



Maui Land & Pineapple Company, Inc.

April 15, 2008

Honolua/Lipoa Point Conservation Plan

Common Goals

- Protect Lipoa and the connecting shoreline areas in perpetuity
- Conserve sensitive cultural, historical, and environmental areas
- Maximize open space
- Manage public access for sustainable ocean recreation uses
- Ensure adequate governance and resources for permanent stewardship

Creating a Public Private Trust – is the best way to ensure these goals are met.

Lipoa Conservation Trust

- Identify or create a Trust to protect and manage this area
- Establish an endowment from public funds sufficient for the perpetual management of this area – amount to be determined with creation of Trust
- Create a Board of Advisors to assist the Trust with fundraising, education and management of the area

What MLP Provides

- ML&P will dedicate in fee simple approximately 255 acres of Lipoa Point/Honolua Bay land to be managed by the Trust
- In addition, as part of an overall conservation program, ML&P will place into a separate conservation easement approximately 3,000 acres which includes 5 miles of shoreline North of windmills and ML&P lands in Honolua and Honokohau valleys

What MLP Receives

- In exchange, ML&P receives cash payment from the County, 1,200 park credits to be applied to its future West Maui development projects, plus zoning enhancements in currently designated resort area (Kapalua Mauka) to allow transient rental and hotel use
- 100% of net (after tax) cash funds to ML&P will be used to fund the Land Trust for things such as clean up and ongoing operations and maintenance.

Benefits

- Places management of these valued lands in the hands of the Trust for the benefit of the public
- A financially innovative way to protect this area at limited direct cost to Maui taxpayers:
 - o Funding mechanisms in place through County and State
 - o Payment in park credits at substantial discount (1,200 credits equivalent of 14 acres of land per County Code 18.16.32 despite providing 255 acres)
 - o Provide value to ML&P through transient/hotel use approval in Kapalua Mauka
- Endowment ensures financial resources will be available to preserve and manage the land
- Maximizes open space by concentrating TVR and hotel development in currently designated resort areas
- Combined, the Land Trust and easement would expand the state's largest private preserve from 8,300 acres to approximately 11,700 acres and establish a new public-private conservation management model at ahupua`a scale

Timetable

- Meet again next week for feedback
- If we reach consensus, engage County in further discussions
- Time is of the essence, definitive agreement by all key parties within 6 months and all government approvals by end of year