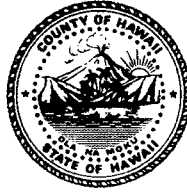


William P. Kenoi
Mayor



Nancy E. Crawford
Director

Deanna S. Sako
Deputy Director

County of Hawaii
Finance Department

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CERTIFIED MAIL 7004 2510 0003 1518 0801

November 29, 2010

Legacy Land Conservation Commission
c/o State of Hawai'i
Dept. of Land and Natural Resources
Division of Forestry and Wildlife
1151 Punchbowl Street, Suite 325
Honolulu, Hawai'i 96813

Subject: **Amendment to Legacy Land Conservation Program (LLCP) Grant Application for the County of Hawai'i (COH); Acquisition of Kaiholena (south) parcels, North Kohala; Island of Hawai'i; Tax Map Keys:3rd/5-8-01:21, 22 & 25**

Dear Commissioners:

The COH is requesting to amend our grant application to purchase only two of the three parcels and change our request amount to \$1,650,000.00. We will pursue other funding sources to obtain the monies necessary to purchase the last parcel.

Therefore, enclosed please find **revised** pages 4, 9, 10, 11 and 12 for the COH's grant application dated September 16, 2010 along with a Supplemental Cultural and Historic Information for Kaiholena.

Should you have any questions or require further information please feel free to contact Ken Van Bergen at (808) 961-8009. Thank you.

Sincerely,

Nancy E. Crawford
Finance Director

Enclosures

SECTION C. DESCRIPTION OF LAND (SUMMARY)

1. Location of property (please be as specific as possible; for example, "Moloaa, makai, located on the north shore of Kauai"):

Coastal lot within the ahupua'a of Kaiholena, North Kohala District, Island of Hawaii.

2. Tax Map Key(s) (use the following format: "(4) 5-6-007:008"):

(3) 5-8-001:021, (3) 5-8-001:022, (3) 5-8-001:025

3. Size of property (indicate acreage or square footage):

76.55 acres total for Kaiholena.

4. What types of easement(s) are located on the property? (for example: vehicular, pedestrian for beach access, utility, etc.):

Coastal access easements of 1.96 acres and 6.00 acres for TMKs (3) 5-8-001:021;022;023; respectively. Significant archeological sites fall under the purview of the State Historic Preservation Division.

5. Does the seller have full undivided fee ownership of property ("clear title")? If not, please explain. Attach a preliminary title report (see instructions).

Yes. See attached preliminary title report.

6. Will the public have access to property or easement? Yes No

7. Please provide the following land use information:

State Land Use Designation	Ag
County Zoning	Ag - 5 acres
County General /Community Plan Designation	CDP: Historic Cultural; General: Open, Ext. ag
Flood Zone Designation	Zone X and VE

8. Is property located in a Special Management Area? Yes No

By acquiring and protecting this Property the County will be preserving sweeping view planes that include much of the Kohala and parts of the Kona coast. This purchase secures the preservation of seven miles of coastal open space - Kaiholena is the last private parcel under immediate threat of development (requiring no additional permits or public review before building) in the middle of a stretch State and County land. Purchasing this Property will remove the threat of private development marring miles of open space and view planes and will ensure private development does not disturb the cultural context of the incredible number and inter-connectedness of archeological and cultural sites at Kaiholena. The County General Plan and No. Kohala Comm. Dev. Plan recognize the view planes and need to protect open space along this coast. The No. Kohala CDP prioritizes Kaiholena for purchase.

(character limit 1,200)

SECTION E. ENVIRONMENTAL HAZARDS

1. If there are suspected or potential hazards associated on or related to this property, please check all the following that apply and describe each:

There are no known hazards.	<input checked="" type="checkbox"/>
The property is a designated brownfield (former industrial use).	<input type="checkbox"/>
There has been illegal dumping /hazardous materials.	<input type="checkbox"/>
The property is prone to flooding or is a natural drainage basin.	<input type="checkbox"/>
The property is prone to falling rocks or mudslides.	<input type="checkbox"/>
The features of the property's surface are potentially hazardous (i.e. uneven, rocky, or fallow terrain, overgrowth of flora, etc.).	<input type="checkbox"/>
Other suspected or potential hazards:	<input type="checkbox"/>

SECTION F. FUNDING REQUEST

1. What is the fair market value of the fee simple property?

\$ 4,595,000

2. What is the fair market value of the conservation / agricultural easement?

\$ N/A

3. How were the estimated values determined?

	<u>Fee Simple</u>	<u>Easement</u>
Appraisal Report (indicate date & author of report)	October 26, 2009, ACM Consultants Inc., Maui, HI	
Current County Tax Assessed Value		
Other (please specify)		

4. Is the property or easement currently listed for sale or has it been listed for sale within the past two years?

Yes. Asking price:

\$ \$4,595,000

No.

5. Please provide an estimated timeline for acquisition (note that funding will expire two years from date of award agreement):

September 2010 - LLCF application submitted, letter of intent signed with landowner
 October-November 2010 - Option agreement signed with landowner
 December 2010 - LLCF Commission meets and makes recommendations
 January 2010-March 2011 - BLNR accepts LLCF recommendations
 March-June 2011 - Governor decides whether to release funds
 August -November 2011 - Projected Closing

(character limit 500)

6. What is the total estimated cost for acquisition? Please use the table below:

Estimated Acquisition Cost Worksheet				
Expense Item	Estimated Cost	% of Costs to be Paid by:		
		Land Owner	Applicant	Other (specify)
Appraisal report	Completed		100%	
Title report and title insurance	Report paid for	100%		
Property survey	Survey paid for	100%		
Escrow fees	\$9,000	50%	50%	
Environmental investigation	Arch reports done	100%		
Baseline documentation				
Subtotal	\$ 9,000			
Estimated Value of Property	\$ 4,595,000			
TOTAL ANTICIPATED COST OF ACQUISITION	\$ 4,604,000	%	%	%

7. What are the anticipated matching funds? Please use table below:

Estimated Matching Funds Worksheet			
Type (cash, grant, in-kind, land value)	\$ Amount	Source of Funds or Basis of Valuation	Status* (Secured/Pending)
cash - public funds	\$2,949,50	County of Hawaii	Secured - Open Space(2%) Funds
cash - private	\$4,500	Landowner	Secured
TOTAL MATCHING FUNDS	\$ 2,954,000 (64.2)%		
AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM	\$ 1,650,000 (35.8)%		
TOTAL ANTICIPATED COST OF ACQUISITION	\$ 4,604,000 (100)%		

* Please describe the current status of any pending funds and indicate the date that any pending funds will become available if they are awarded:

All needed funding is secured. Legacy Lands funding will close out/complete the project.

(character limit 500)