

Minutes of Special Board Meeting

(Oct. 15, 2017, 3:00 pm, Banks' house)

Topic: Hara property sale update

Call to order: The meeting was called to order at 3:00 pm.

Board - Present: V. Mark, G. Banks, T. Knott, J. Garramone, K. Puuhau-Pummill. Absent: T. Edwards-Hunt, C. Bilotft

Community: Betty Oberman

Sharing: Chronology of events from notification of impending sale (Oct 9, 2017) to email from Kirk Flanders to the Board (Oct. 14, 2017)

October 9, 2017

Email received by T. Knott (treas) & T. Edwards-Hunt (sec) from Robert Williams (agent representing Hara). This email notified VHCA of agreement for sale of 284 acres Hara property (Lot C of Pohoiki outlot – tmk 3-1-4-002-022) to County and requested VHCA release Hara from annual Road Maintenance fee because County does not have funds designated to pay annual road maintenance fees for Open Space properties.

Accountant C. Hannigan, replied to email inquiry from T. Knott– road maintenance assessment (\$500 annually) for tmk 3-1-4-002-022 fees were up to date. (Kumikahi group also has \$500 annual road maintenance assessment.)

Kirk Flanders, a former VHCA president, provided specific information regarding the documents he signed while in office. The Assessment Declaration (recorded April 19, 2002) and the First Amendment to the Assessment Declaration (recorded July 14, 2004) gave VHCA the authority to collect and administer annual property and special assessments to maintain, improve and administer roadways from owners of real property abutting the Subdivision who use Subdivision's roadways for ingress and egress to their properties. Hence the annual assessment on both the Hara Outlots.

October 11, 2017

At my request, K. Flanders sent email to Robert Williams requesting their agent draft an agreement: 1) VHCA will remove mandatory assessment in exchange for the Hara's family removal of all claims from VHCA roads/ right of ways, before sale to County; 2) In addition, Hawaii County agrees that in the future event of development of the property (Lot C) for whatever purpose, they will access this property from highway 137 (commonly referred to as the red road) and make no future claim of easement/ access on any VHCA private road. (The County's agreement is critical as it would be a non starter for the VHCA to

agree to relinquish our mandatory road assessment and to then be impacted by increased vehicle use at some future date.)

R. Williams acknowledged receipt of K. Flanders email. To be routed to: Glenn Hara, Ron Kim, Corporation Counsel, and Hamana Ventura, County finance division.

October 12, 2017

Requested from R. Williams, and received, shoreline survey map showing property being sold (Lot C). It was also noted that Lot B, 20 acres adjacent to Kapoho Kai Drive, is being held by Hara family. There is currently a Notice of Application for proposed subdivision (4 lots) at this property.

Email from Rene Siracusa stating that MOP will apply for stewardship of property once sale goes through. They plan on using road from Hwy 137 to shoreline to access property.

Board members will wait to hear from R. Williams re: acceptance of conditions, before voting to relinquish property assessment fees.

Shared written chronology of **VHCA Charter amendments**, and **Assessment Declarations** in regards to collection/ use of annual assessment and purposes of the Association.

November 1984 – Petition for Charter of Incorporation filed.

December 7, 1984 – Charter filed/ registered w/ DCCA

Purposes: a) To protect and promote the best interest of the property owners in the subdivision known as Vacationland, Hawaii, in the Puna District, County and State of Hawaii, which property comprising said subdivision is more particularly shown in File Plan No. 814 and 920, filed in the Bureau of Conveyances of the State of Hawaii; b). To construct, maintain, repair, improve and manage roadways, utilities and all common and community facilities within Vacationland Hawaii; c). To establish an assessment program to ensure the adequate and continued maintenance, repair, improvement and management of roadways, utilities and all common and community facilities within Vacationland Hawaii; d). To promote and encourage a better community and civic spirit among and to foster goodwill and friendship between all property owners of Vacationland Hawaii; and e). To cooperate with civic and public organizations for the general welfare of the people of the Island of Hawaii and State of Hawaii.

Directors – no fewer than 3

July 27, 1989 – Amended Charter filed w/ DCCA

Purposes: a) To protect and promote the best interest of property owners in Vacationland Subdivision, Units I and II, in the District of Puna, County and State of Hawaii, which property comprising said subdivision units is more particularly shown on File Plan numbers 814 and 920, filed in the Bureau of Conveyances of the State of Hawaii; b). To encourage, promote and aid in developing , improving and maintaining the area as a desirable community and; c) To cooperate with civic and public organizations for the general welfare of the people of the County and State of Hawaii.

Directors – 5

October 30, 2000 – Final Judgement [re: annual property assessment document]

April 19, 2002 – Assessment Declaration [re: annual property assessment document]

August 13, 2003 – [Requested reclassification to 501©(4) status]

August 13, 2003 – Amended Charter filed with DCCA

Purposes: a) The corporation is organized as a nonprofit corporation for the purpose of engaging in any lawful activity for which a nonprofit corporation may be organized under Chapter 414D of the Hawaii Revised Statutes, and to execute all rights, powers and privileges now or hereafter granted to a nonprofit corporation by law; b). To encourage, promote and aid in developing, improving and maintaining the area as a desirable community; c). To cooperate with civic and public organizations for the general welfare of the people of the County and State of Hawaii.

Directors – 7

June 4, 2003 – Letter from IRS determined 528 (tax exempt) is appropriate tax status for VHCA

July 6, 2006 – First Amendment to Fees Assessment Declaration [re: annual property assessment document]

Adjourned at 4:30

Submitted by Vivian Mark