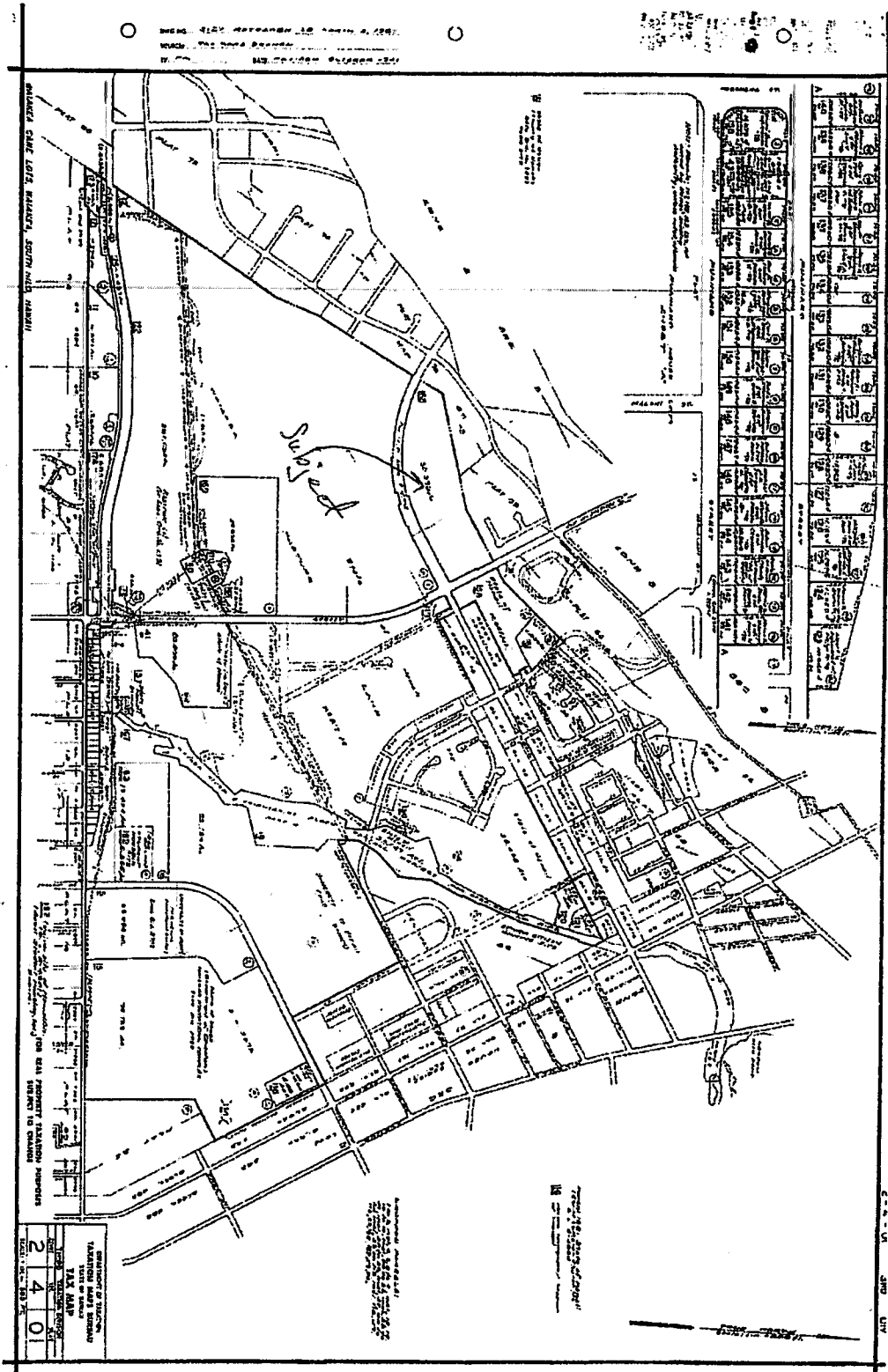
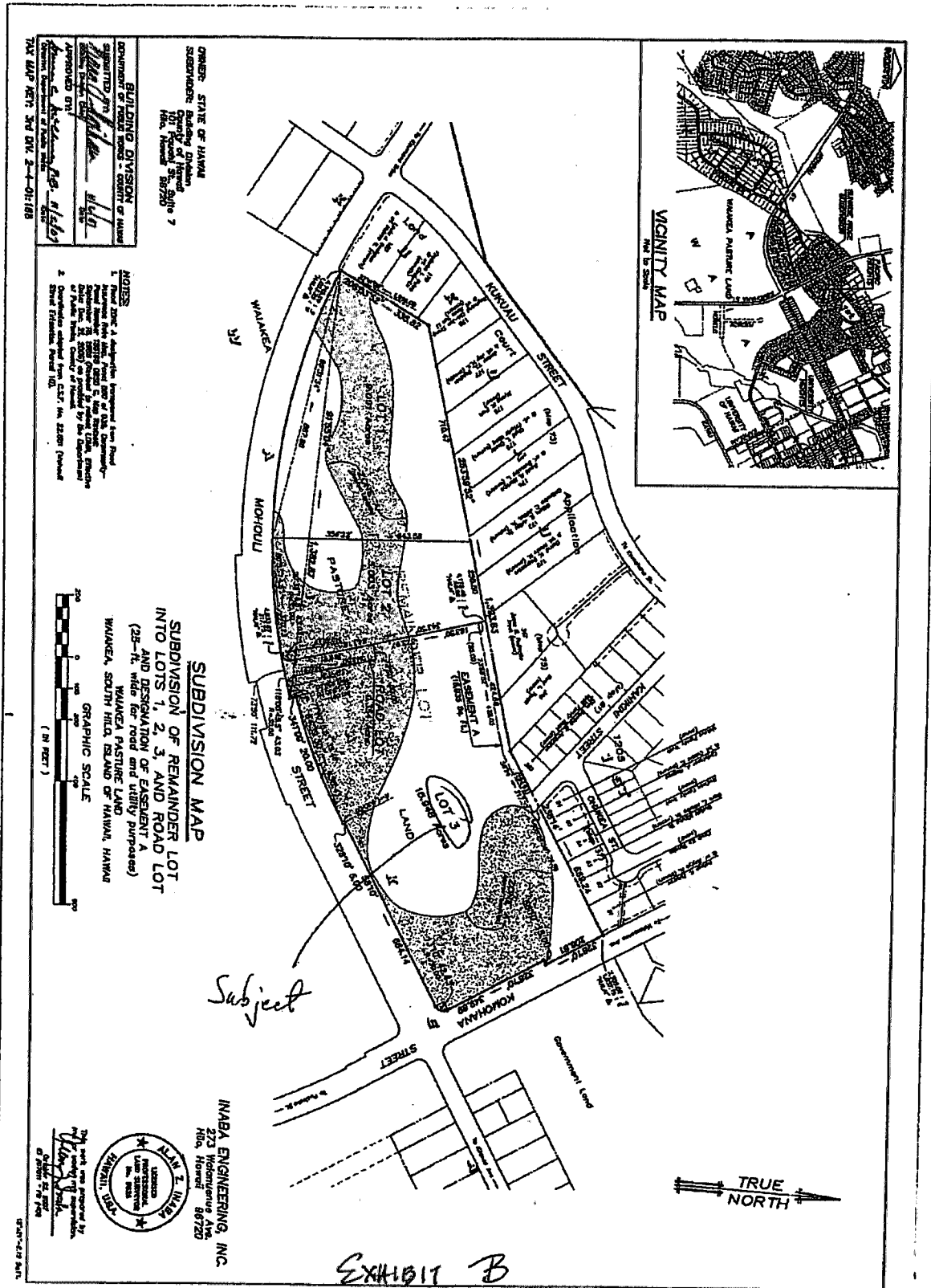


EXHIBIT A



DEPARTMENT OF PUBLIC WORKS
COUNTY OF HAWAII
HILO HAWAII

Memorandum

Date : January 18, 2008

To : CHARLENE UNOKI, District Land Agent

From : *Bruce C. McClure*
BRUCE C. McCLURE, Director DPW

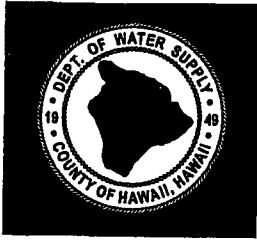
RECEIVED
LAND DIVISION
2008 JAN 23 AM 11:13
DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

SUBJECT: REQUEST FOR SET ASIDE
ELDERLY AFFORDABLE RENTAL HOUSING AND RELATED PURPOSES
Waiakea, South Hilo, Hawaii
Tmk 3rd Div.: 2-4-001: portion 168

We have reviewed the subject request and have the following comments:

1. A flood study to determine the Base Flood Elevations for the FEMA Flood Zone A on the subject property will be required before any work is initiated.
2. DPW, Engineering Division is in the process of contracting a flood study with a consultant. Consequently, project development activities should be coordinated with the Engineering Division.
3. All improvements within FEMA flood zones shall comply with Chapter 27 of the Hawaii County Code.

EXHIBIT "C"



RECEIVED
LAND DIVISION
DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII
345 KEolu STREET, SUITE 20 • HILO, HAWAII 96720
TELEPHONE (808) 961-8050 • FAX (808) 961-8657

2008 FEB 11 10:30
DEPT. OF LAND & NATURAL RESOURCES
STATE OF HAWAII

State of Hawai'i
Department of Land and Natural Resources
Land Division
P. O. Box 621
Honolulu, HI 96809

**REQUEST FOR SET ASIDE FOR ELDERLY, AFFORDABLE RENTAL HOUSING AND
RELATED PURPOSES
TAX MAP KEY 2-4-001:168 (PORTION)**

We have reviewed your memorandum regarding the subject request and have the following comments.

Water can be made available from an existing 12-inch waterline within Komohana Street and an existing 12-inch waterline within Mohouli Street, both fronting the subject parcel.

Prior to issuing a water commitment for the proposed project, the Department would request estimated maximum daily water usage calculations prepared by a professional engineer licensed in the State of Hawai'i for review and approval, showing the estimated water demand for the proposed non-residential uses of the subject parcel. Unless otherwise approved by the Manager, the estimated average daily usage for each residential unit shall be 400 gallons per day (GPD) or a maximum daily usage of 600 GPD.

After review of the calculations, the Department will determine the water commitment deposit amount, facilities charges due, and any water system improvements required for final approval. Pursuant to Rule 5 of the Department's Rules and Regulations, if the water requirements for the project exceed 120,000 GPD, the developer may be required to enter into a Water Development Agreement with the Water Board.

Please be informed that any meter(s) serving the proposed project will require the installation of a reduced pressure type backflow prevention assembly within five feet of the meter on private property. The Department must inspect and approve the installation before water service can be activated.

Should there be any questions, please contact Mr. Finn McCall of our Water Resources and Planning Branch at 961-8070, extension 255.

Sincerely yours,

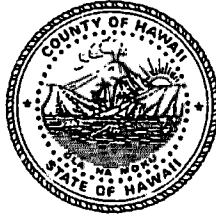
Milton D. Pavao, P.E.
Manager

FM:dfg

... Water brings progress...

EXHIBIT "D"

Harry Kim
Mayor



Dixie Kaetsu
Managing Director

Barbara Kossow
Deputy Managing Director

County of Hawai'i

891 Ululani Street • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
KONA: 75-5706 Kuakini Highway, Suite 103 • Kailua-Kona, Hawai'i 96740
(808) 329-5226 • Fax (808) 326-5663

January 10, 2008

COPY

Morris Atta, Acting Land Administrator
Department of Land and Natural Resources
Land Division
1151 Punchbowl Street, Room 220
Honolulu, Hawai'i 96813

Subject: Request for Set Aside for Elderly, Affordable Rental Housing and
Related Purposes, Tax Map Key: 3rd/ 2-4-001: Portion of 168

Dear Mr. Atta:

I would like to request your assistance in obtaining the appropriate approval by the Board of Land and Natural Resources for a set aside to the County of Hawai'i of a portion of the subject parcel. The County of Hawai'i will be working towards the development of an elderly and affordable housing rental project through a public/private partnership.

The subject parcel is a portion of a larger parcel that is currently being subdivided by the County of Hawai'i in connection with a previous approval by the Board of Land and Natural Resources for a set aside of 5 acres for our Fire Administration Facility. This request is for the remainder parcel of approximately 15.948 acres makai of the previously approved Fire Administration Facility parcel.

To assist in your request to the Board of Land and Natural Resources, I have included a draft submittal that provides the basic information on the proposal. Should you have any questions, please feel free to contact Harry Yada, Property Manager with our Department of Finance, Property Management Division at 961-8009.

Aloha,

Harry Kim
Mayor

cc: Harry Yada, Property Management Division
Edwin Taira, Housing

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

(Date of Board Meeting)

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.:

Island of Hawaii

Set Aside to County of Hawai'i for Elderly, Affordable Rental Housing and
Related Purposes, Waiakea, South Hilo, Hawai'i
Tax Map Key: 3rd/ 2-4-001: 168

APPLICANT:

County of Hawaii, a municipal corporation whose mailing address is 25 Aupuni Street,
Hilo, Hawaii 96720

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax
Map Key: 3rd/ 2-4-001: 168, as shown on the attached map labeled Exhibit A.

AREA:

15.948 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: Agriculture (AG-1)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Elderly and/or Affordable Rental Housing and related purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely a transfer of management jurisdiction and does not constitute a use of State lands or funds, and therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Process and obtain the necessary change in Land Use Designation, Zone Change and any other land use approvals or permits appropriate for the proposed purpose;
- 2) Process and obtain subdivision at Applicant's own cost;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 4) Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

REMARKS:

In connection with a previous request by the County of Hawai'i, the Board of Land and Natural Resources approved a set aside of approximately 5 acres for a Fire Administration Facility on what is labeled as "Lot 2" on the map attached labeled as "Exhibit B". The map attached as "Exhibit B" is the subdivision map prepared by the County's consultant in connection with the previous request in meeting a condition to subdivide Fire Administration parcel. The subdivision action will create two remainder parcels, Lot 1 containing approximately 9.091 acres and Lot 3 containing approximately 15.948 acres.

The parcel identified as "Lot 3" on Exhibit B containing approximately 15.98 acres is the subject of this current request by the County of Hawai'i. The County of Hawai'i would like to request

the subject newly subdivided parcel for an elderly affordable housing project. The County of Hawai'i proposes to work with the Hawaii Island Community Development Corporation (HICDC), a Hawai'i non-profit corporation, through a long term lease, in the development of a series of senior residences. The County has successfully worked with HICDC on a number of other elderly and affordable housing projects. Upon agreement on the long term lease, the proposed agreement will be brought to the Board for its consent as required pursuant to Chapter 171-11, HRS.

The following is a summary of the proposed project and development concept:

Mohouli Heights Senior Neighborhood

Location

The proposed Mohouli Heights Senior Neighborhood is located in the heart of Hilo town at the intersection of Komohana and Mohouli Streets. This central location provides ready access by short vehicle trips to all financial, medical, retail and personal services available in Hilo. This location is also convenient for Hilo, Puna and Hamakua residents who wish to visit their senior relatives and friends residing in Mohouli Heights.

The Plan

The proposed Mohouli Heights Senior Neighborhood is planned to be developed as an integrated series of senior residences focused around a central activity core. This core complex would form the nucleus of the neighborhood and would encourage continuing social interaction by the resident seniors as well as supplying much needed services.

As presently envisioned the complex would contain up to 250 residential units in multi-unit structures. The units will primarily be one bedroom units, while studio and two bedroom units are possible depending on the demand and financing available. All units would be accessible or adaptable to make daily living easier for all tenants.

The units would be arranged in 30-40 unit clusters, a scale that encourages neighbor to neighbor relations. Covered walkways are planned between the clusters and connecting to the central core. This will help the neighborhood remain functional throughout the typical Hilo weather pattern.

The central core will be composed of one or more structures that contain spaces for activities essential for daily living. These functions are planned to include:

- A transit center where residents can be picked up and dropped off
- Beauty/Barber Shop
- Small convenience retail space
- Visiting doctor office

- Office space for visiting agencies.
- Activity Rooms, e.g. an arts and crafts room
- Mini-Theatre
- Central kitchen and eating area
- Exercise Room

The grounds would include parking and areas for outdoor activities. These uses would be set in a landscape that is appropriate for Hilo's climatic conditions. The planned outdoor uses include:

- Raised garden plots scattered throughout the site
- Potting shed
- Exercise path
- Fenced dog run
- Barbeque areas
- Outdoor eating and lounging areas

Target Market

This neighborhood is planned for seniors 62 years of age and older. The income ranges would include those qualifying for low and moderate income housing and would be matched to the various complexes based on the project financing.

Rents and Financing

At this time all units are planned to be rental units. The rents would be established by the financing programs which are anticipated to include the full range of state and federal programs for low and moderate income residents.

Phasing

The initial phase would include all environmental and planning studies, including the development of a master plan for the entire site. Subsequent phases would include incremental development of the residential complexes and central core.

Services

It is anticipated that a variety of public and private agencies will be providing services in the Mohouli Heights Senior Neighborhood. These services are expected to include transportation, exercise, personal and professional care. Meal services will be sought consistent with the limitations imposed by the various funding programs.

Any agency or community comments, will be discussed in the final submittal to the Board of Land and Natural Resources.

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

(Name of Agent)
(Title)

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson

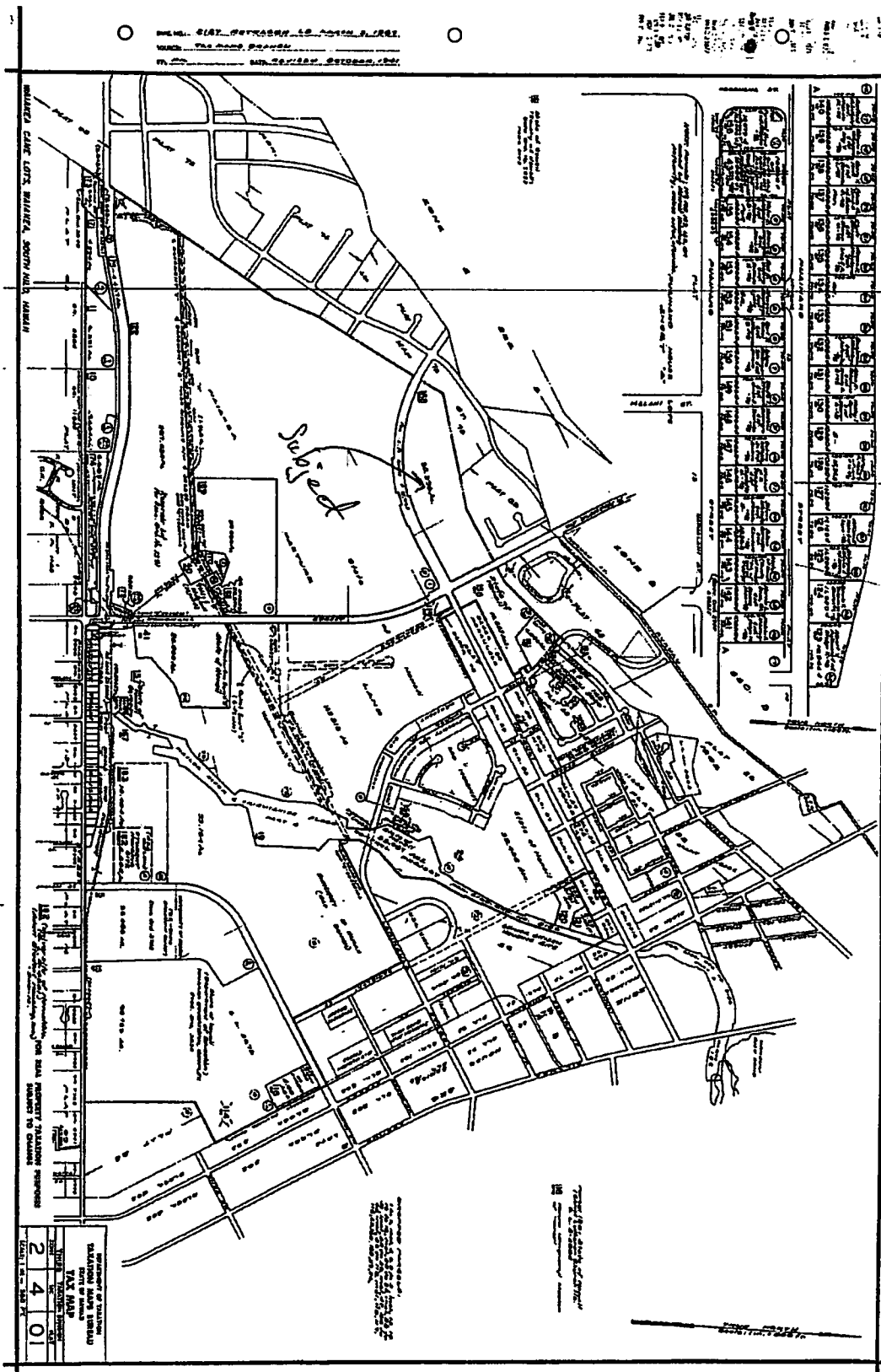
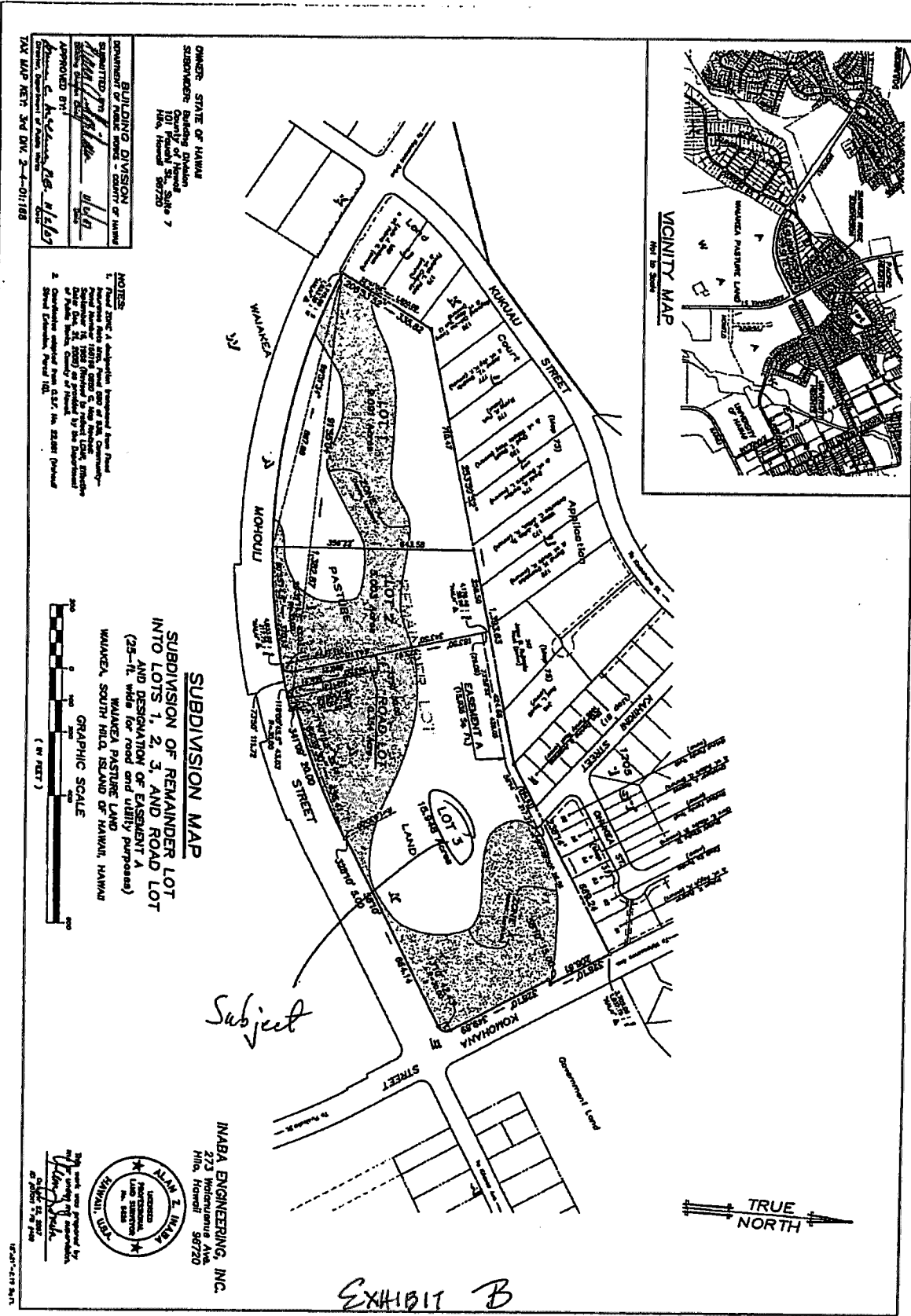


EXHIBIT A



08HD007

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

February 22, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.:08HD-007

HAWAII

Set Aside to the County of Hawaii for Elderly, Affordable Rental Housing and Related Purposes and Issuance of a Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Key:3rd/ 2-4-001: 168

APPLICANT:

County of Hawaii, a municipal corporation whose mailing address is 25 Aupuni Street, Hilo, Hawaii 96720

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: 3rd/ 2-4-001: 168, as shown on the attached map labeled Exhibit A.

AREA:

15.948 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: Agriculture (AG-1)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON MB
February 22, 2008

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

PURPOSE:

Elderly and/or Affordable Rental Housing and related purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is merely a transfer of management jurisdiction and does not constitute a use of State lands or funds, and therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Process and obtain the necessary change in Land Use Designation, Zone Change and any other land use approvals or permits appropriate for the proposed purpose;
- 2) Process and obtain subdivision at Applicant's own cost;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost; and
- 4) Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

BACKGROUND:

In connection with a previous request by the County of Hawaii, the Board of Land and Natural Resources approved a set aside of approximately 5 acres for a Fire Administration Facility on what is labeled as "Lot 2" on the map attached labeled as "Exhibit B". The map attached as "Exhibit B" is the subdivision map prepared by the County's consultant in connection with the previous request in meeting a condition to subdivide Fire Administration parcel. The subdivision action will create two remainder parcels, Lot 1 containing approximately 9.091 acres and Lot 3 containing approximately 15.948 acres.

By letter dated January 10, 2008, Mayor Harry Kim is requesting the Board's approval for a set aside to the County of Hawaii for the parcel identified as "Lot 3" on Exhibit B containing approximately

15.98 acres. The County of Hawaii would like to develop the subject newly subdivided parcel for an elderly affordable housing project. The County of Hawaii proposes to work with the Hawaii Island Community Development Corporation (HICDC), a Hawaii non-profit corporation, through a long-term lease, in the development of a series of senior residences. The County has successfully worked with HICDC on a number of other elderly and affordable housing projects. Upon agreement on the long-term lease, the proposed agreement will be brought to the Board for its consent as required pursuant to Chapter 171-11, HRS.

The following is a summary of the proposed project and development concept:

Mohouli Heights Senior Neighborhood

Location

The proposed Mohouli Heights Senior Neighborhood is located in the heart of Hilo town at the intersection of Komohana and Mohouli Streets. This central location provides ready access by short vehicle trips to all financial, medical, retail and personal services available in Hilo. This location is also convenient for Hilo, Puna and Hamakua residents who wish to visit their senior relatives and friends residing in Mohouli Heights.

The Plan

The proposed Mohouli Heights Senior Neighborhood is planned to be developed as an integrated series of senior residences focused around a central activity core. This core complex would form the nucleus of the neighborhood and would encourage continuing social interaction by the resident seniors as well as supplying much needed services.

As presently envisioned the complex would contain up to 250 residential units in multi-unit structures. The units will primarily be one bedroom units, while studio and two bedroom units are possible depending on the demand and financing available. All units would be accessible or adaptable to make daily living easier for all tenants.

The units would be arranged in 30-40 unit clusters, a scale that encourages neighbor to neighbor relations. Covered walkways are planned between the clusters and connecting to the central core. This will help the neighborhood remain functional throughout the typical Hilo weather pattern.

The central core will be composed of one or more structures that contain spaces for activities essential for daily living. These functions are planned to include:

- A transit center where residents can be picked up and dropped off
- Beauty/Barber Shop
- Small convenience retail space

- Visiting doctor office
- Office space for visiting agencies.
- Activity Rooms, e.g. an arts and crafts room
- Mini-Theatre
- Central kitchen and eating area
- Exercise Room

The grounds would include parking and areas for outdoor activities. These uses would be set in a landscape that is appropriate for Hilo's climatic conditions. The planned outdoor uses include:

- Raised garden plots scattered throughout the site
- Potting shed
- Exercise path
- Fenced dog run
- Barbeque areas
- Outdoor eating and lounging areas

Target Market

This neighborhood is planned for seniors 62 years of age and older. The income ranges would include those qualifying for low and moderate income housing and would be matched to the various complexes based on the project financing.

Rents and Financing

At this time all units are planned to be rental units. The rents would be established by the financing programs which are anticipated to include the full range of state and federal programs for low and moderate income residents.

Phasing

The initial phase would include all environmental and planning studies, including the development of a master plan for the entire site. Subsequent phases would include incremental development of the residential complexes and central core.

Services

It is anticipated that a variety of public and private agencies will be providing services in the Mohouli Heights Senior Neighborhood. These services are expected to include transportation, exercise, personal and professional care. Meal services will be sought consistent with the limitations imposed by the various funding programs.

DISCUSSION:

The agency's proposed request for the set aside is appropriate and satisfies a public purpose – to develop an elderly affordable rental housing project in East Hawaii.

Comments were solicited from:

DHHL	No comments
County Planning	No comments
County Public Works	See Exhibit C
County Water	See Exhibit D
OHA	Lands are ceded. Only management of the property can be transferred to the County.

The County of Hawaii is requesting the Land Board's favorable consideration for a right-of-entry permit for management purposes. This will allow the County and their consultants to start the necessary environment studies, surveying, etc..

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
2. Authorize the issuance of a management right-of-entry permit to the County of Hawaii covering the subject area, which are by this reference incorporated herein and further subject to the following:

- A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time; and
- B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

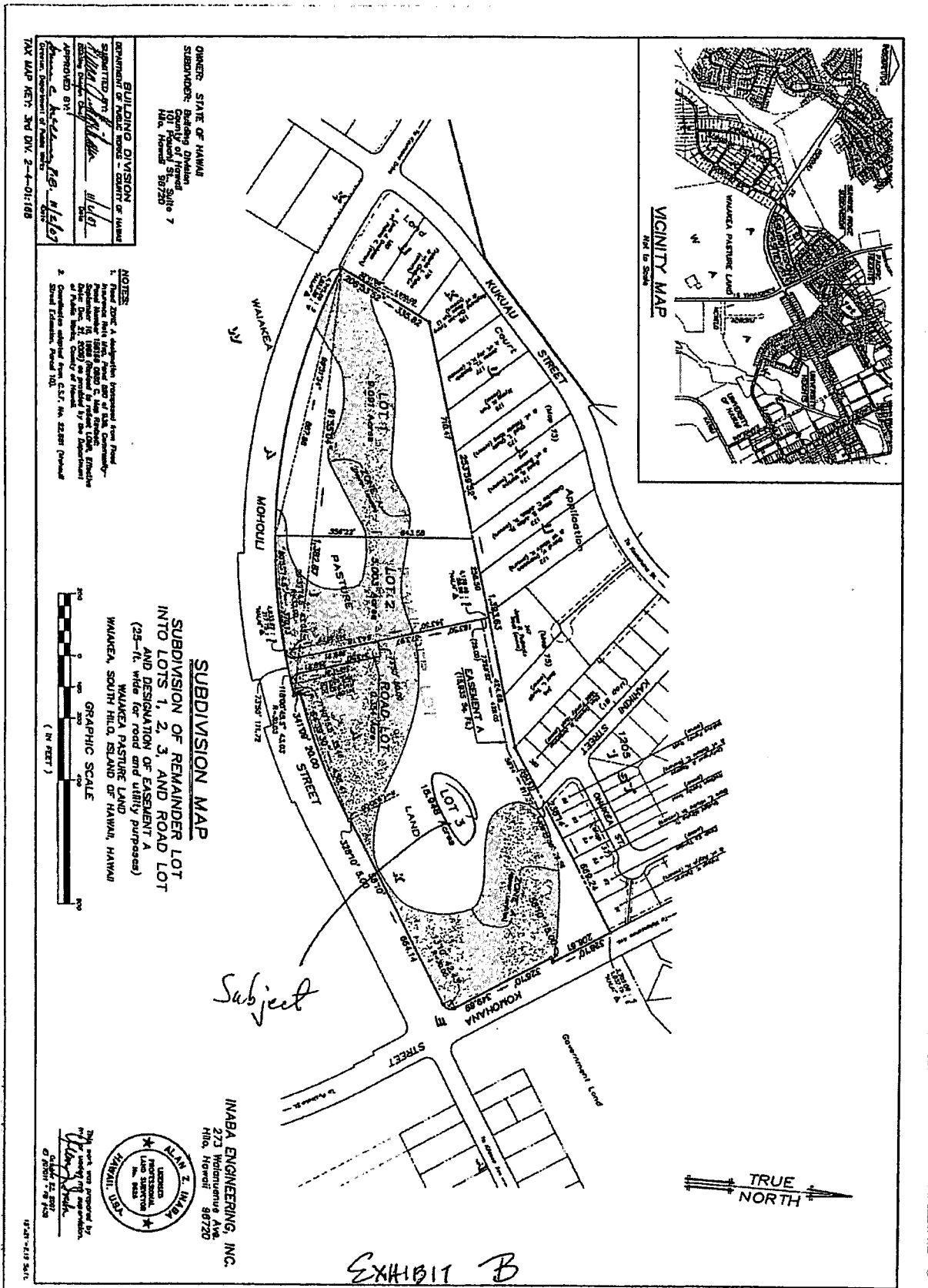


Charlene E. Unoki
Assistant Administrator

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson 



DEPARTMENT OF PUBLIC WORKS
COUNTY OF HAWAII
HILO HAWAII

Memorandum

Date : January 18, 2008

To : CHARLENE UNOKI, District Land Agent

From : *Bruce C. McClure*
BRUCE C. McCLURE, Director DPW

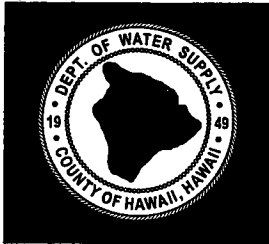
RECEIVED
LAND DIVISION
2008 JAN 23 AM 10:13
BUDGET SERVICES
MAIL ROOM
STATE OF HAWAII

**SUBJECT: REQUEST FOR SET ASIDE
ELDERLY AFFORDABLE RENTAL HOUSING AND RELATED PURPOSES
Waiakea, South Hilo, Hawai'i
Tmk 3rd Div.: 2-4-001: portion 168**

We have reviewed the subject request and have the following comments:

1. A flood study to determine the Base Flood Elevations for the FEMA Flood Zone A on the subject property will be required before any work is initiated.
2. DPW, Engineering Division is in the process of contracting a flood study with a consultant. Consequently, project development activities should be coordinated with the Engineering Division.
3. All improvements within FEMA flood zones shall comply with Chapter 27 of the Hawai'i County Code.

EXHIBIT "C"



RECEIVED
LAND DIVISION
DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII
345 KEKUA STREET, SUITE 20 • HILO, HAWAII 96720
TELEPHONE (808) 961-8050 • FAX (808) 961-8657

2008 FEB 13 A 10:30
DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

State of Hawai'i
Department of Land and Natural Resources
Land Division
P. O. Box 621
Honolulu, HI 96809

**REQUEST FOR SET ASIDE FOR ELDERLY, AFFORDABLE RENTAL HOUSING AND
RELATED PURPOSES
TAX MAP KEY 2-4-001:168 (PORTION)**

We have reviewed your memorandum regarding the subject request and have the following comments.

Water can be made available from an existing 12-inch waterline within Komohana Street and an existing 12-inch waterline within Mohouli Street, both fronting the subject parcel.

Prior to issuing a water commitment for the proposed project, the Department would request estimated maximum daily water usage calculations prepared by a professional engineer licensed in the State of Hawai'i for review and approval, showing the estimated water demand for the proposed non-residential uses of the subject parcel. Unless otherwise approved by the Manager, the estimated average daily usage for each residential unit shall be 400 gallons per day (GPD) or a maximum daily usage of 600 GPD.

After review of the calculations, the Department will determine the water commitment deposit amount, facilities charges due, and any water system improvements required for final approval. Pursuant to Rule 5 of the Department's Rules and Regulations, if the water requirements for the project exceed 120,000 GPD, the developer may be required to enter into a Water Development Agreement with the Water Board.

Please be informed that any meter(s) serving the proposed project will require the installation of a reduced pressure type backflow prevention assembly within five feet of the meter on private property. The Department must inspect and approve the installation before water service can be activated.

Should there be any questions, please contact Mr. Finn McCall of our Water Resources and Planning Branch at 961-8070, extension 255.

Sincerely yours,

Milton D. Pavao, P.E.
Manager

FM:dfg

... Water brings progress...

EXHIBIT "D"