| 1      | LAND USE COMMISSION   |                 |
|--------|---|-----------------|
| 2      | STATE OF HAWAI'I  |                 |
| 3      | ACTION  | PAGE            |
| 4      | A99-728 HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAI'I  | 6               |
| 5      | (O'ahu)   | )               |
| 6<br>7 | SP09-403 DEPT. OF ENVIRONMENTAL SERVICES, CITY & COUNTY OF HONOLULU (WAIMANALO GULCH SANITARY LANDFILL) | )<br>) 96<br>)  |
| 8      | (O'ahu)   |                 |
| 9      |   |                 |
| 10     | DELIBERATION AND DISCUSSION ON PROCEDURAL ISSUES AND ACTION (if necessary)                              | 115             |
| 11     | - Treesbury   |                 |
| 12     |   |                 |
| 13     |   |                 |
| 14     | TRANSCRIPT OF PROCEEDIN   | GS              |
| 15     |   |                 |
| 16     | The above-entitled matters came on for  | Action, etc. at |
| 17     | Ihilani Hotel, Lurline Room, 92-1001 (  | Olani Street,   |
| 18     | Hawai'i, commencing at 9:05 a.m. on Se  | eptember 14,    |
| 19     | 2012, pursuant to Notice.   |                 |
| 20     |   |                 |
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| 24     | REPORTED BY: HOLLY M. HACKETT, CSR #13<br>Certified Shorthand Repor                                     |                 |
| 25     |   |                 |

| 1  | APPEAI   | RANCES                                      |  |
|----|--|---|--|
| 2  | COMMISSIONERS:   |   |  |
| 3  | KYLE J.K. CHOCK, CHAIRPERSON RONALD HELLER, VICE CHAIR CHAR MCDONALD, VICE CHAIR |   |  |
| 4  | CHAD McDONALD, VICE CHAIR<br>SHELDON R. BIGA                                     |   |  |
| 5  | LANCE M. INOUYE<br>ERNEST MATSUMURA  |   |  |
| 6  | NICHOLAS W. TEVES, JR.   |   |  |
| 7  |  |   |  |
| 8  | EXECUTIVE OFFICER: DAN OROD  | ENKER                                       |  |
| 9  | CHIEF CLERK: RILEY HAKODA<br>STAFF PLANNERS: SCOTT DERRICKSON, BERT SARUWATARI   |   |  |
| 10 | DEPUTY ATTORNEY GENERAL: SA  | RAH HIRAKAMI, ESQ.                          |  |
| 11 | AUDIO TECHNICIAN: WALTER   | MENCHING                                    |  |
| 12 |  |   |  |
| 13 | Docket No. A99-728 Housing   | and Community Development                   |  |
| 14 | Corporation of Hawai'i:  |   |  |
| 15 | For the Petitioner:  | CRAIG IHA, ESQ.                             |  |
| 16 |  | MATT DVONCH, ESQ.<br>JOBIE MASAGATANI, DHHL |  |
| 17 |  | DON KITAOKA, ESQ.                           |  |
| 18 |  | Deputy Corporation Counsel RANDY HARA, DPP  |  |
| 19 | For the State:   | BRYAN YEE, ESQ.                             |  |
| 20 |  | Deputy Attorney General RODNEY FUNAKOSHI,   |  |
| 21 |  | Office of Planning                          |  |
| 22 | For Haseko:  | DAVID AUSTIN, ESQ.                          |  |
| 23 | For HHFDC:   | SANDRA CHING                                |  |
| 24 |  |   |  |
| 25 |  |   |  |

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| 1        | APPEARANCES (cont'd)   |  |
| 3        | Docket No. SPO9-403 DEPT. OF ENVIRONMENTAL SERVICES,                               |  |
| 4        | CITY & COUNTY OF HONOLULU (Waimanalo Gulch Sanitary                                |  |
| 5        | Landfill)  |  |
| 6        | For the Petitioner: DANA VIOLA, DEFS BRIAN BLACK                                   |  |
| 7        | For the County:  DON KITAOKA, ESQ. Deputy Corporation Counsel DPP                  |  |
| 9        | For the State:  BRYAN YEE, ESQ.  Deputy Attorney General  RODNEY FUNAKOSHI Planner |  |
| 11<br>12 | Office of Planning For Intervenor Colleen Hanabusa:                                |  |
| 13       | RICHARD M. WURDEMAN, ESQ.  |  |
| 14       | For Intervenors Ko Olina Community Association and Senator Maile Shimabukuro:      |  |
| 15       |  |  |
| 16       | CAL CHIPCHASE, ESQ.  |  |
| 17       |  |  |
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1 CHAIRMAN CHOCK: (Gavel) Good morning. 2 like to call this meeting to order. The first item of 3 business this morning is the adoption of minutes from 4 September 6th and 7th. Do I have a motion to approve? 5 COMMISSIONER BIGA: So moved. 6 COMMISSIONER HELLER: Second. It's been 7 moved and seconded. Anyone opposed? Motion carries. 8 Our tentative meeting schedule, Executive Officer. 9 MR. ORODENKER: Thank you, Mr. Chair. 10 next meeting is scheduled for October 4th and 5th on 11 Maui, continuation of the West Maui Land matter. And 12. October 18th and 19th location to be determined, 13 probably the Big Island, Y-O Limited Partnership 14 Amendment. Then November 1st and 2nd back on Maui for 15 Kaonoulu Order to Show Cause. 16 CHAIRMAN CHOCK: Okay. Thank you, Dan. 17 This is an action meeting on A99-728 Housing and 18 Community Development Corporation of Hawai'i to 19 consider Petitioner state of Hawai'i Department of 2.0 Hawaiian Home Lands' Motion for Order amending the 21 Findings of Facts, Conclusions of Law and Decision and 22 Order dated September 8th, 1999 to: 23 Recognize DHHL's standing to seek and obtain the relief requested by the Petition; 24 25 re-designate a new docket A99-728(c) covering that

1 portion of the Petition Area identified as Tax Map Key 2 (1)9-1-016;142 comprising approximately 67 acres of 3 land separate and apart from the remaining 715 acres 4 reclassified under Docket No. A99-728. 5 Release the Petition Area "C" from the 6 conditions of the 1999 Decision and Order and issue 7

new Findings of Fact, Conclusions of Law and Decision and Order for the subject property.

Will the Parties please identify themselves for the record:

11 Deputy Attorney General MR. DVONCH: 12. Matthew Dvonch for the Department of Hawaiian 13 Homelands.

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MR. IHA: Deputy Attorney General Craig Iha for the Department of Hawaiian Homelands.

MR. KITAOKA: Good morning, Mr. Chair. Kitaoka, deputy corporation counsel on behalf of the Director of the Department of Planning and Permitting City and County of Honolulu. With me today is Randy Hara from that department.

MS. MASAGATANI: I'm Jobie Masagatani, Chairman Designate Department of Hawaiian Homelands.

CHAIRMAN CHOCK: Good morning. Sorry about that, Jobie.

> MS. MASAGATANI: No problem.

MR. YEE: Good morning. Deputy Attorney
General Bryan Yee on behalf of the Office of Planning.
With me is Rodney Funakoshi from the Office of
Planning.
MS. CHING: Good morning. Deputy Attorney

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MS. CHING: Good morning. Deputy Attorney General Sandra Ching for Hawai'i Housing Finance and Development Corporation.

MR. AUSTIN: David Austin on behalf of Haseko.

CHAIRMAN CHOCK: Okay. On July 5th, 2012 the Commission met and only heard public testimony, due to lack of quorum to vote, and deferred on proceedings. On September 5th the Commission mailed the agenda notice to the Parties and the statewide and O'ahu mailing list.

On September 11th the Commission received DHHL's First Amended Proposed Findings of Fact and Conclusions of Law and Decision and Order. The Commission received Petitioner's stipulation regarding the DHHL's First Amended Proposed Findings of Fact, Conclusions of Law and Decision and Order.

Let me briefly run over our hearing procedure for the Motion. First I will call on those individuals desiring to provide public testimony to identify themselves.

All such individuals will be called in turn 1 2 to our witness box where they will be sworn in prior 3 to their testimony. 4 After completion of the public testimony 5 portion of the proceedings I will give the 6 opportunities for the parties to admit to the record 7 any further exhibits. After the admission of exhibits to the 8 9 record Movant will then make its presentation on its 10 motion. Following that presentation the other Parties 11 will make their comments. At the conclusion of presentation by the 12. 13 Parties the Commission will conduct its deliberations. 14 Are there any questions on our procedure relating to 15 the Motion this morning? 16 Any individuals wishing to provide public 17 testimony we'll have our executive officer call you 18 forward to be sworn in and come forward when your name 19 is called. 20 MR. ORODENKER: Yes, Mr. Chairman. We have 21 Victoria Cannon followed by Glenn Oamilda. 22 VICTORIA CANNON

being first duly sworn to tell the truth, was examined and testified as follows:

THE WITNESS: Yes, I do.

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1 CHAIRMAN CHOCK: Your name and address for 2 the record, please. 3 THE WITNESS: My name is Victoria Cannon, 4 C-A-N-N-O-N 92-102 Oloa Place in Makakilo. 5 CHAIRMAN CHOCK: Go ahead. 6 THE WITNESS: Good morning, Commissioners. 7 Thank you for this opportunity. I'm here in 8 opposition to this request at this particular time. I 9 think it's out of place. We're talking to historic 10 properties in this proposed request. The OR&L 11 Railroad and the Verona Villages Project. These 12. projects need proper consideration. 13 Somehow this has gotten sidetracked to the 14 Land Use Commission level. I won't pretend to know 15 how that goes on. But there was a land swap. It did 16 not include the rezone. And now here we are at your 17 level rather than at the public input level. 18 understand how that could be allowed to happen. 19 But if it's your process I hope you

But if it's your process I hope you consider it not pono and that you consider it to be handled more properly. That's my testimony. Thank you.

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CHAIRMAN CHOCK: Thank you. Parties, any questions? Commissioners? Thank you for your testimony.

1 MR. ORODENKER: Glenn Oamilda followed by 2 Georgette Stevens. 3 GLENN OAMILDA 4 being first duly sworn to tell the truth, was examined 5 and testified as follows: 6 THE WITNESS: Yes. 7 CHAIRMAN CHOCK: Name and address for the 8 record. THE WITNESS: Aloha, Commissioners. 9 10 name is Glenn Oamilda. I live in 'Ewa Beach, 91-1179 11 Puamaeole Place in 'Ewa Beach 96706. O-a-m-i-l-d-a. 12. Born and raised in Waipahu on a sugar plantation. 13 I live in 'Ewa Beach. So I've lived there all my 14 life. I'm here to -- strong opposition to the Makana 15 Ali'i designation, re-designation. 16 I think in proper planning I think this 17 Project is really not consistent with the surrounding 18 'Ewa, 'Ewa area. I think there's three concerns that 19 I have is that it will eventually encroach into two 2.0 historic sites. One is the Verona Village site. 21 other is the old OR&L Bus Depot. 22 The third concern of mine is 'Ewa. 23 'Ewa Plains is culturally sensitive. That area in 24 question has never been mitigated underground as well 25

as aboveground.

So the community's requesting that an EIS plus an Archaeological Inventory Survey be taken. We know that proper planning is not the place for this. If the state has any concept of, which I think they do, of proper planning, it's in the middle of an empty, empty field. I think in making Kapolei the Second City we should build from the inside out.

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I think this is improperly placed if this is going to be the Makana Ali'i Shopping Center. So we reject, you know, the idea of placing a shopping center in the middle — or the ends of Kualakahi, the North South Road. So those concerns we have.

The other one too, Mr. Chairman, is that the whole idea — and the public has been, really embroiled in the state, you know, coming up with land uses to garner using public lands as an economic engine. And the public resents that idea. I think it's a movement by the state.

Recently P-L-E-C, I mean it's been in the paper that the state is involved in taking private land or Crown Lands or ceded lands as an economic engining to go around and look for private investors and such that people with — outside of the area people with money, they can do privatization on lands that are public.

So I think this is one concern that the public also has about having the state come in and in this case Hawaiian Home Lands.

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As I understand the process with this property is that it *should* go to a commission for public review and public oversight. It hasn't. It hasn't come to the Board. I think you guys will decide.

You guys will amend the old 1995 through 1996 that the state had classified this area as a sports complex. Because of situations that happen the money dried up.

And now that it has been conveyed to DHHL I think it should go through the proper route of going through the Commission, have public oversight and determine what is the proper use of that property. I don't think this is the proper venue for this particular 67 aces that the DHHL is requesting of you guys to, you know, to rezone.

So I think the community has a legitimate concern. And I think, as you guys as public decision—makers, you should take that into consideration the feelings of the public.

And I think we haven't had a proper discussion in the community as far as the Ka Makana

- 1 Ali'i land use is concerned. So that's mine. Thank 2 you.
- CHAIRMAN CHOCK: Thank you. Parties, any questions? Commissioners? Thank you for your testimony, Mr. Oamilda.
- 6 MR. ORODENKER: Georgette Stevens followed 7 by Dr. Kioni Dudley.

## 8 GEORGETTE STEVENS

being first duly sworn to tell the truth, was examined and testified as follows:

11 THE WITNESS: I do.

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12 CHAIRMAN CHOCK: Your name and address for 13 the record.

THE WITNESS: Georgette Stevens. P. O. Box 75-414 Kapolei 96717. Aloha, Members of the Land Use Commission. I'm here to support DeBartolo Ka Makana Ali'i Regional Center. Ka Makana Ali'i is important to the continued development of Kapolei. A regional shopping center is necessary for the movement forward in the development of this new city.

The hotel's plan will be a welcome addition to this island because as it is today hotel occupancy is at its peak at almost 100 percent occupancy. Plus many hotels do not even offer kama'aina rates anymore.

25 Most importantly, the center will bring much needed

1 employment opportunities for our people. 2 Where will our keiki work after they 3 graduate from college, many of whom will be graduating from UH West O'ahu? Now with the shopping they'll be 4 5 able to have employment there. It is my understanding 6 there are few regional malls being built across the 7 country. 8 And to have one being built here is an 9 opportunity we cannot afford to miss. I encourage 10 your support of this Project and mahalo for this 11 opportunity to share my mana'o. 12. CHAIRMAN CHOCK: Parties, any questions? 13 Commissioners? Thank you for your testimony. 14 MR. ORODENKER: Dr. Kioni Dudley followed 15 by Homelani Scheidel. 16 DR. KIONI DUDLEY 17 being first duly sworn to tell the truth, was examined 18 and testified as follows: 19 THE WITNESS: I do. 20 CHAIRMAN CHOCK: Name and address for the 21 record. 22 THE WITNESS: My name is Dr. Kioni Dudley. 23 My address is 92-1365 Hauone Street, Kapolei. 24 Mr. Chair and, Commissioners, I'm

testifying this morning in opposition to A99-728. I

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ask you to deny the Motion to Amend the Decision and Order of September 8th, 1999. As I have testified before, this Project is simply in the wrong place. I'm not the only person who says so.

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The location has run into strong opposition from the city and county which argues that it doesn't fit the area at all. That it is completely contrary to the city plans. And if put there it will likely not succeed.

What is a huge Project like this, a huge mall like this, doing in the middle of the homesteads? It's huge. Ten buildings including office buildings and hotels, but surrounded — there's nothing surrounding it but houses. Nothing to support it. And that is why everyone is saying that it is doomed to fail.

You don't build a complex like this in the middle of nowhere. A complex like this needs to be in a place where it can be a magnet, where it has the space to attract other buildings around it. Everyone knows that once a new McDonald's goes in, very soon afterwards there'll be a Jack 'n The Box and a Taco Bell. Why? Because competitors know that's where the people are going to be coming for food.

So you see soon a KFC and a Burger King and

soon all the fast foods will be there.

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It's the same with the City. One building attracts another. A city forms because of convenience. That's where you go to do business. Businesses need other businesses that they depend on and work with to be close by. You need room for a city to grow around a complex like this. And it can't happen at the bottom of North/South Road. It can't happen where it's surrounded only by houses. This Project is just more unplanned ugly urban sprawl.

There is a place for this complex and there's a great need for it out here. The place is downtown Kapolei, the business district 3 miles down the road.

In downtown Kapolei there are 50 square blocks that are sitting empty. Go take a look this morning on your way back to town. It's empty. There are empty streets. There are empty blocks. Half of downtown Kapolei is just bushes with no streets whatsoever.

Give us our City. If the downtown business district of Kapolei were developed it could easily provide a hundred thousand jobs out here. Our people, our people need work near home. That would solve the freeway problem too. You know of our huge problem out

here. Each week commuters spend one whole extra day of work sitting in traffic. That's how bad it is. One whole day a week every week sitting in traffic.

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Quality of life, family time together, leisure and health would all benefit greatly if we could build up the Second City, not this place three miles down the road.

With such a reduction in cars there would be no need for rapid transit, elevated rapid transit. How could we move this into downtown Kapolei? That's the question. DHHL needs to own their own property in order to collect the rents.

Well, downtown Kapolei — Kapolei is the swap center of the world. We swap everything. This piece of property is coming before you because it was in a...swap. Okay? Now, I recently wrote an article in the Honolulu Weekly saying we should have Campbell Estate swap downtown Kapolei with them. Maybe it's Campbell Estate. If we take a look at downtown Kapolei — this is the empty downtown Kapolei, by the way — all of this line of buildings along here, those belong to the City. The City swapped — making this road just this part of the road, for this whole piece of property. It's block after block after block, seven blocks that belong to the City.

1 Now, if we take the Project that needs to 2 be in the City, which this will Project they're 3 proposing, and move it into downtown Kapolei, we can build a city around it, make a hundred thousand jobs, 4 5 put our people to work, get the people off the 6 freeway. That makes sense. 7 If the City does the swap, then they will 8 get the land that used to be a sports complex. 9 could be a beautiful complex. And it could be the 10 Project that really makes this city beautiful because 11 we have such a wonderful sports complex down there. 12. It's all possible. And these people are 13 not ready yet for a decision that supports them. Tell 14 them -- deny the Project, or tell them: Go back. 15 Look at this again. 16 See if it needs to be inside the Second 17 City. Put it there and then come back. They won't 18 need to come back because they can swap it and the 19 City can build a sports complex. Thank you very much 20 for your attention. 21 CHAIRMAN CHOCK: Parties, any questions? 22 Commissioners? Thank you, Dr. Dudley. 23 MR. ORODENKER: Homelani Scheidel. 24 HOMELANI SCHEIDEL 25 being first duly sworn to tell the truth, was examined 12.

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CHAIRMAN CHOCK: Name and address.

THE WITNESS: My name is Homelani Scheidel, 91-1016 Kalanimakani Street, Kapolei 96707. Good morning, members of the State Land Use Commission. Aloha. My name is Homelani Scheidel and I'm the president of the Maluohai Residents Association. In addition to the 226 homes in our homestead there's Kaupea with 326 homes and when completed Kanehili will have 400 homes.

Plans are underway to build a thousand plus homes in East Kapolei too. And in total we will have almost 2,000 homestead beneficiaries with an estimated population of 8,000 Native Hawaiians living in the Kapolei region within a radius of less than two miles in less than five years.

In the matter of the Petition of the Housing and Community Development Corporation of Hawai'i, state of Hawai'i docket A99-728 dated September 8th, 1999, proposal for reclassification item 18: The Petitioner's overall Project goals and objectives for the property included the following: Promote housing development for the people in the state of Hawai'i; create more housing, recreational

and support facilities in the 'Ewa Development Plan, the DP area for the residents of Hawai'i.

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The Department of Hawaiian Home Lands, DHHL, has established itself as a developer of affordable homes not only in this region but statewide.

In line with the HCDC's goals DHHL is committed to developing homes for its beneficiaries and building partnerships to provide support facilities in the Kapolei/ 'Ewa regions.

Lease payments from Kamakani Ali'i will support DHHL's mission and goals to reduce the numbers of Native Hawaiians on their Applicant wait list.

Kamakani Ali'i is not only an integral component of DHHL's plan to serve its beneficiaries statewide, it is a support facility that will increase employment opportunities and improve economic development and sustainability for all residents of Hawai'i.

In July I presented a report in support of this Project. And I would just like to mention, based on previous testimonies that as a beneficiary and as a leader in our homestead, I do want this Commission to know that this Project has come before the Hawaiian Homes Commissioners several times.

More recently it has had beneficiary

consultation within Kapolei at our March 2012 Hawaiian Homes Commissioners' meeting with the Kapolei homesteads.

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So the other thing I would like to point out to Dr. Dudley is that your question about why is this Project, what is it doing in the middle of homesteads? I'm offended by your comment because this Project — are you saying that it shouldn't be in homesteads or in the area of homesteads?

The concept of this Project is to provide employment opportunities not only to those in homesteads but also to those in the region. There will be 12,000 other homes that this Commission has already approved.

The fact that it should be in the middle of downtown, has any one of you been stuck in traffic in Kapolei on Kamakila Boulevard for two hours when it would normally take you six minutes to get home? I have. Not once, not twice, but several times. And this was before I even retired from Bank of Hawai'i whose building sits across from Zippy's.

So you want to put a huge complex like this in the middle of Downtown Kapolei where the infrastructure of roads cannot accommodate that kind of traffic? I'm sorry, Dr. Dudley, I don't agree with

you.

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Mahalo for allowing me the opportunity to testify in support of Ka Makana Ali'i. Thank you.

CHAIRMAN CHOCK: Parties, any questions?

Commissioners? Thank you for your testimony. Is there anyone else from the public who wishes to come forward, provide testimony on this please do so at this time. Okay. I think we're done..... Sir, come forward.

## 10 JOHN BOND

Being first duly sworn to tell the truth, was examined and testified as follows:

THE WITNESS: Yes, I do.

CHAIRMAN CHOCK: Your name and address.

THE WITNESS: My name is John Bond. I'm at 1144 La'aula Street in 'Ewa Beach, 'Ewa Gentry.

CHAIRMAN CHOCK: Proceed.

THE WITNESS: Speaking as a local resident of the area there I have a background and history, I also feel that this is the wrong location for this mall because the plans are to basically, basically hugely disrupt the O'ahu Railway line which was the original one that was set up by King Kalakaua back in the 1800.

In addition, Verona Village will be hugely

affected. That's supposed to be on the National Historic Register and State Register now.

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The OR&L is on the National Register.

Their property has just been put on the State

Register. Right across the Street Roosevelt Road is

Marine Corps Station 'Ewa which right now is going

through a battle field survey which will probably make

it a national landmark, so forth.

So the plans that were put forth 10 years ago and city that build commons have been — are no longer accurate. The historical analysis of the areas shows that all these roads and plans, and plans that once the shopping center put those in and the Burger Kings and everything else will not fit what is a very sensitive cultural district of 'Ewa Plantation, OR&L Railway, the Marine Corps base.

Then in addition the HART programmatic agreement just recently has revealed publically what we have been saying a long time which is it is a sacred Hawaiian site. It's a wahi pana. The wahi pana area has been recommended to be a historic district under the category A & B of the National Historic Register.

So that's another whole layer of very significant sites, just an important Hawaiian spot, it

is an extremely important Hawaiian spot based on the analysis of many scholars of Hawaiian history, Hawaiian culture, so forth.

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So the reason why you have Hawaiian developments out there like Kaupea and Kanehili is because that fact that area is Kanehili. It's an ancient Hawaiian landing spot where the very first Polynesians came to Hawai'i, planted breadfruit trees, created trails, which was the 1825 mountain trails identified.

It has a huge history which has been sort of pushed to the side. Now it's come to the forefront again it's just the wrong place to put a shopping center/hotel.

And what's really, frankly, is a stealth Transit-Oriented Development plan because I think that's what's gonna happen. Next year they're going to try to pass Bill 755 again and turn this into a big TOD and tell everybody's else, "Get out of here. We're developing your property at gun point," pretty much, cause that's how they're gonna do it.

So just wrong. It's gonna upset a lot of people out there. It's just the wrong place to put this. The people back 10 years ago who thought about this, Belt Collins, planned all these roads and no

consideration at all of the historic nature of this area Verona Village, 'Ewa Villages, the OR&L, Marine Corps Station 'Ewa, Kanehili, everything that's there. It's just the wrong place for a major development.

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So by the way, right down the road in 'Ewa Beach is a major new shopping center going in: Safeway and a bunch of other stores. There's a shopping center there. There's a big 'nother shopping center down the other side of Kapolei. So we have plenty of shopping centers.

So, again, I believe too that the theory that this is going to be hugely successful is wrong. It's just going to be kind of an eyesore place not quite developed correctly unless, again, they're going to try to force people at gun point to make this the final railway station stop after east Kapolei which maybe that's what the plan is.

That's going to be the reason for why they have to develop this thing. But it just does not fit in this area.

Truthfully I'd be happy to supply you folks with a lot of background that I think is not being understood or accepted. I read the EA for the shopping center. And they did some cultural surveys. But they did not anywhere near cover enough of what's

really out there. It was just kind of a gloss over.
Unfortunately that's what a lot of what we're seeing right now.

Some of the projects coming in, the EA's

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and 106's that they're doing are just not adequate.

Somebody's just ticking off a box saying, "Okay. We did that," when in fact they really didn't consult the community. And that's a big problem.

The community's really — while they were so happy with Hawai'i Public Development Corporation and so forth, there's just so many things are going on here that are being shoved in their face and pushed over. We just don't like it.

That's really my opinion and the opinion of, I think, a lot of people out here. So thanks very much for letting me testify and ramble on.

CHAIRMAN CHOCK: Thank you for your testimony. Parties, any questions? Commissioners? Anyone else wishing to provide public testimony? Okay. Parties, anyone with any additional exhibits to be submitted? State?

MR. IHA: No, Mr. Chair.

CHAIRMAN CHOCK: County?

MR. KITAOKA: No exhibits but we plan to put on a witness to provide testimony for the

Commission. 1 2 CHAIRMAN CHOCK: OP? 3 MR. YEE: No exhibits. CHAIRMAN CHOCK: 4 Haseko? 5 No, nothing. MR. AUSTIN: 6 CHAIRMAN CHOCK: Petitioner, would you 7 like to make your presentation at this time? 8 MR. IHA: Yes, thank you, Mr. Chair. Good 9 morning, Mr. Chair, Members of the Commission. This 10 is a very important Project for the Department of 11 Hawaiian Homelands. It's going to generate 12. significant lease revenue with which the Department 13 will be able to help fund its mission of placing 14 Native Hawaiian beneficiaries on Hawaiian homesteads. 15 This Project is built on state Hawaiian 16 Homelands. It's not a PLBC project. It's coming 17 about at this point through literally years of public 18 meetings through the Hawaiian Homes Commission and 19 public comment. It's been highly vetted. 20 DeBartolo and the Project were selected 21 through a very detailed vetting process that the 2.2 Commission approved. The Commission late last year 23 considered and approved the environmental assessment 24 for the Project and issued a finding of no significant

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impact.

I'd just like to note that the environmental assessment included an Archaeological Inventory Survey and cultural assessment.

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As part of the AIS 62 test pits were dug on the property and not one of them uncovered any bedrock or archaeological features. Of course, if any archaeological or cultural features are uncovered, work would hault so the appropriate investigation can be done.

I'd also like to note that the Parties have agreed to add an additional condition into the Decision and Order to deal with the crossing of the OR&L Railroad tracks.

At this point there is one crossing that's been agreed to. And the DHHL will be required to consult with State Historic Preservation Division and other interested stakeholders as to the final number and location of any crossings of that railroad track.

To recap what we've done since we were before the Commission in July: DHHL and the Office of Planning have been working to resolve OP's concerns with the Proposed Decision and Order.

We've addressed those concerns. And DHHL filed a First Amended Proposed Findings of Fact,
Conclusions of Law and Decision and Order this week

Wednesday.

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On Thursday we filed a stipulation executed by DHHL, the Office of Planning, Haseko and HHFDC.

It's a full stipulation to DHHL's First Amended

Decision and Order.

So the only issues before us as far as the Parties are concerned are the City's objections to three of the proposed conditions of the D&O. Those are Condition 9, which deals with the Traffic Impact Analysis Report; Condition 16, which deals with the open space plan; and Condition 17, which deals with the urban design plan.

I'd just like to go through those three issues very quickly. I'd like to start with Conditions 16 and 17 because they are basically the same issue.

They involve what normally would be city approval of the Project conceptual design plans.

Condition 16 of the original Decision and Order in this docket required the Petitioner to obtain city approval of an open space plan.

And Condition 17 requires city approval of an urban design plan.

These types of plans would ordinarily have to be approved through the normal course of

development by the city if you are a private developer. But DHHL has requested that these conditions be amended to reflect the fact that the property is Hawaiian Home Lands and not subject to city zoning.

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Hence, the Project is not required to obtain city approval of open space or urban design plan. That's not to say that DHHL does not consider issues such as connectivity, open space to be unimportant. In fact, DHHL is going to consider all of these issues when it approves DeBartolo's design and construction plans as the Project proceeds.

And I think for both legal and policy reasons the condition should be amended as requested. And what it all boils down to is this: Which entity, DHHL or the city, will have the final say as to what this Project ultimately looks and feels like. For two reasons we believe that that entity should be DHHL.

As far as the legal reason if this were a straight reclassification the Commission would be required under HAR 15-15-50 to assess the conformity of the Project to applicable city zoning and plans, policies and guidelines. This is exactly what DHHL wants these conditions to be amended to reflect.

We want Conditions 16 and 17 to be amended

to reflect "if applicable..." In this case city review and approval is not applicable because under the Hawaiian Homes Commission Act and principles of state sovereign immunity, the Hawaiian Homes Commission, not the city, determines what the uses of Hawaiian Home Lands will be.

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Those principles are embodied in the Hawaiian Homes Commission Act itself and in case law from the Hawai'i Supreme Court such as <a href="Kepo'o vs.">Kepo'o vs.</a>
Watson.

So to add in a requirement — to affirmatively require DHHL to go before the city for approvals of these plans would be adding a requirement and a burden on the Project that is not supported by existing law.

Now, from a policy perspective it also makes sense that DHHL should be the entity to approve designs for open space and urban design concepts. And that's because directly to the south of the Project are — the vast majority of the land directly south of the Project is subject to HCDA zoning and not city zoning.

As I believe we heard in public testimony most of the surrounding land around this Project is Hawaiian Homesteads which is already not subject to

city zoning and not subject to a city urban design plan.

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So it makes, it makes — it just makes sense for the Hawaiian Homes Commission to be the entity that will determine what the Project will look and feel like and the character of the use as part of the agreements with, between DeBartolo and DHHL.

DeBartolo is required to submit conceptual design plans as well as follow up plans for DHHL review and approval.

And as part of that process DHHL is going to be looking into elements of connectivity, open space, what provisions are made for pedestrian and bicycle access and so forth.

And DHHL also uses a number of public meetings and community consultations to inform its planners. So the process will not involve abandoning these concepts.

All we're asking is that the Department of Hawaiian Home Lands be the entity to approve these designs, not the city. That's not to say that DHHL won't consider the city's input.

DHHL finds it very valuable and we will give the city opportunities to comment on the designs, comment on the plans. But it would just not make

sense for the city to be the actual approving authority. This applies to both Conditions 16 and 17.

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With respect to Condition 9 involving the Traffic Impact Analysis Report, the city didn't initially object to DHHL's motion with respect to Condition 9.

So what DHHL did is we kept the original Condition 9 language in the Decision and Order and added additional provisions to satisfy concerns that the Office of Planning had. And the language added in to satisfy the Office of Planning's concerns, Memorandum of Agreement between DOT and DHHL regarding contributions to regional traffic improvements.

Now the city is requesting that before DHHL and DOT can agree to its Memorandum of Agreement, that the city be the entity to approve the TIAR before the state and DHHL could reach an agreement between themselves.

Again, this is unnecessary. It's not supported by the law. And it really wouldn't add anything to the process of addressing local and regional traffic improvements.

And I think one of the biggest reasons is that the Project still needs to access Kapolei Parkway which is a city street. So the Project is still going

1 to need to obtain city permits and approvals to access 2 Kapolei Parkway and to construct improvements on 3 Kapolei Parkway. And nobody disputes that. So the city will have an opportunity to 4 5 raise its traffic concerns and to address any concerns 6 that it has, including concerns with the TIAR, as part 7 of the Project's access to Kapolei Parkway. So, 8 again, the city's requested amendment to Condition 9 9 is unnecessary. 10 That's all I have for now. Though I would 11 like to reserve the right to call rebuttal witnesses 12. if necessary after the city makes its presentation. 13 Thank you. 14 CHAIRMAN CHOCK: Thank you, Mr. Iha. 15 County. 16 MR. KITAOKA: At this time Department of 17 Planning and Permitting, who I'll refer to as DPP, 18 calls Kathy Sokugawa as a witness. 19 KATHY SOKUGAWA 20 being first duly sworn to tell the truth, was examined 21 and testified as follows: 22 THE WITNESS: Yes. 23 CHAIRMAN CHOCK: Name and address. 24 THE WITNESS: Kathy Sokugawa, 650 South 25 King Street, Honolulu, Hawai'i.

| 1  | CHAIRMAN CHOCK: Proceed.                               |  |
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| 2  | DIRECT EXAMINATION                                     |  |
| 3  | BY MR. KITAOKA:  |  |
| 4  | Q What is your occupation?                             |  |
| 5  | A Planner, urban and regional planner.                 |  |
| 6  | Q How long have you been so employed?                  |  |
| 7  | A Over 30 years.                                       |  |
| 8  | Q Can you acquaint the Commission briefly              |  |
| 9  | about your background and education in the subject     |  |
| 10 | matter.  |  |
| 11 | A I attended the department of the School              |  |
| 12 | of Architecture at the University of Hawai'i and I     |  |
| 13 | went on to the Planning School me at UH. I've been     |  |
| 14 | employed in the state government and city government   |  |
| 15 | since the early late 1970s.                            |  |
| 16 | Most notably some of the work that I did               |  |
| 17 | was revising the comprehensive zoning code into the    |  |
| 18 | current land use ordinance.                            |  |
| 19 | Currently I am the division chief for the              |  |
| 20 | planning division which is in charge of updating all   |  |
| 21 | of the regional development plans and the General Plan |  |
| 22 | of the county.   |  |
| 23 | Q Could you briefly describe your duties and           |  |
| 24 | responsibilities in that position?                     |  |
| 25 | A Our division is about 20 people, and most            |  |
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of them are planners. We do Community Plans as well not just the Regional Plan but the General Plan update. We also represent the City before the Land Use Commission. We process zone change. We also are doing the neighborhood Transit-Oriented Development plans.

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MR. KITAOKA: For the Commission's benefit I'd like to like point out that the position of the Department of Planning and Permitting is outlined in two submittals. One submittal that was filed May 1st which was DPP's response to DHHL's motion. And also in a supplemental letter sent on July 2nd, 2012 which sets forth DPPs position.

Q With respect to conditions that Mr. Iha spoke about, one being the bikeway — pedestrian bikeway Master Plan and Open Space Plan and the Urban Design Plan, could you explain to the Commission why you think it's important for DPP to have input on those plans?

A Let me just say that — although not answering the question — we do support splitting out the conditions for the Petition Area. I don't think we ever mentioned that. But for ease of monitoring and downstream permitting I think we are very supportive of that request.

When you have overlapping conditions it makes it very difficult and slows down the permitting process later on.

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With respect to those conditions we feel very strongly, almost passionately, about our regional plans and the principles contained in our regional plans. They get implemented through the zone change process and other downstream permits for which this Project will not be coming to the county for implementation and consistency.

In all fairness to all other major projects in the region, we wanted to make a pitch that they should also comply with the Urban Design Plan condition that, again, even the Land Use Commission has imposed on other projects in the 'Ewa Plain.

Again, it's not just that we want to maintain — it's not that we want control. It's not because we want regulation on more projects obviously. We have more than we can handle. But it's the commitment to the regional community design and how this is a neighbor, a new neighbor into the 'Ewa Plain. We want to assure that it has the right fit for what else is going on in the neighborhood.

Again: Compact, walkable, connected communities. We're less concerned about what happens

on the interior of the Project. But we are very much concerned how it interacts on its perimeter and the adjacent areas.

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Therefore, this is a condition that we, again, has the most projects in 'Ewa including their low income mutual housing rental project which is just up the street from them, had an Urban Design Plan requirement. And they met that successfully. So again, it's an issue of fairness for us and the concern for overall community design.

Q Could you explain to the Commission what are the elements of such urban design plans and the other plans covered by Condition 16?

A We deal with a lot of issues. But, again, it's not the minutia of architectural façades necessarily but we want to look at the front yards, how they connect up for pedestrians, for bicyclists, do the driveway cut locations meet up with the driveway cuts across the street?

Do they create a walkable neighborhood and a Project that others would walk to or bicycle to rather than take their car? And in a long-term sense we'd like the Project to look at how they're going to redevelop over time.

We have a lot of experience with older

neighborhoods where because of previous commitments on utility locations driveway cuts, decisions made with tenants, that it forecloses really good redevelopment options for the future.

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So we'd also like to look at whether they're planning for the next phase of the development on the property. It's not a critical thing.

Obviously we want them to get their permits going faster, earlier than later. But, again, it's a consideration for long-term planning.

We look at open space. But, again, primarily it's how they fit in as a neighbor to other neighbors in the community.

Q Okay. DHHL has made assurances that it would basically comply with BMX zoning in their buildings and they will have conformance with the 'Ewa Development Plan and other city plans.

Do you have any comment about those kinds of assurances and whether you're comfortable with the level of assurances that are present in the pleadings by DHHL?

A As we understand — and we are not fighting that — the state law is very clear in exempting Department of Hawaiian Homelands from county zoning, county planning and maybe even the Decision and Order

of the Land Use Commission.

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I think I'm here today on two principles.

One is to advocate and remind everyone that there is a county planning process; that there is content in those plans that we believe all projects should comply with.

Secondly, I want to ease as much as possible downstream monitoring. After this Commission make its decision there are several more permits that the Project needs related to grading, building permits, street improvements, traffic improvements.

And one of the things that the county, especially, gets criticized for is how long it takes for permits to get approved. Anything we can do to make clear the requirements for getting that permit we would be supportive of.

And that's why we're pushing this issue that we're a little bit concerned because the language as I understand it is a little bit vague. That they will do it to the extent possible or applicable. The downstream I don't know what exactly that means from a downstream monitoring standpoint.

Yes, BMX4 has a certain number of uses. Yes, it has a certain height limit. But, you know, compliance with the zoning code is a lot more than

that. It's about signage.

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It's about how many parking spaces, how wide the parking spaces are, what kind of landscape qualifies? It's a huge amount of regulatory standards that normally we would be plan checking.

And I'm not sure if the public and Hawaiian Home Lands is fully aware and how they're going to resolve that issue.

So, again, my concern would be: How does that slow down the permitting process or even further downstream when there's a complaint?

Q In reading the conditions DHHL is proposing that those that are, that pertain to the City and County of Honolulu be qualified with the phrase "if applicable". Do you think that that provides clarity as to whether it is applicable or not?

A Again, I'm reacting from the downstream permitting. We get nailed by everybody for taking so long on our permits. But, again, in plain language reading of that language would say: If applicable, yes. You got commercial, yes you're going do this 'cause you're commercial.

There's nothing really clear in the decision that says "But this is not applicable to Hawaiian Home Lands and DeBartolo Project."

Again, it's going to have a tendency to slow down the process because then you're going to have to have conversations all the way down to consultants, the sub-consultants, the staff of the DPP, other agencies about what "if applicable" means.

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Q You also heard the presentation by DHHL by Mr. Iha. Do you have any general comments in reaction to those comments?

A Again, I would like to say that we've had many hours and meetings with Hawaiian Home Lands' representatives and with the developer of this particular Project.

And I would hope that those conversations continue. They're extremely cordial. I think people are trying their best to accommodate the other party. But the process of consensual review is not working.

And I think the only way that we can be assured that our 'Ewa plans and the principles contained in those plans and the vision, if you will, for the long term for 'Ewa as is required for all other developers, that it be — approval of the urban design plan for this Project be required by the Department of Planning and Permitting.

Q You've also stated that all major projects in the Kapolei region basically are submitting urban

1 design plans --2 Α Correct. 3 -- to DPP? Q 4 Α Correct. 5 Could you just mention a few of them? Q 6 Α Sure. The city of Kapolei has had one 7 since the beginning. Tonight the American Society of 8 Landscape Architects will be awarding the urban design 9 plan for UH West O'ahu in their 500-acre project. 10 that requirement was a requirement a condition of this 11 Land Use Commission. 12. We were given authority to approve that 13 plan. It wasn't a quick process, but, again, it's at 14 a level where it's winning awards. 15 Haseko, OceanPoint has an urban design plan 16 requirement. Ko Olina has an urban design Again, almost every major project in the 17 requirement. 18 'Ewa Plain, including Mutual Housing's project up the 19 street, has had an urban design plan requirement. 20 Do you have any other comments you'd like Q 21 to make in response to Mr. Iha's presentation? 22 Α Again, I understand Hawaiian Home Lands. 23 We're not fighting the legal authority of Hawaiian

Home Lands to bypass this county processes and

regulations. But I think in the spirit of being a

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1 good neighbor we are trying our best to implement the 2 'Ewa Regional Plan. 3 MR. KITAOKA: I have no further questions, 4 Mr. Chair. 5 CHAIRMAN CHOCK: Petitioners, any questions 6 for this witness? 7 MR. IHA: No, Mr. Chair. 8 CHAIRMAN CHOCK: State? 9 MR. YEE: I just have a few for clarification. 10 11 CROSS-EXAMINATION 12. BY MR. YEE: 13 What are your recommendations for revisions 14 to the conditions, that is revisions to the proposal 15 from DHHL? 16 I believe they're embedded in the Α 17 transmittal July 2nd from the corporation counsel. 18 actually proposed rewriting Conditions 16, 17. 19 With respect to concern about clarity, if 20 the term "if applicable" was understood to mean "for 21 the duration of DHHL's ownership of the land" would 2.2 that at least give you some clarification? 23 understand you wouldn't agree. Would that at least 24 give you clarification as to the meaning of the

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condition?

A Yes. Again, in downstream permits we're dealing with dozens of staff level people reviewing the plans: Engineers, architects, plan checkers. And so if it clearly said "as long as it's not applicable" then I don't have to buck all of that up from the front counter.

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It's clear in the condition itself and they'll just know what to do with that. Again, it's not a substantive issue but it will definitely help on downstream permitting.

Q I noted, for example, Mr. Kitaoka's question to you was as to whether the city wanted input into issues about the urban design plan and other things. Then I heard your response, which had, I think, a more substantive, broader response. I just wanted to follow up on the term "input."

Is the city asking for more than just an opportunity comment, but also a right to be the decision-maker as to compliance with the urban design requirements of the city?

A Let me say that we have had, again, many hours of conversation on urban design issues related to the Project based on a voluntary basis. And I would have to say although it's been extremely cordial it's not working. So we would like the ability to

approve the plan.

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Q So just so we're clear. So it's not enough that the city merely have an opportunity to give comments to the Hawaiian Homes Commission. It wants to be able — it wants to approve or not approve whether the plan actually meets the city urban design requirements.

A Correct.

Q Okay. With respect to urban design requirements I take it these involve a certain level of judgment in review? That it's not like a checklist where a certain number of parking lots, certain size. It involves a certain issue of judgment about walkability, et cetera?

A Correct. But in the process of doing the urban design review process we work closely with our traffic review branch on the street issues. Then it goes out for agency comments. So it's not a singular action by the department itself. But we do ask for review by others.

Q Okay. So it's not a completely unfettered discretion, but there's a level of judgment that's applied.

A Correct. And, again, it would be against the regional plan policies.

1 MR. YEE: That's all. Thank you. 2 CHAIRMAN CHOCK: Haseko, any questions for 3 this witness? 4 MR. AUSTIN: No, not at this time. 5 VICE CHAIR CHOCK: County? 6 MR. KITAOKA: Just a couple redirect. 7 REDIRECT EXAMINATION 8 BY MR. KITAOKA: 9 Since I don't have a witness regarding the 10 Traffic Impact Analysis Report, what is DPP's position 11 on Condition No. 9 related to the Traffic Impact 12. Analysis Report? 13 This one is, again, mostly for clarity 14 I understand what the state's position 15 about the agreement versus the TIAR. For us it's 16 coordination. Yes, the city only has jurisdiction 17 over Kapolei Parkway. 18 But whatever happens on the state roads 19 impacts the county roads, the local roads, so we would 2.0 like it to be much for collaborative from the 21 beginning. 22 And I believe the Land Use Commission has 23 several times, if not all the times, agreed to TIAR 24 conditions which are collaborative, which includes the 25 city from the beginning.

1 I don't think that's been a problem in any 2 of those conditions being implemented. But, again, 3 it's to endorse collaborative planning at the very 4 earliest stages from the beginning rather than kind of 5 leaving it a little mysterious, a little bit not 6 totally clear. 7 And maybe we're the second tier for sure. 8 But again we are supportive of any kind of 9 collaborative at the earliest possible time.

MR. KITAOKA: No further questions.

VICE CHAIR CHOCK: Commissioners, any questions for this witness? Commissioner MacDonald.

COMMISSIONER McDONALD: Hi, Kathy. Thank you for your testimony.

THE WITNESS: Hi.

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COMMISSIONER McDONALD: You mentioned about the potential impacts to the DPP permits that the parties would need to receive such as building permit, grading permit. And I believe the grading permit falls under site development approvals.

THE WITNESS: Site development, yes.

COMMISSIONER McDONALD: So if the Project doesn't go through your urban design review, what would happen as far as the approvals required for the grading permit? I believe the grading permit needs to

1 officially be signed off by the director of DPP which 2 the Urban Design review branch falls under. 3 THE WITNESS: No. The Urban Design 4 branch -- well, there's an Urban Design branch in one 5 division. There's a grading permit in another 6 division. The Urban Design *Plan* would be under my 7 division. 8 COMMISSIONER McDONALD: So during the site 9 development and review do the plans get sent to your 10 office? 11 If there is an urban design THE WITNESS: 12. plan requirement they will send it to us for 13 compliance with the Urban Design Plan. If there's no 14 Urban Design Plan requirement, it will not be sent to 15 us. 16 COMMISSIONER McDONALD: So everything will 17 be handled under... 18 THE WITNESS: Site development. 19 COMMISSIONER McDONALD: Site development. 2.0 THE WITNESS: Correct. 21 COMMISSIONER McDONALD: I see. 22 THE WITNESS: It will just be a ministerial 23 permit. 24 COMMISSIONER McDONALD: What about traffic

review, the Traffic Review branch and their approvals

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1 required for the site development approvals? 2 To the extent that the THE WITNESS: 3 traffic studies, reports affect the construction or 4 tied to a construction in the roadway, it gets 5 coordinated with the other branches. They're all in 6 the same division. 7 COMMISSIONER McDONALD: Right. But at that 8 point if, if the Project is not required to get the 9 TIAR approvals from the city, at that point would it 10 be possible that the Traffic Review branch would 11 request a review of the TIAR? 12. THE WITNESS: They could request one, but 13 whether they have legal foundation to require it or 14 stop the permit may be problematic. 15 COMMISSIONER McDONALD: Okay. Thank you. 16 CHAIRMAN CHOCK: Commissioner Heller. 17 COMMISSIONER HELLER: Yes. Just following 18 up on that last point. With respect to Condition 9, 19 the way it's currently proposed, can you be more 20 specific about exactly what DPP wants that's different 21 from the way Condition 9 is currently proposed? 22 THE WITNESS: Again, I don't have -- I 23 don't have in front of me the latest draft of the 24 Decision and Order. I'm just referring to our July 25 2nd transmittal which we just inserted our name in

1 specific paragraphs in that -- in that condition. 2 COMMISSIONER HELLER: So are you asking for 3 approval rights over the Memorandum of Understanding 4 or over the TIAR or both? 5 MR. KITAOKA: For the Commission's benefit 6 the submittal that was made by DPP on July 2nd asked 7 for acceptance of the TIAR from the city as well as 8 DOT. 9 COMMISSIONER HELLER: The TTAR as 10 distinguished from the Memorandum of Understanding. 11 That's correct. Prior to the MR. KITAOKA: 12. execution of the MOA. 13 COMMISSIONER HELLER: Thank you. That 14 answers my question. 15 CHAIRMAN CHOCK: Commissioner Inouye. 16 COMMISSIONER INOUYE: I'm trying to 17 understand the process on this line of questioning. 18 Specifically in the permit process I think I 19 understood you to say in both the traffic Condition 9 2.0 as well as 16 and 17 urban design, that if this 21 Commission's Order is what's proposed that the City 2.2 will not be able to force its input into the design, 23 is that correct? 24 THE WITNESS: Yes. 25 COMMISSIONER INOUYE: And I believe

Mr. Kitaoka, were you reading from the Condition 9? I don't have it in front of me, your proposal.

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MR. KITAOKA: Yes. In fact the proposal that was sent in on July 2nd has on it DPP's proposal. It's basically with respect to Condition 16 to take, again, take out the words "if applicable" so that it is applicable.

And in Condition No. 17 DPP has proposed a new version of Condition 17 in which the DPP would have the approval and input authority for the urban design plan.

With respect to Condition 9, as I explained to Commissioner Heller, it's asking for the acceptance of the TIAR by the city along with DOT prior to the Memorandum of Agreement with the state.

COMMISSIONER INOUYE: Okay. Let me take Condition 9 first. Cant that be written such that, I believe that Ms. Sokugawa testified to, that they would like to stop problems when they do have to come to you on the connection to your roadway?

Can it be written so that those, the Petitioner would come to a traffic --

MR. KITAOKA: The Traffic Review branch for Condition No. 9. And what DPP is requesting at this time is that the TIAR be submitted to DPP for its

approval.

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COMMISSIONER INOUYE: Yeah. Rather than it's approved but for somehow comments so that as it relates to the connection to your roadway.

MR. KITAOKA: Right.

COMMISSIONER INOUYE: Not necessarily have its approval.

MR. KITAOKA: You're asking if DPP would be satisfied with having input or the ability to comment prior to the Memorandum of Agreement be entered into, correct?

COMMISSIONER INOUYE: Yes. Especially in relation to the future Petition they have to come into Traffic to make sure the connection will be approved.

MR. KITAOKA: And I believe Ms. Sokugawa's concern in that regard is that although communications have been extensive and cordial, without approval power DPP is representing that those kinds of communications and efforts have not been proven to be successful through experience. So that's why DPP is asking for approval.

COMMISSIONER INOUYE: Yeah. I understand. I won't belabor it further. But I'm trying to make a distinction of approving --

MR. KITAOKA: Sure.

COMMISSIONER INOUYE: — the traffic within the development and its effects on the connection. Because if they go merrily on and do their thing without your approval, then they come to you. That's the testimony I heard, you don't want to stop the process at that point.

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So I'm trying to figure out a way to word that condition so that doesn't happen, rather than just a pure approval which could mean approval of stuff inside as well. I'll leave it up to the Parties.

THE WITNESS: I don't want to make it larger than maybe it seems to be. But technically as the language here is nobody approves anything on the TIAR. It's just accepted. So that's maybe a slight difference. But I want to underscore that to my knowledge joint approval or acceptance of these TIARs by DOT and DTS is a very common condition, if not at the Land Use Commission it's imposed at the county zoning process.

And to my knowledge it hasn't worked out where there's some fundamental disagreement. So I cannot say that the world will fall apart if you don't include us in it. But based on past — it's a way to make it really clear that it should be a collaborative

process so that there is no ambiguity and that the county should be part of the process as early as possible.

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COMMISSIONER INOUYE: Okay. On the question of Condition 16 and 17, you mentioned that you have an urban plan mainly for the external portion. Again, can those conditions be worded not necessarily to approve the entire items mentioned, those Conditions 16 and 17, but for the external portions of the Project?

THE WITNESS: And, again, we tried to do that in a rewrite of Condition 17. We tried to itemize what things we should be covering. It isn't the whole breadth of urban design plans.

COMMISSIONER INOUYE: That's in your proposed Condition 17? Is that what you're saying?

THE WITNESS: Yeah. We rewrote Condition 17. We updated it, so to speak. And we tried to be clear on what element would be reviewed. It's rather lengthy.

COMMISSIONER INOUYE: That's okay. Yeah, I'll take some time to read it later. But the other question I had was, let's see — on the other projects where this Commission has imposed conditions where you folks approved.

For example, UH West O'ahu. Are they in the same condition in this case where DHHL has, I want to use the word "exemption" from urban design review?

THE WITNESS: The university system fortunately or unfortunately is not exempt from the

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fortunately or unfortunately is not exempt from the county process. So they did have to abide with your condition which we administered.

COMMISSIONER INOUYE: Do you have an example where an entity, whether it be state of city entity, or government entity, has an exemption but this Commission required more than to basically override that exemption?

THE WITNESS: Again, not to my knowledge unless...

COMMISSIONER INOUYE: No examples.

MR. KITAOKA: If I may I could provide some clarification on that point briefly in that DPP is not contesting the exemption per se. As you will notice Conditions No. 14 and 15 the words "if applicable" DPP is not objecting to that. And 14 says "Petitioner shall apply for zoning approval." DPP is not asking for zoning approval or zoning authority over this Project.

Also in Condition No. 15 it imposes a condition that the Petitioner shall comply with county

1 zoning requirements. This is not what DPP is asking 2 So DPP is not asking to change Conditions 14 and 3 15. 4 But as a planner DPP is asking for approval 5 process of planning documents so that it would provide 6 that necessary integration into the community that DPP 7 wants to ensure. 8 COMMISSIONER INOUYE: Thank you. Ι 9 understand. 10 CHAIRMAN CHOCK: Commissioners, any further 11 questions for this witness? Thank you, Ms. Sokugawa. 12. Office of Planning, how much time do you need for your 13 presentation? 14 MR. YEE: Ten to 15 minutes. 15 CHAIRMAN CHOCK: Okay. Why don't we take a 16 brief recess and we'll come back with Office of 17 Planning. 18 (10:15 recess was held.) 19 CHAIRMAN CHOCK: (10:30 gavel) Office of 20 Planning, go ahead. 21 Thank you. The Office of MR. YEE: Planning would first like to express our appreciation 22 23 to the Department of Hawaiian Home Lands for its

We particularly appreciate the fact that

cooperation and cooperative attitude in this case.

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they were willing to come before the Land Use Commission and subject itself to its conditions and the process.

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We'd also like to thank them for being cooperative in its discussions with the Office of Planning. In the initial motion the Office of Planning reviewed, made comments and we had comments all along the way up until probably a couple days ago, when the Office of Planning finally signed off on a stipulated Decision and Order.

In those discussions there were a variety of changes made in reaction to the Office of Planning's concerns. And I did want to address just a few of those.

First, the term "if applicable" is added to a number of conditions in this case. From the Office of Planning's perspective we wanted to ensure that although we acknowledge DHHL's unique position in the state hierarchy, and pursuant to its right to control its own lands under the Hawaiian Homes Commission Act and that superseding authority over control of its lands, we wanted to make sure that the conditions, even if they thought were not applicable to them, would be applicable if the land was ever sold to another entity, to another private entity.

For that reason, many of the conditions continue from the prior case to this case with the addition of the clause "if applicable."

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That term was added because of the possibility, although there is no current intention to do so, but because of the possibility that the land could always be sold to someone else.

And we wanted to make sure that if it was sold to someone else, then the exemptions that we're giving to DHHL because of its unique relationship, would not necessarily apply to the next body.

We were cognizant of many of the concerns that were expressed by the public witnesses, in particular the archaeological issues. We consult with the State Historic Preservation Division. They frankly did not identify — or the primary issue that they identified was the impact to the railroad.

To be clear, the OR&L Railroad is not with the Petition Area so the impact is not from construction. Rather, the impact would be if there any connections from the roadways that would cross the railway.

There was an agreement with OR&L and the State Historic Preservation Division and the developer and DHHL for one crossing. We specifically included

Condition 28 which would require SHPD and DOT approval before any other crossings are allowed as well as control of the type of crossing and the logistics of that crossing.

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This was important because of while we recognize that conditions may change in the future, we wanted to ensure that State Historic Preservation Division and OR&L's obviously has a significant impact on SHPD's positions, would be considered — in fact would have to be considered as SHPD's approval would be necessary.

We also want to ensure that you understand that although someone had said in the EIS should be done, a final environmental assessment was completed and accepted. And the time period for that review is over as well as an AIS was done.

There was one party that was concerned that we were using government lands as an economic engine. I just want to be clear that as much as the state strongly supports the PLDC, this is not a PLDC issue. This is not the use of government land as an economic engine.

It is the use of Hawaiian Home Lands for the purpose of generating income for Native Hawaiian beneficiaries. It is important to DHHL to do so because, as some of you probably do know, the time period in which DHHL is receiving their \$10 million each year will be ending in a couple years. And DHHL is expected to generate its own income.

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This will be an important component to that plan so that it has a continuous income for future beneficiaries and future generations.

We wanted to note that there was concern about the location. And you will note that among the documents that you received was a market study, a market study that was, frankly, requested by the Office of Planning because we wanted to ensure there was a basis for choosing this location and that there was a reason that it would be economically feasible for this location to be used as a mall.

So with the addition — and I will also note that the Traffic Impact Analysis Report, which was done in addition to the traffic evaluation performed in the environmental assessment, was done at the insistence of the Office of Planning because we wanted to ensure that you had the appropriate information to make a decision in this case.

So that the Office of Planning's review of this was not simply to -- was not simply to review and

approve another governmental agency's actions, but that a critical analysis of that proposal was applied.

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To the extent that the comments from the public involved, well, "stores should not go here. It should go in this other particular location in the City of Kapolei," that type of micromanagement of economic construction is one not really done by the OP and certainly not at the LUC level which has sort of broader reviews and considerations.

This particular Project, the land's already been urbanized. So the decision of urbanization has already occurred. Now we're simply looking at the particular use and the impacts from that use.

With respect to the particular issues that were brought by the City, the Office of Planning is not taking a position on those particular conditions. We have no objection to the conditions as proposed by DHHL. But we don't necessarily take sides in the dispute between the City and DHHL on the particular conditions at issue.

We do note, however, that all the Parties are in agreement with the basic Motion to Amend and separation of the dockets. So the question that's facing you based on the Parties' comments and considerations is not whether or not to grant, but

simply the form of the Order and the particular conditions that are imposed.

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We certainly note and appreciate DHHL's concerns that it have control over its land; that it manages its land, that it controls its land pursuant to the constitution; and as well as we appreciate the City's general concerns on planning issues and the desire for good planning by all parties in the region.

So we appreciate both sides and we defer to the LUC on the decision.

The one particular issue I wanted to raise just in case it ever came up, was that the term "acceptance" in Condition 9 is a specific term that the Department of Transportation is asking for.

The term "approval" is not used specifically because the Department of Transportation has said: We're looking at the TIAR to determine the impacts. We're not going to tell you that every single thing you do in that TIAR was absolutely correct and we're giving the DOT approval of this so that you can go out and say, "Well, DOT approved it."

And in particular in some cases, for example, there might be a city road that is impacted or a county road that's impacted that the DOT approval or the DOT acceptance would not impact.

1 So we want to make sure that that term is 2 kept, that the term "acceptance" is kept in because 3 it's specifically requested -- required by DOT. 4 And finally, as I said, we take no position 5 on the condition and similarly wanted to note that if 6 the Commission followed through on some of its 7 questions involving comments rather than approval by 8 the City, the Office of Planning also has no objection 9 to that either. 10 So if you wanted to cut the baby in half, so to speak, and allow the city to provide comments to 11 12. make sure the City had an item to provide comments but 13 not approval, the Office of Planning also has no 14 objection to that as well. Thank you very much. 15 CHAIRMAN CHOCK: Thank you. Haseko, any 16 presentation? 17 MR. AUSTIN: No, we do not. 18 CHAIRMAN CHOCK: Petitioner, do you have 19 any rebuttal witness that you'd like to offer? 20 MR. DVONCH: No, Mr. Chair. Although I 21 would like to make a few rebuttal arguments. 22 CHAIRMAN CHOCK: Proceed. 23 MR. DVONCH: With respect to Condition 9, 24 the TIAR, I believe that the existing condition -- and

part of the condition that DHHL has proposed is very

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clear. "Petitioner, its successor and assigns shall participate in the pro rata funding and construction of local and regional transportation improvements and programs necessitated by the proposed development in designs and schedules accepted and determined by the State Department of Transportation and the City and County of Honolulu."

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In no way, shape or form can this be interpreted as excluding the DPP from the process. I think that what DPP's proposed condition does, although it's described as an acceptance of the TIAR, it really — it really determines whether or not DHHL and DOT can ever enter into a Memorandum of Agreement.

It says, "Petitioner shall obtain acceptance of the Project's Traffic Impact Analysis Report from DOT and the city and county of Honolulu prior to execution of the MOA."

Of course, if the city and county of Honolulu does not accept the TIAR, DHHL and DOT under this language would be barred from ever entering into an MOA. Hence, the City would actually have final approval over whether or not DHHL or DOT could ever enter into an agreement.

So we submit that the condition proposed by DHHL is both clear and addresses the County's

concerns. It should remain as proposed.

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With respect to Condition 16 the "if applicable" language, DHHL would have no objection as Mr. Yee and Ms. Sokugawa discussed. DHHL would have no objection clarifying these terms wherever "if applicable" is stated to clarify saying that so long as DHHL remains the fee owner of the property this condition shall not apply. If there are other fee owners then the condition shall apply or some kind of clarifying language to that effect.

With respect to DPP's proposed Condition 17, what they're proposing is that before issuing any building, subdivision or grading permit the city must approve a conceptual urban design plan.

And not only does it inject a requirement that isn't supported by existing law with respect to the urban design plan, it would be turning what should be ministerial permits such as building permits, subdivision, grading permits, into discretionary permits. Because the threshold would be whether or not the city has approved an urban design plan. So their proposed condition is unsupported and unjustified from that perspective as well.

And I want to just circle back around to DHHL's control of the use of its land. The Hawaiian

Homes Commission Act of 1920, which predates statehood, was adopted as part of the Hawai'i State Constitution upon statehood, clearly says — and no one's disputing this — that the Hawaiian Homes Commission controls the uses of Hawaiian Home Lands.

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To the extent that this Commission's rules allows conditions based on a project's conformity with applicable county zoning rules, regulations, policies, because DHHL is never subject to these requirements, there is really no legal basis to imposing an additional requirement that would all of a sudden allow the city approval process over the use of these Hawaiian Home Lands. And we would strongly object to the City's proposed conditions.

And I'd like to close by saying the DHHL is not forsaking any urban planning process. Quite to the contrary, DHHL has its own planning division. They've formulated through many months of public input as well as input from the City their various regional plans. They have a Kapolei Regional Plan.

And as this Project proceeds and the developer submits its design plans to DHHL, those plans will be vetted by DHHL's Planning Department. And it will also be vetted by members of the community through public meetings.

So this certainly isn't dispensing with the urban planning process. DHHL's proposed Decision and Order would simply put the ultimate responsibility for that process in the entity — in the entity that is under the Hawai'i Constitution, the Hawaiian Homes Commission's Act, it's a responsible entity, and that's HHL. Thank you very much.

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CHAIRMAN CHOCK: Thank you very much,
Petitioner. Commissioners, do you have any questions
for any of the Parties? Commissioner Inouye.

COMMISSIONER INOUYE: I'd like to ask, I guess, the attorneys for all the Parties what your take on the Commission's power to do something like that the City would like us to do, that is to impose conditions that Petitioner is saying is within the exclusive jurisdiction of DHHL.

CHAIRMAN CHOCK: County, maybe we can start with you.

MR. KITAOKA: Of course it's County's position that the Commission should impose conditions that would be reasonable and prudent to assure compatibility with adjacent land uses. So it's not basically a jurisdictional issue in our view. It's an issue that the LUC is empowered to impose reasonable conditions that would ensure prudent development.

This is a case where DHHL is doing something that it doesn't usually do. It usually provides affordable housing or Hawaiian Homesteads.

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It's building a shopping center. So its compatibility with adjacent land uses in this instance is important. It's important in the eyes of the City because that compatibility will affect the overall regional plan.

So urban design plans that are required of all developers in the area are meant to ensure consistency, connectivity and compatibility.

The comment that Mr. Yee made that is turning ministerial permits into discretionary, actually highlights the problem in that if, in fact, DHHL bypasses all zoning regulations and all zoning standards of the City, it will simply be going to the city for ministerial permits that would have to be granted if it meets code, which doesn't lend itself to the City having any effective say or input to ensuring compatibility and connectivity with adjacent land uses.

That's why we believe the LUC has the discretion to impose conditions to ensure prudent development.

CHAIRMAN CHOCK: I take it you have a

response, Mr. Iha.

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MR. IHA: Yes, Mr. Chair. The DHHL doesn't dispute the LUC's authority. It does dispute the city's characterization of DHHL's position. The DHHL is not saying that it's not going to go through an urban planning process.

I believe that the City's position is premised entirely on the proposition that only the city can be the approving authority. If the City doesn't approve then the process is necessarily flawed.

I think you heard Ms. Sokugawa testify that collaborations were not effective. And in the city's perspective the only way to make them effective would be if the city has the approval authority over it. So I take issue with that characterization.

As I've stated earlier, DHHL has a process. It involves the community. In this case the surrounding community is Hawaiian Home Lands. I can't think of a better entity to make the determination as to what the Project's feel and appearance should be because the communities that surround this Project are going to be HCDA zoned or they're going to be Hawaiian Homesteads.

MR. YEE: I don't have a specific answer

for you. I guess I can only suggest the dilemma is this: On the one hand you have the Hawaiian Homes Commission Act incorporated into the state constitution which says that DHHL has control over its lands. These are clearly DHHL lands.

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In the absence of LUC process it's clear the City cannot force DHHL to comply with its urban design requirements. So what additional authority does LUC have that the City does not to impose this requirement, as I think the question is being posed?

I think an argument could be made that in coming to the Commission for the Motion to Amend, DHHL is submitting itself to the standard and criteria that the LUC generally imposes upon other developers. And that you would then have to analyze the urban design approval as to whether there is an appropriate nexus to the generic criteria you have in approval for review.

If I could just make one small comment, which is that we expressed earlier an appreciation for DHHL's decision to come before you. And I would want to make sure no process we do now would discourage them from coming back with any other Project. Thank you.

CHAIRMAN CHOCK: Commissioners, any other

questions for the Parties? Commissioner McDonald.

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COMMISSIONER McDONALD: Is it still the practice of DHHL to dedicate the public -- I mean their roads, infrastructure to the counties?

MR. DVONCH: I believe that that would be the ultimate goal. There are issues with the county accepting infrastructure dedication. I think both with respect to government agencies, and other kinds of developments that certainly would be the ultimate goal.

With DHHL's dedication it would be a little different because Hawaiian Home Lands can never be alienated. The Department of Hawaiian Home Lands in large part for the most part needs to retain fee ownership of its properties.

So dedication would be accomplished through other — through other types of property transactions such as an easement or a license. Yes, Commissioner, I believe that would be the ultimate goal.

COMMISSIONER McDONALD: I think one other housekeeping item. I think Haseko may want to chime in on this. But in Condition No. 13, 13D, it states "Petitioner shall be responsible for implementing interim drainage improvements that will limit channelized runoff to 2500 cubic feet per second at

the property's southern boundary."

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Based on the landslides I don't think you'd get 2500 CFS off of this property. I think this more tends to be the original petition.

So I think more appropriate language with regards to Condition 13 would probably be in order to benefit probably more so the county because it basically is telling me they can limit the runoff to 2500, meaning they can release 2500 CFS into the drainage system, not having to detain or address the potential impacts of additional runoff from the development.

MR. IHA: Mr. Commissioner, one of the areas that the Office of Planning and DHHL went back and forth on, and we came to an agreement on, were Best Management Practices, low impact development methods to minimize runoff.

And we believe that those are sufficiently addressed as representations in the Findings of Fact. I don't have — I'm not an engineer. I can't speak to your, to any specific amendments to this particular provision. But we have addressed drainage concerns elsewhere within the Proposed Decision and Order.

COMMISSIONER McDONALD: Right. I'm not questioning the intent of addressing the drainage, but

just that the language of this condition, I don't think is appropriate for the Project. So I think more appropriate language would -- a revision to this 2500 CFS -- allowing 2500 CFS at the property's southern boundary needs to be amended. Unless the county's okay with that, with the 2500 CFS. I also am not an engineer. MR. KITAOKA: Ι 

can't tell the difference between 2500 or a hundred.

COMMISSIONER McDONALD: Well, how about

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language to limit the runoff to predevelopment conditions? But, again, I'm not sure, well, I recall the county having some type of requirement. And this was probably more in line in the Haseko Development where developments could not allow one drop of water off their site. And I'm not sure that's existing.

MR. KITAOKA: Basically whatever water was retained on site shall be retained. And that the development wouldn't increase runoff from one region — from one property to the other, basically.

I believe that was the general understanding.

MR. DVONCH: And if I may add. The Project is going to be required to comply with the master drainage plan or any amended master drainage plans.

The City also imposes requirements related to drainage

as I believe part of the grading permits and other permits.

So I think the City's concerns would probably be addressed at that stage.

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COMMISSIONER McDONALD: Well, personally I'd be a little more comfortable with language stating that: The development will limit the discharge at the southern boundary to pre-development conditions," something of that sort.

MR. KITAOKA: That sounds reasonable to us at the city.

COMMISSIONER McDONALD: Rather than talking specific numbers.

MR. KITAOKA: Right.

MR. IHA: Mr. Commissioner, I hate to —
I'm not an engineer. Again, I can't at this point say
whether such a condition — how, how much or whether
it would adversely affect the Project. I think as a
general matter the representations that have been made
in the filings address drainage, address the master
drainage plan and address required mitigation
measures.

So I would presume that a successful implementation of those measures would limit runoff to an acceptable amount.

1 COMMISSIONER McDONALD: Okay. But it's not 2 2500 CFS. I can almost guarantee you that. Just 3 identifying a specific number is the thing that 4 bothers me. 5 CHAIRMAN CHOCK: Mr. Iha, would you like to 6 maybe take a 1 minute recess in place to consult with 7 your partner? 8 That would be good. MR. IHA: 9 (Recess was held.) 10 CHAIRMAN CHOCK: (Gavel) All right. We're 11 back on the record. Mr. Iha, any comments? 12. MR. IHA: Yes. Mr. Chair, I think that we 13 can resolve this. Clearly the 2500 cubic square feet 14 is for the entire original Petition Area, would be 15 inappropriate for this particular parcel. I think we 16 can resolve it by just deleting the entire first 17 sentence of that paragraph. 18 Because the second sentence requires that 19 "all flows and drainage patterns across the southern 2.0 boundary of Petition Area C shall remain as 21 conceptually described in the 'Ewa Villages Drainage 2.2 Master Plan. 23 These requirements shall remain in force 24 until long-range regional drainage improvements are in

place in accordance with the approved Drainage Master

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Plan for the Project."

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So whatever, whatever the flows are under that particular Master Plan or any amended Master Plans would be the requirement -- would be the drainage requirement for this Project.

That way we wouldn't have to — at this point DHHL would just be speculating as to what the runoff — as to (A) what the predevelopment runoff would have been and how the drainage would be affected.

The environmental assessment does — the environmental assessment does go through a study of the effective drainage of this Project. But those projected — that projected runoff would be dealt with by the mitigation measures that the DHHL has represented in its Findings of Fact.

So I believe if you delete the first sentence you would leave that paragraph relying on the 'Ewa Villages drainage Master Plan, which is already an approved document. And other projects are complying with it as well.

MR. KITAOKA: It would be the City's position basically that No. 1. Predevelopment runoff is fine with us.

No. 2. If the number is not desired

because it's not accurate, then a number as determined by the *City* would be another (audience laughter) another solution to the problem.

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MR. YEE: The Office of Planning has no objection to, I think, either proposal. We would only note just technically if you go to predevelopment levels you probably want to eliminate the specific boundary. Because we just don't know whether they're directing runoff to the southern boundary versus to any other boundary.

So it's possible total runoff the property may be equal to predevelopment levels. We don't know exactly where the channelized runoff -- which direction the channelized runoff is going.

So if you wanted to include predevelopment levels it would be limit channelized runoff to redevelopment levels for events up to a 100-year storm. But we also have no objection to deleting the whole sentence and just leaving it for the interim drainage plans.

MR. KITAOKA: There is a basic policy that whatever's going, running off now not be increased. So predevelopment levels is fine with us.

MR. IHA: Again, I think we would object to that. The -- for an example the property is taking in

1 runoff from other areas from other developments. 2 an extent that intake of surface water would increase, 3 the development itself would have some impact. So I believe that would just be a lot more 4 5 cleaner and more reasonable to just delete that whole 6 entire first sentence. 7 CHAIRMAN CHOCK: Any follow up questions, Commissioner McDonald? 8 9 COMMISSIONER McDONALD: I'm okay with 10 deleting the entire first sentence. I just didn't 11 want to have something in the conditions, you know, if 12. the fact be revised that's inaccurate and not a 13 representation of the present Project. 14 CHAIRMAN CHOCK: Commissioners, any further 15 questions? Commissioners, what is your pleasure on 16 this matter? 17 COMMISSIONER HELLER: I'm sorry. I did 18 have one other question. 19 CHAIRMAN CHOCK: Commissioner Heller. 20 COMMISSIONER HELLER: With regard to the 21 "if applicable" language and the explanation of what 2.2 that's intended to mean, I note that in most of the

Those words "and successors and assigns"

proposed conditions it refers to "Petitioner" and then

the words "and its successors and assigns."

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1 are not included in paragraphs 14 and 15. Is that an 2 intentional omission? 3 MR. IHA: It was probably an oversight. 4 Certainly if the ownership of the property changes 5 hands to some entity that's subject to city zoning, 6 then DHHL, of course, wouldn't expect that that entity 7 would be exempt. 8 COMMISSIONER HELLER: So the words "successors and assigns" immediately after 9 10 "Petitioner" probably should have been included in 14 11 and 15 as well. 12. MR. IHA: That is correct. 13 COMMISSIONER HELLER: Thank you. 14 CHAIRMAN CHOCK: Any other questions? 15 MR. KITAOKA: I might have a problem with including "successors and assigns" if they're not 16 17 privy to the same exemption as DHHL. A "successor and 18 assign" could be someone outside of DHHL. 'Cause 19 whatever entity that succeeds to DHHL may not have the 20 same exemption that DHHL has. 21 COMMISSIONER HELLER: My understanding was the reason for the words "if applicable" was to cover 22 23 that contingency. 24 MR. KITAOKA: Right. So the clarification, 25

I guess, that is being proposed at this time is that

it be specifically stated that it's not applicable to DHHL, but will be applicable to its successors that are different from DHHL.

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MR. IHA: Mr. Commissioner, I think if we could — I think we could just address Mr. Kitaoka's concern that wherever the D&O says "if applicable" that language would be replaced by "in the event DHHL is no longer the fee owner of the property," and I think that would suffice. I think that would make the Decision and Order very clear.

COMMISSIONER HELLER: Are the other Parties in agreement with that?

MR. KITAOKA: Except that it refers to "Petitioner shall apply". And Petitioner at this time is DHHL. Maybe further clarification is necessary?

COMMISSIONER HELLER: Would it be easier to just add a sentence somewhere that says, "The meaning of "if applicable" is based on whether DHHL continues to own the property?

MR. KITAOKA: Perhaps.

MR. YEE: Commissioner, as I'm quickly going through the Project I will say there is at least one instance in the Condition 6. My recollection, and I'm struggling a little bit because I didn't look at the issue beforehand — I'm thinking that the term "if

1 applicable" meant that there are portions of the 2 property that are not within the LDN in that sentence. 3 COMMISSIONER HELLER: I see what you're saving. We can't just make the generic statement that 4 5 the words "if applicable" always mean this. 6 MR. YEE: But as I'm going through it I 7 think that's -- and perhaps No. 20. Condition 20 8 might I think, it's not an issue of the owner of the 9 It's the location of the habitat conservation 10 plan. But other than those two I think we have no 11 objection. 12. MR. IHA: Mr. Commissioner, as I'm going 13 through this, I think -- the conditions at issue in 14 this discussion are 14, 15, 16, 17. So for those 15 conditions only could we start them by saying "In the 16 event DHHL is no longer the fee owner of the property, " comma, "Petitioner's successors and assigns 17 18 shall apply" -- or "Petitioner's successors and 19 assigns shall comply." I think that would cover 20 the -- I think that would cover the situation where 21 DHHL's conveyed the property to somebody else. 22 MR. YEE: We have no objection. 23 MR. KITAOKA: City has no objection to 24 that. 25 COMMISSIONER HELLER: Thank you.

CHAIRMAN CHOCK: Commissioners, any other questions? Commissioner Inouye.

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COMMISSIONER INOUYE: Yeah. I'm not sure I'm a very good drafter at these things. But I am still bothered by Conditions 9, 16, 17, the City's well intentions I think to speed up the process.

So let me just throw out something and have you guys look at it. On Condition 9. And I think I'm looking at the City's proposal in the second paragraph towards the end.

Putting something in there that "Petitioner shall obtain acceptance of the Project's Traffic Impact Analysis Report from the DOT and consider written comments from the city and county of Honolulu as to the TIAR's import on connection to its" whatever its roadway is called. And I wanted comments from all of you on the type of language. I'm open to a lot of language in the report.

MR. KITAOKA: I guess from the City's point of you view that's better than nothing. (audience laughter) So it's a compromise. The City's asking for approval. You're saying that the City shall have input and that the Petitioner shall consider the City's comments basically. And that's okay if you're not willing to go with the approval or the acceptance.

1 I shouldn't say "approval", the "acceptance" 2 MR. IHA: DHHL would be fine with that 3 language. CHAIRMAN CHOCK: 4 OP? 5 MR. YEE: No objection. 6 CHAIRMAN CHOCK: Haseko, you okay? 7 MR. AUSTIN: Yes. 8 COMMISSIONER INOUYE: Okay. Thank you. On 9 Conditions 16 and specifically 17 I'm looking at 16 10 Something to the effect as saying in any for now. 11 case 'cause there's that "if applicable" language 12. there -- in any case the City's written comments will 13 be taken into consideration in the plan, particularly 14 as it relates to the external portions of the Project. 15 Again, I'm not a drafter so I would 16 entertain other language to that effect. 17 MR. KITAOKA: Since it's basically having 18 the City have input I don't think it's important to 19 distinguish external from internal. It would be 2.0 difficult to define what "external" means. And since 21 you're only allowing City input, I don't think that 22 that has any consequence. 23 COMMISSIONER INOUYE: So what you're saying 24 is: Leave it alone. 25 MR. KITAOKA: No. What I'm saying is if

you're going to allow the City to make comments you need not make the distinction between external or internal application because the City is basically concerned with the Project's connectivity with adjacent land uses. So it wouldn't really have an interest in governing internal design except how it affects regional impacts.

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- So there's no need to distinguish between internal and external because that distinction would be difficult to define.
- COMMISSIONER INOUYE: Understood. But you would prefer the language there than not.
- MR. KITAOKA: It's better than nothing.

  If, in fact, you're saying that they must consider the City's comments, City will accept that if that's where the Commission wants to go.
  - COMMISSIONER INOUYE: Okay. Then as to 17 I'm proposing similar type of language. So, you know, I entertain comments over language.
  - MR. KITAOKA: It depends because the City is proposing new language in Condition 17. If you're conditioning the new language and trying to temper the approval type language into comment input type language, that's fine with the City.
    - To modify the City's proposal is fine.

MR. IHA: We would object to modifying the city's proposal. I think 16 is not that much different. But 17 carries with it a number of, you know, triggers as you will, or milestones that could actually wind up hindering the development of the Project.

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If you condition building permits, subdivision and grading permits, things like that, on an urban design plan. So I think if the modified language is going to be inserted it should be into the proposed language from DHHL.

We didn't really change that much from the original Decision and Order other than to say "if applicable".

I have two comments to the revision. The first is DHHL would like — is going to consider comments from the City. So that's fine. I think the language should be clear that DHHL will consider comments, but is not required to adopt or accept the comments.

I believe that that should be clear. And I would like some kind of language that would require the City to submit timely comments.

We wouldn't want to be in a situation where the City doesn't submit comments until, you know, the

Project is ready to go forward, and you would have to stop to consider these written comments even if they come in late. So those would be only two comments.

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COMMISSIONER INOUYE: Would the City have any problem with putting that language into -- not your language, the City's language, but the language by the other Parties.

MR. KITAOKA: This is, again, at the discretion of the Commission how far it's going to go. The further away from the City's position that it should have approval, the less desirable it is for the City. But we will defer to the Commission as to its discretion.

## COMMISSIONER INOUYE: OP?

MR. YEE: We have no objection. Purely as an assisting on wordsmithing. If I can recall the language on the term "if applicable" I think it had to do with fee ownership that was suggested. Something like "in any case".

Instead of saying something like, "in any case" perhaps you might want to say "regardless of the fee ownership all timely comments submitted by the City to the Petitioner" — or "all timely comments submitted by the City shall be considered by the Petitioner." Just sort of put a period.

1 I will say I have played with the idea of 2 saying what the comments are about. But then thought 3 well, maybe it's just easier not to say. And so 4 that's my only wordsmithing comment to you. 5 COMMISSIONER INOUYE: Mr. Yee, I appreciate 6 that. The other Parties, I think you all understand 7 what I'm trying to get at. 8 MR. KITAOKA: The City certainly understands what you're trying to get at. I guess the 9 10 question is how we get there. Perhaps if we can 11 propose language or the Commission can propose 12. language that we can all work out I suppose it would 13 be okay. 14 COMMISSIONER INOUYE: Can you folks take 15 five minutes and look at that? I'm just looking at 16 the time. I don't want to prolong this too long. 17 (Recess was held in place. 11:30) 18 CHAIRMAN CHOCK: (gavel) Okay. Parties, 19 we're back on the record. (gavel) Okay. This is 20 21

what we're going to do. We're going to recess on this matter, let you folks come up with some proposed language. We're going to move to the next item on our agenda.

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Before we adjourn for the day we're going to call you guys back up again and deliberate and take

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that language under consideration.
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 2
               Any questions? So we don't waste any more
    time kind of tryin' to wordsmith and edit on the fly
3
    here as well. We only have the room until 1:00. So
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 5
    we don't have very much time.
               Parties, any questions or comments? Want
6
    to try to get this done today for you guys.
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 8
               MR. IHA:
                          Thank you, Mr. Chair.
               CHAIRMAN CHOCK: Let's take a brief recess
9
10
    and move to the next item on the agenda.
11
                (Recess)
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| 1  | CHAIRMAN CHOCK: This is a meeting on                   |
|----|--|
| 2  | Docket No. SP09-403 DEPARTMENT OF ENVIRONMENTAL        |
| 3  | SERVICES, CITY AND COUNTY OF HONOLULU, (O'ahu) to      |
| 4  | deliberate and discuss procedural issues and action,   |
| 5  | if necessary, on Civil No. 09-1-2719-11 regarding this |
| 6  | Special Use Permit that encompasses the approximately  |
| 7  | 107.5 acre Waimanalo Gulch Sanitary Landfill and an    |
| 8  | approximately 93-acre lateral expansion, Tax Map Key:  |
| 9  | 9-2-03:72 and 73.                                      |
| 10 | Would the Parties please identify                      |
| 11 | themselves.  |
| 12 | MS. VIOLA: Deputy Corporation Counsel Dana             |
| 13 | Viola on behalf of the Department of the Environmental |
| 14 | Services, city and county of Honolulu.                 |
| 15 | MR. KITAOKA: Don Kitaoka, deputy                       |
| 16 | corporation counsel on behalf of the Department of     |
| 17 | Planning and Permitting city and county of Honolulu.   |
| 18 | MR. YEE: Bryan Yee, Deputy Attorney                    |
| 19 | General on behalf of the Office of Planning. With me   |
| 20 | is Rodney Funakoshi from the Office of Planning.       |
| 21 | MR. WURDEMAN: Good morning. Richard M.                 |
| 22 | Wurdeman for Intervenor Colleen Hanabusa.              |
| 23 | MR. CHIPCHASE: Good morning. Cal Chipchase             |
| 24 | for Intervenors the Ko Olina Community Association and |
| 25 | Senator Maile Shimabukuro.                             |

CHAIRMAN CHOCK: I believe we have a couple disclosures that the Commissioners wanted to make before proceeding. Commissioner Teves.

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COMMISSIONER TEVES: Just wanted to disclose that my company, Commercial Electric, back in 2011 did perform two small projects for the Ko Olina Community Association. Both of those projects were quite small. And I had no personal contact with anybody in the Projects. In fact I do not know anyone from Ko Olina Community Association. So I just wanted to disclosure that. I feel that I can make an impartial decision.

CHAIRMAN CHOCK: Commissioner Heller.

COMMISSIONER HELLER: Yes, thank you. I think I actually put a disclosure on the record back in the summer when we heard this matter previously, but I want to make sure.

I am representing the Association of Apartment Owners at Beach Villas, which is a member of the Ko Olina Community Association. I'm representing the Association in a lawsuit against Ko Olina Community Association.

So I guess it could be viewed as kind of affecting either way because I'm representing a client who is adverse to Ko Olina Community Association but

1 my client is also a *member* of the Ko Olina Community Association. Just wanted to make sure if anybody has 3 an issue with that we can deal with it. 4 CHAIRMAN CHOCK: Parties, any concerns or 5 objections to these disclosures? 6 MS. VIOLA: No, thank you. 7 MR. YEE: No objection from OP. 8 CHAIRMAN CHOCK: Mr. Wurdeman? 9 MR. WURDEMAN: We're not taking any 10 position on it. 11 Mr. Chipchase? CHAIRMAN CHOCK: 12. MR. CHIPCHASE: No objection. 13 CHAIRMAN CHOCK: Thank you very much. Let 14 me update the record and then we'll go into public 15 testimony followed by an executive session. 16 On July 5th the Commission met, discussed 17 and deliberated on the procedural issues arising from 18 Civil NO. 09-1-2719-11. 19 The Applicant orally moved for an 20 additional two weeks for the parties to file written 21 briefs with the LUC to more fully address the 22 procedural issues and a motion was made and carried. 23 An Order issued granting the Parties time 24 to file their written briefs by the close of business 25 on July 19, 2012, was served to the Parties on July

1 12, 2012. 2 OP and Schnitzer Steel were also allowed to 3 file written briefs with the LUC by the aforementioned 4 date. 5 On July 9th, the Commission received 6 written correspondence from Schnitzer Steel. 7 On July 18th, the Commission received Schnitzer Steel's Position Statement. 8 9 On July 19th the Commissioner received: 10 Department of Environmental Services, city and county 11 of Honolulu's Brief in Support of the LUC Retaining 12. Jurisdiction of the Docket No. SP09-403, Declaration of Timothy E. Steinberger, Exhibits "A" through "F". 13 Intervenor Colleen Hanabusa's Memorandum 14 15 Regarding Procedural Issues Arising from Civil 16 No.09-1-2719-11, Exhibits 1 and 2. Intervenors Ko Olina Association and Maile 17 18 Shimabukuro's Brief in Support of Remand with 19 Instructions, Exhibits 1-10, K2, K15, K52, K85, K155, 2.0 K208. 21 OP's Written Brief on Procedural Issues. 22 July 23rd the Commission received an 23 Amended Certificate of Service from Intervenor Ko 24 Olina Community Association and Maile Shimabukuro.

On August 29, 2012 the Commission received

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| 1  | Notice of Withdrawal and Substitution of Counsel for   |
|----|--|
| 2  | Intervenors Colleen Hanabusa, Ko Olina Community       |
| 3  | Association and Maile Shimabukuro.                     |
| 4  | Let me go over the procedures for this                 |
| 5  | docket. First, I will call on those individuals        |
| 6  | desiring to provide public testimony for the           |
| 7  | Commission's consideration to identify themselves.     |
| 8  | All such individuals will be called in turn            |
| 9  | to our witness box where they will be sworn in prior   |
| 10 | to their testimony.                                    |
| 11 | Please be reminded that the Commission will            |
| 12 | not be considering the merits of the Special Use       |
| 13 | Permit No. 2008/SUP-2 petition, rather, the Commission |
| 14 | will be considering its procedural options on remand.  |
| 15 | After the completion of the Petitioner's               |
| 16 | presentation, Intervenor Hanabusa will make their      |
| 17 | presentation.  |
| 18 | After the completion of Intervenor                     |
| 19 | Hanabusa's presentation, Ko Olina Community            |
| 20 | Association and Maile Shimabukuro will make their      |
| 21 | presentation.  |
| 22 | After the completion of Intervenor KOCA and            |
| 23 | Maile Shimabukuro's presentation, we will receive any  |
| 24 | public comments from the State Office of Planning.     |

After we receive public comments from the

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1 State Office of Planning, then the Commission will 2 conduct its deliberations. 3 I also will remind the Parties that we'll 4 be taking short breaks from time to time. 5 questions regarding our procedures for today? 6 MS. VIOLA: No questions. 7 MR. YEE: No. 8 CHAIRMAN CHOCK: Okay. We're going to go 9 into public testimony at this time. Executive 10 Officer. 11 MR. ORODENKER: We have Minnie Munson 12. followed by Cynthia Rezentes. 13 CHAIRMAN CHOCK: Please come forward. 14 MR. ORODENKER: Minnie Munson? Cynthia 15 Rezentes followed by Beverly Munson. 16 CHAIRMAN CHOCK: We're going to be limiting 17 public testimony to three minutes. 18 CYNTHIA REZENTES 19 being first duly sworn to tell the truth, was examined 2.0 and testified as follows: 21 22 CHAIRMAN CHOCK: This is a meeting on 23 Docket No. SP09-403 Department of Environmental 24 Services, city and county of Honolulu to deliberate 25 and discuss procedural issues and action if necessary

1 on Civil No. 09-1-2719-11 regarding this Special Use 2 Permit that encompasses the approximately 107.5 acre 3 Waimanalo Gulch Sanitary Landfill and an approximately 4 93-acre lateral expansion, Tax Map Key: 9-2-03:72 and 5 73. 6 Parties please identify themselves. 7 MS. VIOLA: Deputy Corporation Counsel Dana 8 Viola on behalf of the Department of Environmental 9 Services, city and county of Honolulu. 10 MR. KITAOKA: Don Kitaoka, Deputy 11 Corporation Counsel on behalf of the Department of 12. Planning and Permitting, city and county of Honolulu. 13 MR. YEE: Bryan Yee, Deputy Attorney 14 General on behalf of the Office of Planning. With me 15 is Rodney Funakoshi from the Office of Planning. 16 MR. WURDEMAN: Good morning. Richard M. 17 Wurdeman for Intervenor Colleen Hanabusa. 18 MR. CHIPCHASE: Good morning. Cal 19 Chipchase for Intervenors the Ko Olina Community 2.0 Association and Senator Maile Shimabukuro. 21 CHAIRMAN CHOCK: I believe we have a couple 2.2 of disclosures the Commissioners wanted to make before 23 proceeding. Commissioner Teves. 24 COMMISSIONER TEVES: I just wanted to 25 disclose that my company, Commercial Electric back in

1 2011 did perform two small projects for Ko Olina 2 Community Association. Both of the projects were 3 quite small. And I had no personal contact within the projects. I do not know anyone from Ko Olina 4 5 Community Association. So just wanted to disclose 6 that. I feel that I can make the impartial decision. 7 CHAIRMAN CHOCK: Commissioner Heller. 8 COMMISSIONER HELLER: Yes, thank you. 9 think I actually put a disclosure on the record back 10 in the summer when we heard this matter previously but 11 I want to make sure. I am representing the 12. Association of Apartment Owners at Beach Villas which 13 is a member of the Ko Olina Community Association. 14 I'm representing the Association in a lawsuit against 15 Ko Olina Community Association. So I guess it could 16 be viewed as kind of affecting either way because I'm 17 representing a client who's adverse to Ko Olina 18 Community Association. But my client is also a member 19 of Ko Olina Community Association. Just wanted to 20 make sure if anybody had an issue with that we can 21 deal with it. 22 CHAIRMAN CHOCK: Parties, any concerns or 23 objections to these disclosures? 24 MS. VIOLA: No, thank you. 25 MR. YEE: No objection.

| 1  | CHAIRMAN CHOCK: Mr. Wurdeman?                          |
|----|--|
| 2  | MR. WURDEMAN: We're not taking any                     |
| 3  | position on it.  |
| 4  | CHAIRMAN CHOCK: Mr. Chipchase?                         |
| 5  | MR. CHIPCHASE: No objection.                           |
| 6  | CHAIRMAN CHOCK: Okay. Thank you very                   |
| 7  | much. Let me update the record. And then we'll go      |
| 8  | into public testimony followed by an executive         |
| 9  | session.   |
| 10 | On July 5th the Commission met, discussed              |
| 11 | and deliberated n the procedural issues arising        |
| 12 | from Civil No. 09-1-2719-11. The Applicant orally      |
| 13 | moved for an additional two weeks for the parties to   |
| 14 | file written briefs with the LUC to more fully         |
| 15 | address the procedural issues. And a motion was made   |
| 16 | and carried.   |
| 17 | An order issued granting the parties time              |
| 18 | to file their written briefs by the close of business  |
| 19 | on July 19, 2012 was served to the parties on July 12, |
| 20 | 2012. OP and Schnitzer Steel were also allowed to      |
| 21 | file written briefs with the LUC by the aforementioned |
| 22 | date.  |
| 23 | On July 9th the Commission received written            |
| 24 | correspondence from Schnitzer Steel.                   |
| 25 | On July 18th the Commission received                   |

1 Schnitzer Steel's Position Statement. 2 On July 19th the Commission received 3 Department of Environmental Services, City and County 4 Honolulu's Brief In Support of the LUC Retaining 5 Jurisdiction of the Docket No. SP09-403, Declaration 6 of Timothy Steinberger; Exhibits A through F. 7 Intervenor Colleen Hanabusa's Memorandum 8 Regarding Procedural Issues Arising From Civil No. 09-1-2719-11, Exhibits 1 and 2. 9 10 Intervenors Ko Olina Association and Maile 11 Shimabukuro's Brief in Support of Remand with 12. Instructions, Exhibits 1 through 10, K2, K15, K52, K85, K155, K208. 13 OP's Written Brief on Procedural Issues. 14 15 On July 23rd the Commission received an 16 Amended Certificate of Service from Intervenor Ko 17 Olina Community Association and Maile Shimabukuro. 18 On August 29, 2012 the Commission received 19 Notice of Withdrawal and Substitution of counsel for Intervenors Colleen Hanabusa, Ko Olina community 20 21 Association and Maile Shimabukuro. 22 Let me go over the procedures for this 23 docket. First, I will call on those individuals 24 desiring to provide public testimony for the

Commission's consideration to identify themselves.

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1 All such individuals will called in turn to our 2 witness box where they will be sworn in prior to their 3 testimony. Please be reminded that the Commission will 4 5 not be considering the merits of the Special Use 6 Permit No. 2008/SUP-2 petition; rather, the Commission 7 will be considering its procedural options on remand. 8 Petitioner will make its presentation. 9 After the completion of Petitioner's presentation 10 Intervenor Hanabusa will make their presentation. 11 After completion of Intervenor Hanabusa's presentation 12. Ko Olina Community Association and Maile Shimabukuro 13 will make their presentation. 14 After the completion of Intervenor KOCA and 15 Maile Shimabukuro's presentation, we will receive any 16 public comments from the State Office of Planning. And then the Commission will its deliberations. 17 18 will also remind the Parties that we will be taking 19 short breaks from time to time. Any questions 2.0 regarding our procedures for today? 21 MS. VIOLA: No questions. 22 MR. WURDEMAN: No. CHAIRMAN CHOCK: Okay. We're going to go 23

into public testimony at this time. Executive

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Officer?

| MR. ORODENKER: We have Minnie Munson                   |
|--|
| followed by Cynthia Rezentes.                          |
| CHAIRMAN CHOCK: Please come forward.                   |
| MR. ORODENKER: Minnie Munson?                          |
| THE WITNESS: Had to leave.                             |
| MR. ORODENKER: Cynthia Rezentes followed               |
| by Beverly Munson.                                     |
| CHAIRMAN CHOCK: We're going to be                      |
| limiting public testimony to three minutes.            |
| CYNTHIA REZENTES                                       |
| being first duly sworn to tell the truth, was examined |
| and testified as follows:                              |
| THE WITNESS: Yes, I do.                                |
| CHAIRMAN CHOCK: Name and address.                      |
| THE WITNESS: Cynthia Rezentes, 87-149                  |
| Maipela Street, Waianae, 96792. Thank you very much.   |
| I'm here today to speak in favor of the Land Use       |
| Commission sending this issue back to the City and the |
| Planning Commission.                                   |
| Currently they have opened another case                |
| that's going on regarding some other issues upon this  |
| particular Special Use Permit. And it would probably   |
| make sense to have everything come up to the Land Use  |
| Commission at one time rather than you decide to go    |
| down one path at this point in time and then anything  |
|  |

1 further potentially coming back up from the Planning 2 Commission again. 3 My specific concern is if you take this 4 matter forward within your Commission to deliberate, 5 the Supreme Court has essentially negated one 6 condition, but there are other conditions that also 7 need to be reconsidered in my mind. 8 So it makes sense to have a complete record 9 come forward to you with everything that has been 10 discussed over the last however many years since the 11 original condition was set forth and your Decision and 12. Order was put forth. So thank you. 13 CHAIRMAN CHOCK: Parties, any questions? 14 MS. VIOLA: None, thank you. 15 MR. CHIPCHASE: None. 16 CHAIRMAN CHOCK: Commissioners, any 17 questions? Thank you for your testimony. 18 MR. ORODENKER: Beverly Munson followed by 19 Kirk Fritz. 20 BEVERLY MUNSON 21 being first duly sworn to tell the truth, was examined 2.2 and testified as follows: 23 THE WITNESS: I do. 24 CHAIRMAN CHOCK: Your name and address, 25 please.

1 THE WITNESS: My name is Beverly Munson. 2 My address is 590 Farrington Highway #524, Kapolei. 3 Thank you for allowing me to testify this morning. 4 I've been attending these hearings since 2004 and it's 5 unfortunate that all those eight years ago the city 6 promised if they were given an extension they would be 7 allowed -- they would need seven years to resolve this 8 problem. 9 And here we are eight years later and we're 10 no further along in the process than we were when they 11 said they just needed seven years. 12. So it's unfortunate we have to continue 13 this, but I think Cynthia stated it very well. 14 the interest of time and brevity, I would just like 15 to, as she has, ask that you remand this to the 16 Planning Commission to consolidate for your decision 17 and take advantage of many, many hours of testimony 18 and written declarations that have already been 19 produced that, I think, summarize the facts very well. 20 Thank you. 21 CHAIRMAN CHOCK: Thank you. Parties, any 22 questions? 23 MS. VIOLA: No. 24 Commissioners? CHAIRMAN CHOCK: Thank you 25 for your testimony.

| 1  | THE WITNESS: Thank you.                                |
|----|--|
| 2  | MR. ORODENKER: Kirk Fritz.                             |
| 3  | KIRK FRITZ   |
| 4  | being first duly sworn to tell the truth, was examined |
| 5  | and testified as follows:                              |
| 6  | THE WITNESS: Yes, I do.                                |
| 7  | CHAIRMAN CHOCK: Name and address, please.              |
| 8  | THE WITNESS: Kirk Fritz residing at                    |
| 9  | 91-1039 La'aulu Street, 'Ewa Beach, 96706.             |
| 10 | CHAIRMAN CHOCK: Proceed.                               |
| 11 | THE WITNESS: I was personally here for the             |
| 12 | internal cleanup that happened from the January 2011   |
| 13 | outfall of hard waste and medical waste. And it        |
| 14 | personally affected my operations here at Ko Olina.    |
| 15 | You never want to see something like that happen in    |
| 16 | this environment.                                      |
| 17 | Right behind our wall right here we have               |
| 18 | ancient Hawaiian grounds. And we also, of course,      |
| 19 | have a multi-use campus with residential, resort and   |
| 20 | commercial, golf course and marina, et cetera.         |
| 21 | What we are asking is that the LUC to we               |
| 22 | are asking the LUC to remand its proceeding back to    |
| 23 | the Planning Commission so the two applications may be |
| 24 | a consolidated decision. I feel with the long          |
| 25 | history I've just read through that history that       |

this just needs to come to an end. The City has repeatedly promised to close the landfill. And the City has repeatedly broken its promises. So I thank you for this time to testify.

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CHAIRMAN CHOCK: Thank you for your testimony. Parties, any questions? Commissioners? Thank you for your testimony. Is there anyone else from the public wishing to provide testimony at this time? Please come forward. Aloha.

## KAMAKI KANAHELE

being first duly sworn to tell the truth, was examined and testified as follows:

THE WITNESS: I do. Kamaki Kanahele, 89-237 Kauwahi Avenue, Nanakuli. Aloha, Mr. Chairman and Members of the Commission. My names is Kamaki Kanahele, President of the Hawaiian Homestead Community Association, president of the O'ahu Council of Homestead Associations, and State Chairman of the Sovereign of the Hawaiian Homelands Assembly which makes up 30 community associations across the state of Hawai'i; the largest Native Hawaiian Homestead Community Association in the State totaling 170 elected officers to those associations representing close to 53,000 Native Hawaiian Homesteaders living on the land.

I raise this point simply because all of us on every one of the islands have the same pilikia of the garbage dump. So it is with wholehearted support that all of our colleagues across all Hawaiian Homelands Trusts is here to support terminating our dump.

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Mr. Chairman, I sit as Hawai'i's longest Hawaiian Homestead Community Association president statewide during a duration of 25 years from 1987 to 2012.

I highlight this specifically because it was in that first year I composed my first testimony as president in opposition of the Waimanalo dump as it was referred to at that time

Here we are full circle, a full blooming city, a spectacular West O'ahu University Campus, an amazing Ko Olina Resort with all of the comforts and even more spectacular, a city within a city and definitely that everybody knows: Disney.

Point being why and whose fault is this that in the advancement of the times with computers and scientific innovations resides an archaic, obsolete, inexcusable travesty of a community blight, a garbage dump that continues to win the day.

So, Members of this Commission, allow me to

ask that you terminate the game-playing by the City that has been falling upon both you and we as community people. I'm here to ask the support not unlike that of the three previous speakers to ask that the LUC remand the proceeding back to the Planning Commission so that the two applications will be consolidated for decision.

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This way the LUC will be able to consider all evidence presented to the Planning Commission when making this decision.

It is difficult for us to have come this long way. Yet we feel that if we ask the Planning Commission and the Land Use Commission to hold the City accountable by finally setting a time, a date for closure, finally history would have come full circle and will end not allowing the next generation, our opio, to have to be here 25 years from now asking for the same thing.

It is unfortunate. It is sad. May I remind the Land Use Commission that while the Supreme Court case was pending, the City also played games with you and applied to the Honolulu Planning Commission to eliminate the closure date and allow Waimanalo Gulch to remain open.

And so it begins. I'm asking that it end

1 today. And your support would be appreciated. Mahalo 2 Aloha. nui loa. 3 CHAIRMAN CHOCK: Thank you. Parties, 4 Commissioners? Thank you for your questions? 5 testimony. Anyone else from the public wishing to 6 provide public testimony? 7 MAILE SHIMABUKURO, being first duly sworn to tell the truth, was examined 8 9 and testified as follows: 10 THE WITNESS: I do. 11 CHAIRMAN CHOCK: Name and address, please. 12. THE WITNESS: Maile Shimabukuro, 86-024 13 Glenmonger Street in Waianae. I'm opposed to this 14 application for three reasons. The first is the 15 danger to public safety and health. The second is 16 operational deficiencies and the landfill's long history of violations. And third is promises not 17 18 kept. 19 First, going to the broken promises. This 20 landfill was supposed to close in 1997, eight years 21 after it began operations. In 2003 when it reached 22 capacity. 23 In 2008 when it was promised to be closed

and had been directed to be closed. In 2009 it was

directed to be closed. And now 2012 when it's

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directed to stop accepting MSW.

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But unfortunately the Environmental Services has been breaking promises. For over a decade the communities near the landfill suffered very much for this. Going to why the landfill is harmful and unsafe.

I receive many complaint letters such as, similar to what you just heard before about things like odors, noise, dust, the blasting, the blight, traffic, litter flying out of the trucks, all of these things leading up to the really bad disaster in December 2010 and January 2011 that sent contaminated runoff into the community.

Leading up to these disasters the last year I wanted to talk about the long history of violations that the landfill has had from EPA, DOH and other agencies. There's been upwards of 20 violations, upwards of \$3 million in fines.

Most recently there was a failure to take gas head readings for a year from mid-2010 to August 2011 where staff ended up fabricating the records of these readings.

Other violations included inadequate liners, failed leachate systems, halt to the gas collection system and violations concerning the cell

construction operation. And this brings me to cell E6.

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This is the construction operation of the cell. Waste Management constructed cell E6 and filled it with garbage, including medical waste, before the necessary drainage infrastructure was completed.

Cell E6 was a contributing factor leading to the contaminated runoff disaster from the landfill that polluted the Windward Coastline last year from Kalaeloa to Wai'anae.

The contaminated runoff that rushed down the mountainside and into the ocean included unknown quantities of medical waste, landfill debris, leachate and sewage sludge. This includes — the medical waste included sharps, chemotherapy waste, pathological waste including blood and urine samples.

What was really sad is there was no communication to the community about what happened. We only found out something was terribly wrong when this runoff showed up on the beaches.

It endangered the children playing on the beaches from Pokai Bay to Kalaeloa where warning signs were very slow to get posted. And what's also very troubling is the Environmental Services in an email steadfastly refused to abide by DOH demand to post

signs by using technical arguments against it.

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Environmental Services also has not made reasonably diligent efforts to find alternatives to the landfill. The only reason the landfill has not closed and the City has not kept its promises is that Environmental Services have failed to make these diligent efforts.

In 2008 they were supposed to have identified a new landfill site. In 2009 they were given a 2-year extension. But, unfortunately, Environmental Services has only claimed they're working towards alternative technologies. They're no closer to utilizing these technologies today than they were in 2003.

For these reasons I feel the landfill is no longer viable. It's time for the landfill to stop accepting MSW and for Environmental Services to finally find a new site and confirm the new technologies.

Environmental Services must be held accountable for its promises and obligations to the community. And the application to modify should be denied. Thank you.

CHAIRMAN CHOCK: Thank you for your testimony. Parties, any questions? Commissioners?

1 Thank you for your testimony. Anyone else from the public wishing to provide public testimony? Please 3 come forward. Anyone else? JOSEPH KANAI 4 5 being first duly sworn to tell the truth, was examined 6 and testified as follows: 7 THE WITNESS: I do. 8 CHAIRMAN CHOCK: Name and address, please. 9 THE WITNESS: Joseph Kanai 5-1027 Mo'ohela 10 Street, Mililani, Hawai'i. 11 CHAIRMAN CHOCK: Proceed. 12. THE WITNESS: First of all, good morning 13 Commissioners. I'm going to prepare -- or read a prepared statement. "As general manager of Resort 14 15 Management Company which provides various management 16 services on behalf of our residential and commericial 17 owners at Ko Olina, I'm taking this opportunity to 18 comment on the Waimanalo Gulch Sanitary Landfill. 19 "We're very concerned about its devastating 20 impact on our community. Our property was built 21 relying on the promised pending closure of the landfill. 2.2 23 "Unfortunately we continue to endure the 24 adverse impacts of that operation including heavy 25 truck traffic, noise, odors, windblown litter and

light abuse from the resort.

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"This is extremely difficult for our residents, guests, and travel partners to sum up particularly when the alternatives to ship and recycle as well as the expanding capacity of H-Power exists. Moreover, we are very concerned that our outcries against repeated extensions of landfill operations over the last 15 years continue to fall on deaf ears.

"The State Department of Health continues to express concerns about leachate, asbestos, grade stability and methane gas production. There's little explanation of how violations of both federal and state laws in the operation of the landfill will be prevented.

"How can we be assured that such violations will not continue? Enduring the adverse impacts of the landfill as well as health concerns any longer is not acceptable to us. We implore you to do what is right and shut it down permanently."

So I guess the bottom statement is we are asking the LUC to remand its proceeding back to the Planning Commission so that the two applications may be consolidated for decision. Thank you for this opportunity to comment on this very serious matter.

CHAIRMAN CHOCK: Parties, any questions?

1 Commissioners? Thank you for your testimony. 2 believe that concludes public testimony. Before we 3 take a motion to go into executive session, I want to let the Parties know I want to, when we come back and 4 5 reconvene, give you all not more than 10 minutes to 6 present your case. 7 Then I'd like to deliberate and vote on 8 this matter today. We only have the room until 1

this matter today. We only have the room until 1 o'clock. So we need to be as efficient and brief as possible.

Do we have a motion?

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COMMISSIONER BIGA: So moved.

COMMISSIONER INOUYE: Second.

CHAIRMAN CHOCK: Any opposed? We're in executive session. (11:50 recess) We just have received word that we have the room until 2:00. So I apologize for the lengthy executive session.

18 Petitioner, are you ready to proceed?

MS. VIOLA: Yes.

CHAIRMAN CHOCK: Go ahead.

MS. VIOLA: First of all, the City would object to certain representations made in the testimony and certain representations made by the Parties in the papers. But at this point in time I will not be addressing those objections 'cause I want

to — and will not be addressing the merits of this matter, the underlying matter. I will limit my comments to what is at issue presently which is the procedural issues. But I want to put the case into perspective.

12.

So what we have here is essentially back in 2009 the Planning Commission granted the Special Use Permit to the City to use the Waimanalo Gulch Sanitary Landfill as a landfill for MSW and ash until it reaches capacity.

And the LUC subsequent to that decision agreed with the Planning Commission. They adopted all of the Findings by the Planning Commission and in support of the approval of the SUP. But they modified the deadline. They specified a deadline for the receipt of MSW for July 31st, 2012.

Now, because the city, as it has repeated through the previous proceeding and has repeated in the present proceeding, we explained that the City and county of Honolulu and the State of Hawai'i, we need a landfill. We need a landfill because there's still waste that cannot be otherwise disposed.

So the City had to appeal the deadline.

And the City appealed only the deadline. That's what went up to the Supreme Court. But there was no

assurance that the Supreme Court would render a decision before the deadline.

12.

There was also no assurance that the Supreme Court would render a decision in favor of the City by the deadline.

So the City felt compelled — this is the reason. The City is not — did not go to the Planning Commission to play fast and loose with the rules. The City had an obligation to manage the waste and therefore they had to address the deadline.

Because if the deadline wasn't adjusted, then the City would be facing a potential public health hazard which would be waste with nowhere to go, if the landfill was essentially closed to MSW by July 31st, 2012.

But before the conclusion of the Planning Commission proceeding the Supreme Court rendered a decision. And the Supreme Court agreed with the City and stated that the deadline was unfounded. The deadline was unreasonable, not workable based on the facts that the Land Use Commission had adopted.

But what the Supreme Court also did in that context is the Supreme Court determined that it couldn't determine, essentially, that the deadline or the striking of the deadline was material to the

decision on the SUP.

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That's the decision that the Land Use Commission is facing now. That was the issue on remand. The issue on remand is whether or not the Land Use Commission would have made the decision to approve the SUP without the deadline.

The Intervenors, I think, would have you -- would be misleading you in saying that what is before the Land Use Commission could be the entire SUP.

10 | That's not what the Supreme Court did.

The Supreme Court was only faced with one issue. And that was the deadline, the validity of the deadline.

They ruled on the validity of the deadline by striking it and saying that it was unreasonable. Then they remanded the issue because they could not determine, based on the facts of the case, whether or not that deadline was material to the granting of the SUP.

That's what's at issue here today, not the underlying proceeding, not everything else in relation to the SUP because that's not before the Supreme Court.

Now, the Supreme Court also added, though, a footnote which essentially encouraged the Land Use

Commission to consider the facts in the 2011 proceeding.

12.

Why the Supreme Court did this when they're limiting the issue on remand, I'm not perfectly sure on that.

I'm not at all clear why they would do that. I would assume, though — but I could definitely state that the Supreme Court was not directing the Land Use Commission to reopen the case and consider everything in the 2011 proceeding.

If that was the intent of the Supreme Court it would have been stated in the decision. It wouldn't have been in a footnote. It wouldn't have been quote, unquote "encouragement."

I think that the Intervenors are misleading or trying to bring in facts essentially, again, facts that the City wouldn't necessarily agree with. That to paint the picture of the City as the villain as using — wanting to use the landfill indiscriminately, wanting to dump everything into the landfill.

That simply is not the case. And the facts of the underlying case in 2009 as well as the facts in 2011 prove that.

And the 2011 proceedings doesn't have to be disregarded. As I've indicated in my papers, the 2011

proceeding has already been transmitted to the Land Use Commission. And the Land Use Commission can read the entire record. They can consider everything in the record akin to how they consider all public testimony.

12.

The Land Use Commission is not -- also would not have the jurisdiction to direct the Planning Commission to take any action because -- in the 2011 proceeding because that proceeding -- is not before the Land Use Commission.

So the Planning Commission has already essentially taken a position on this and communicated that position to the Land Use Commission in the sense that they stated that the Land Use Commission presently has the ability to make the decision on remand pursuant to the Supreme Court decision.

They have because the issue is the deadline, because the issue is whether or not the deadline was material to the granting of the SUP in the first place.

So the City would argue that the Land Use Commission should retain this matter and decide it on the present case. And that any concerns regarding judicial efficiency is really essentially a non-issue because once the Land Use Commission makes a decision

on this issue the Planning Commission will either dismiss the case or, as they've indicated in their, I think very clearly in their communication.

12.

Because they've communicated this is the Land Use Commission's jurisdiction, the Land Use Commission's decision, Land Use Commission's condition. And also because — but if the Planning Commission doesn't take that action that the City has already represented that they would unilaterally withdraw that Petition.

So there is no — there's no chance of there being duplicative proceedings or the City trying to manipulate this decision process.

And on that basis the City would request that the Land Use Commission decide this matter expeditiously by keeping the matter and that they rely on the 2009 record as well as the 2011 record from the essentially Planning Commission case as public testimony. Thank you.

CHAIRMAN CHOCK: Thank you. OP.

MR. YEE: The Office of Planning only looks at this as a procedural issue. It's not looking at the substantive issues.

Our recommendation is that you either remand this matter back to the Planning Commission for

the purpose of allowing consolidation with the Special Use Permit proceeding currently before the Planning Commission, or to stay this matter before the LUC for the purpose of allowing the Planning Commission to complete its proceeding and a possible consolidation fo the two matters before the LUC.

12.

Basically as we see it there are two pending cases. Both involve the same permit for the same landfill. If the Planning Commission dismisses their case, then it's completed. And you can move forward with this.

If the Planning Commission grants an amendment to the SUP they can then forward this matter up to you. You can consolidate. But the bottom line for us is that we don't want to — we want to avoid the possibility of consecutive decisions for the same permit for which they have in common the question of the deadline.

Whether which of the two we have no preference. It's equally efficient for the Office of Planning, the LUC in either way.

While I suppose we would have been interested to know if the Planning Commission had a position on this, either of those two alternatives is acceptable to the Office of Planning. Thank you.

CHAIRMAN CHOCK: Thank you. Intervenor Hanabusa?

12.

MR. WURDEMAN: Thank you, Mr. Chair. I've already submitted my written position. I would like to make a few comments on some of the issues raised by the City in its oral presentation. They have quite an interesting construction of what the Supreme Court said.

First of all, I don't believe the Supreme Court agreed with the City as the issue or the way that was characterized by the City attorney. I think more appropriately what the Supreme Court did was it agreed with the Land Use Commission based on this Commission's counsel's arguments before that body in which — and I was present there in the argument and I also argued on behalf of Intervenor. But it was basically to remand to fix up the record.

Because as this Commission knows what it did in 2009 was essentially adopt or simply adopted the Findings and Conclusions of the Planning Commission and then it added further conditions as part of the approval.

So what this body through its counsel argued before the Supreme Court was give us another opportunity to get the record clear, clearer. And I

1 think that's what's presently before this Land Use 2 Commission, is how do we adequately support the 3 decision that this Commission's already made back in 4 2009? 5 6

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Given the time that's gone by, the July 31, 2012 deadline has now since passed and that was the basis of the appeal and what's before us.

So what the issue was back in -- and it was eloquently stated by some of those who provided public testimony earlier today, Mr. Kanahele and Ms. Shimabukuro in particular, they talked about all the promises that have been made over the years, including the promise in 2003 that this was going to be the last time the City asked for a Special Use Permit to operate the Waimanalo Gulch Landfill.

And they assured all, this Commission included, that in 5 years "we're gonna close it".

What happened was they then reneged on their promises to this Commission, the Planning Commission, the community. And they then asked for an extension. Planning Commission gave them two years. That was shortened subsequently by this Commission.

And in 2009 as those Members of the Commission were still sitting on this board who were present then, there was a great concern by the

Commission during that process that these promises have been made; that the City hasn't been acting the way it should be. And it imposed the deadline that it did.

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Interestingly, one of the other conditions that this Commission had imposed was by November 2010 the City would have exercised reasonable diligence in identifying and developing landfill sites.

Two years has gone by. Other than one very feeble effort of throwing out a list of proposed sites that interestingly was then changed, I don't know, within a week, because they said they had made some kinds of miscalculations. Seemingly that's about all the City has done in three years.

So they're not living up to the intent. They're not living up to the conditions that this Commission put on it to put the City's feet to the fire. They're stagnant again. They're taking advantage of the community. They're taking advantage of this Commission. The City thinks they can just stay there forever despite what conditions are imposed on 'em. That obviously was not the position of this Commission. I think what can be done is the Commission can just deny the Petition at this point.

The burden's on the city. It's a

non-conforming use to be operating a landfill at Waimanalo Gulch. The City has not shown any good faith to date. And our position would be that this Commission could, if it articulated with Findings including the promises that were back in 2003, that it could shut down this landfill. Or deny the Petition.

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Currently it is our position that the City is operating the landfill illegally anyway because there's not a formal approval by this Commission. The Supreme Court was not unclear about Condition 14. The Supreme Court was very clear that it appeared to them that that was a material condition of the approval. And as such there needed to be sufficient evidence to support that.

So it's clear that that's been the Land Use Commission's intent to hold the City's feet to the fire. That was what essentially was argued before the Supreme Court and this Commission's request to remand to clear up the situation.

Intervenor Hanabusa does not believe a remand is necessary at this point. That this landfill — that the Petition can be denied because anything short of that the City will never take anyone seriously in moving this landfill.

In the alternative I think the Office of

- 1 Planning raised an interesting scenario that I think
- 2 can essentially be consistent with their argument.
- 3 But if they -- if the Commission stayed these
- 4 proceedings, remanded back the modification
- 5 proceedings that the Planning Commission has sent up
- 6 | without making a decision on and then consolidating it
- 7 later back up to the Land Use Commission, that's an
- 8 | alternative I think.

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- But our position, and what we're respectfully requesting this Commission now to just simply deny the Petition.
- VICE CHAIR CHOCK: Thank you. Intervenor

  Ko Olina Community Association and Maile Shimabukuro.
  - MR. CHIPCHASE: Thank you. The question before you today really comes down to one basic fact and then four points related to that fact. I'll get to those in a second.
    - I have to digress from that structure to talk a little bit about the Hawai'i Supreme Court opinion because the City is playing fast and loose with what the Court did.
    - The City, and I wrote it down, wrote, "The court not -- " said, "the Court could not determine whether Condition 14 was material and so issued a limited remand." That's not at all what the Hawai'i

Supreme Court did. You don't have to take my word for that.

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This is from section C of the brief. It's on Page 17 and 18 of the Opinion rather, section C quote, "Having held that Condition 14 cannot stand because it is inconsistent with the evidence shown in the record and not supported by substantial evidence, the LUC's approval of SUP-2 also cannot stand because Condition 14 was a material condition to the LUC's approval."

That's what the Hawai'i Supreme Court said. It already determined you in issuing that approval made Condition 14 material to your approval. Because Condition 14 couldn't stand, the whole SUP couldn't stand. The court vacated the SUP. There is no SUP for the landfill right now. And remanded to you for further proceedings. It wasn't a limited remand.

This is from Page 19 of the same opinion, in section 5 the conclusion quote, "We vacate the circuit court's judgment affirming the LUC's approval of SUP-2 and remand this matter to the circuit court with instructions that the circuit court remand this matter to the LUC for further proceedings consistent with this opinion."

No limitation on the kinds of evidence

you're to take in or on the scope of your decision-making. We'll get to the footnote that Counsel mentioned in a moment. Let me go back to where I started. Let me go back to the basic fact and four points.

12.

The basic fact is that there are currently two records involving exactly the same issues, exactly the same landfill, almost exactly the same Parties.

One is the record you have now. That's the record from the 2008 proceeding on the City's application for a SUP. The other is the record that the Planning Commission has. That's the record on the City's application to amend that SUP. That is not an incomplete record. That's not an ongoing record.

closing arguments or performed closing arguments.

They submitted Findings and Conclusions. They responded to each other's Findings and Conclusions.

It is a complete record and it's sitting there with the Planning Commission.

Evidence was closed. The Parties submitted

That brings me to my four points. The first begins by acknowledging that the LUC wants to get this right. You want to make the right decision. But the second point, to make the right decision you'll need all the facts. Mistakes happen when you

make decisions based on incomplete information.

12.

My third point. You don't have all the facts. You do not have the benefit as evidence, not as public testimony, but as evidence taken under oath, witnesses subjected to cross-examination. You do not have that record as evidence from the 2011 application to amend the SUP. The Planning Commission has that.

My fourth point. The only way to get that evidence to have all the facts, the compete record that's been developed, it's 5 months of hearings before the Planning Commission, is to remand with instructions to consolidate.

Issue a single decision based on the consolidated proceeding and transmit the entire record to the LUC for review and decision. That's all we're asking for. Have all the facts.

The City, on the other hand, is asking the LUC to proceed with incomplete information. The city is afraid of the record before the Planning Commission. Does not want you to consider it. That makes no sense. It's a formula for error. And it's inconsistent with the Supreme Court's decision.

As I said the 2008 application was approved with Condition 14. The City appealed Condition 14. That condition was struck down, but remember the court

didn't stop there.

12.

As we've heard in the opinion from the Hawai'i Supreme Court, it determined that the condition 14 was material, that the entire SUP had to be invalidated and therefore a remand to the LUC for further proceedings was necessary.

Far from limiting the scope of the evidence that the LUC was to consider on remand, the Hawai'i Supreme Court took the extraordinary step of adding footnote 16. I'll read the footnote to you. It's Page 19 of the Opinion.

Quote, "We have been informed in pleadings filed by the LUC that on June 28, 2011 the City filed a request for modification of Condition 14 with the Planning Commission and that a contested case hearing is ongoing in that proceeding. On remand we encourage the LUC to consider any new testimony developed before the Planning Commission."

The court wants you to have all the facts. In response to that encouragement by the Hawai'i Supreme Court the LUC was prepared to get all the facts. Former Chairperson Lezy, after this body so moved, sent a letter to the Planning Commission advising it that if they stayed, the LUC would remand the Planning Commission so that those proceedings

could be consolidated. That is consistent with the Supreme Court's decision.

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At that point the Planning Commission took a wrong turn. Instead of waiting for that remand to happen the Planning Commission merely transmitted its record to you.

I don't know if the Planning Commission was trying to save time, thought it was more efficient, thought you could consolidate the two proceedings, but procedurally that's not how it works. The Planning Commission does not transmit records, can't transmit records until it makes a decision.

On an SUP like this the Planning Commission was charged with gathering the evidence. Once the evidence is gathered and it enters Findings and Conclusions, all of that comes to you. But until it takes those steps, gathering the evidence and enter the decision, the record does not come to you for review and decision.

It's not too late to correct the wrong turn. Put us back on the right track. You can remand to the Planning Commission pursuant to HAR 15-15-96A. Under this section you have the power to remand any proceeding to the Planning Commission for further proceedings.

It's not up to the Planning Commission whether to accept the remand from you. The rule authorizes the LUC to make the remand. The Planning Commission has to accept it.

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With the power to remand comes the power to direct how the remand goes. You can direct the Planning Commission, as OP has observed, to do the most efficient thing which is consolidate the two proceedings for a single decision that you then review.

This is consistent with the Hawai'i Supreme Court's decision, as I said. It's consistent with your brief to the Hawai'i Supreme Court in which you mentioned the ongoing contested case proceeding.

You obviously recognized that the ongoing contested case proceeding was relevant, was related and it was important that those facts be brought to the attention of the Hawai'i Supreme Court.

The Court agreed and said it wants you to consider those things. Chairman Lezy's letter reflects that. We're going to consider all the facts. Remand and consolidate. That's why he wrote the letter. And that's what we should do now.

The City would have you make a decision. The City says you have enough information to rule.

But there's a difference between making a ruling and making the right ruling. And you cannot make the right ruling unless you have all the facts.

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CHAIRMAN CHOCK: One minute.

MR. CHIPCHASE: You don't have them today. And I will wrap up in less than one minute. A brief comment on the OP's alternative that you stay and allow the Planning Commission to enter a decision.

You heard today that the City will simply dismiss its application if there's not a remand for consolidation. The City does not like that record. The city does not want you to have that record. They can't have the opportunity to short circuit the process to cut out all the work that the Parties have done, all the testimony, by dismissing that case.

The only course, the only way to get all the facts is to remand this proceeding for consolidation. Thank you.

CHAIRMAN CHOCK: Thank you. Petitioner.

MS. VIOLA: First of all, you do have the record. The City is not trying to hide anything. You have the entire record of the proceedings in the 2011 case. By stating that you don't have complete information that's false. You have the complete record.

Second of all, the City is not afraid of those facts. The City would assert that you have in front of you that they would essentially bolster the argument the City made in the 2009 proceeding.

12.

Thirdly, the Planning Commission was really clear as to why they sent you the record.

Specifically they said the Planning Commission —
there's no necessity to remand the record of the AP's current application.

This is because the Planning Commission already made its decision based on the records in the file of the 2009 proceedings in the form of the Planning Commission's order and previously transmitted those records including that decision to the LUC on August 10, 2009.

There's no request to modify the Planning Commission's order and it remains unchanged. There's nothing prohibiting the Planning Commission from forwarding that record to you in the form of public testimony so you can consider it. There's a broad basis for accepting public testimony in these proceedings. There's nothing precluding the Planning Commission from likewise sending you the record for your consideration.

Lastly, in terms of the Supreme Court

decision. On Page 35 the conclusion to their
decision, the Supreme Court states, and I quote, "In
the present case the relevant question is whether the
LUC would have reached the same conclusion approving
the SUP without its imposition of Condition 14. Based
on the record you cannot so conclude."

12.

So the issue is whether or not the Planning Commission would have granted the SUP but for the imposition of that deadline. Supreme Court states that unequivocally on Page 35 of the decision.

And that's the basis for remand. They do not leave it open for reconsideration of the entire SUP. That's not the jurisdiction of the Supreme Court.

The Supreme Court stated in the opinion the only thing they were considering was the deadline. It's very clear that if they're only considering one issue that they remanded, the remand was based on the consideration and their rejection of that deadline. Thank you.

CHAIRMAN CHOCK: Thank you, Petitioner.

Commissioners, what is your pleasure on this matter?

Commissioner McDonald.

COMMISSIONER McDONALD: With regard to SP09-403 Department of Environmental Services, city

and county of Honolulu, I move to remand the 2008 application to the Planning Commission for consolidation with the 2011 application for the purpose of providing this Commission the Findings of Facts, Conclusions of Law and Decision and Order as a consolidated case.

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CHAIRMAN CHOCK: Is there a second?

COMMISSIONER HELLER: Second.

CHAIRMAN CHOCK: Seconded by Commissioner Heller. Discussion? Commissioner Heller.

COMMISSIONER HELLER: Yes. I think the problem here is that we've got two cases with two records going on at the same time. I'm, frankly, not sure what the best way is to resolve that and get it combined into one case and one place with one record.

But it seems to me that remanding and hoping that the Planning Commission will then consolidate the cases is at least a reasonable approach. I don't see a better one.

So recognizing that we're in kind of procedurally unchartered waters to some extent I think the best thing we can do right now is remand to the Planning Commission, ask them to put the whole package together in one package with a decision. And then we can take their decision and do whatever we need to do

with it.

12.

2 CHAIRMAN CHOCK: Commissioner Inouye.

COMMISSIONER INOUYE: Yes, thank you,
Chair. This is a tough one for me anyway. I don't
like to tell another agency what to do. So I have a
difficulty telling you to do something. However, the
alternative is to stay it.

And from what I understand that means that our decision, our subsequent decision that's being considered is out the window. So you're really operating without our approval. You don't have the land use designation. And, you know, that bothers me. That means you're operating illegally.

So I think I agree with Commissioner McDonald to go ahead and give you some advice to consolidate, get this matter over with. We need a good record to make the decision. So anyway that's my comments on the motion.

CHAIRMAN CHOCK: Commissioners, any other comments? Executive Officer, please poll the Commission.

MR. ORODENKER: The motion by Commissioner McDonald is to remand the 2008 case for consolidation with the 2011 case for the purpose of providing facts for the Decision and Order.

| 1  | Commissioner McDonald?                               |
|----|--|
| 2  | COMMISSIONER McDONALD: Yes.                          |
| 3  | MR. ORODENKER: Commissioner Heller?                  |
| 4  | COMMISSIONER HELLER: Yes.                            |
| 5  | MR. ORODENKER: Commissioner Matsumura?               |
| 6  | COMMISSIONER MATSUMURA: Yes.                         |
| 7  | MR. ORODENKER: Commissioner Inouye?                  |
| 8  | COMMISSIONER INOUYE: Yes.                            |
| 9  | MR. ORODENKER: Commissioner Teves?                   |
| 10 | COMMISSIONER TEVES: Yes.                             |
| 11 | MR. ORODENKER: Commissioner Contrades is             |
| 12 | excused. Commissioner Makua is also excused.         |
| 13 | Commissioner Biga?                                   |
| 14 | COMMISSIONER BIGA: Yes.                              |
| 15 | MR. ORODENKER: Chair Chock?                          |
| 16 | CHAIRMAN CHOCK: Yes.                                 |
| 17 | MR. ORODENKER: Mr. Chairman, the motion              |
| 18 | passes with seven votes.                             |
| 19 | (Recess was held.)                                   |
| 20 | CHAIRMAN CHOCK: Thank you, Parties. We'll            |
| 21 | now proceed with the initial item on our agenda. So  |
| 22 | why don't we recess in place and give the parties an |
| 23 | opportunity to reset and then wrap up for the day.   |
| 24 | (1:00.)  |
| 25 | (2:10 recess)  |
|    |  |

1 CHAIRMAN CHOCK: (gavel) We're back on the 2 record on A99-728. Parties, have we resolved some of 3 these language issues? 4 MR. IHA: Yes, we have, Mr. Chairman. 5 CHAIRMAN CHOCK: How would you like to 6 proceed? 7 MR. IHA: As for the agreement that the 8 Parties have is with respect to language only. 9 City is still -- still wants to reserve its position. 10 But with respect to the amendments that Commissioner 11 Inouye has suggested, the parties have agreed to the 12. following language: For Condition No. 9 keep the 13 language proposed by DHHL and insert in the second 14 paragraph second-to-the-last sentence language to that 15 sentence. 16 So that it reads as follows: "Petitioner 17 shall obtain acceptance of the Project's Traffic 18 Impact Analysis Report, TIAR, from DOT and consider 19 written comments from the City prior to execution of 2.0 the MOA." 21 With respect to Condition 16 the Parties 22 have agreed to the following language. "In the event 23 DHHL is no longer the fee owner of the property,

future fee owners and their successors and assigns

shall, prior to issuance of any building permit,

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subdivision or grading permit within Petition Area C, submit an open space and pedestrian/bikeway Master Plan to the City for its review and approval.

12.

"Regardless of the fee ownership

Petitioner, its successors and assigns shall consider

all timely comments submitted by the City."

With respect to Condition 17 the Parties have agreed to the following language. "In the event DHHL is no longer the fee owner of the property, future fee owners and their successors and assigns shall, prior to issuance of any building permit, subdivision or grading permit within Petition Area C, submit a conceptual urban design plan to the City for its review and approval.

"The urban design plan shall depict the overall design theme and architectural character of streetscapes, residential neighborhoods and town centers.

"The plan shall also include a conceptual landscape plan showing treatment of Project entries, major roadways and common areas. Regardless of the fee ownership Petitioner, its successors and assigns shall consider all timely comments submitted by the City."

There's also agreement with respect to

clarifying the "if applicable" language on Conditions 4 and 15. So for those two conditions only replace the language "if applicable" with "in the event DHHL is no longer the fee owner of the property, future fee owners and their successors and assigns shall" — so with respect to Condition 4 it would be "shall apply for City zoning approval after State Land Use Commission reclassifies," et cetera.

12.

With respect to Condition 15 it would be,
"In the event DHHL is no longer the fee owner of the
property, future fee owners and their successors and
assigns shall comply with county zoning requirements,
et cetera. Thank you.

CHAIRMAN CHOCK: Parties, are you all in agreement?

MR. KITAOKA: Well, for clarification the City will agree that this is the language that expresses the position of Commissioner Inouye. But the City still requests the language that was proposed in its submittal dated July 2, 2012, and objects to the language that is being proposed but does agree that this language accurately reflects the intention of Commissioner Inouye.

And with respect to Conditions No. 14 and 15 the City will stipulate to the proposed conditions

| 1  | as stated by Mr. Iha.                                  |
|----|--|
| 2  | CHAIRMAN CHOCK: Okay. Thank you. County?               |
| 3  | OP?  |
| 4  | MR. YEE: OP has no objection.                          |
| 5  | CHAIRMAN CHOCK: Haseko?                                |
| 6  | MR. AUSTIN: No objection.                              |
| 7  | MS. CHING: HHFDC has no objection.                     |
| 8  | CHAIRMAN CHOCK: Thank you, HHFDC. Okay.                |
| 9  | Commissioners, what is your pleasure on this matter?   |
| 10 | Commissioner Heller.                                   |
| 11 | COMMISSIONER HELLER: I move that we accept             |
| 12 | the amendment to the Findings of Fact, Conclusions of  |
| 13 | Law and Decision and Order in the form that has been   |
| 14 | stipulated as the Proposed First Amendment with the    |
| 15 | changes just read into the record by Mr. Iha.          |
| 16 | COMMISSIONER MATSUMURA: Second.                        |
| 17 | CHAIRMAN CHOCK: It's been moved and                    |
| 18 | seconded. Discussion?                                  |
| 19 | COMMISSIONER TEVES: Mr. Chair, for the                 |
| 20 | purview of Commissioner Heller, Commissioner           |
| 21 | Matsumura, on Condition 10, I would like to add        |
| 22 | well, this pertains to the civil defense agencies, I   |
| 23 | would like to add "the civil defense measures shall be |
| 24 | operational prior to occupancy of any residences or    |
| 25 | business."   |
|    |  |

| 1  | CHAIRMAN CHOCK: Thank you, Commissioner              |
|----|--|
| 2  | Teves.   |
| 3  | COMMISSIONER HELLER: I would accept that             |
| 4  | as a friendly amendment.                             |
| 5  | CHAIRMAN CHOCK: Commissioner Matsumura?              |
| 6  | COMMISSIONER MATSUMURA: I'll accept.                 |
| 7  | CHAIRMAN CHOCK: Commissioner McDonald?               |
| 8  | COMMISSIONER McDONALD: I just want to be             |
| 9  | sure that Condition No. 9 regarding the storm runoff |
| 10 | drainage is also a part of the Conditions, 13B.      |
| 11 | MR. IHA: That would be 13B.                          |
| 12 | COMMISSIONER McDONALD: 13B.                          |
| 13 | MR. IHA: And to reiterate DHHL's position            |
| 14 | would be to simply delete the first sentence of that |
| 15 | paragraph.   |
| 16 | COMMISSIONER McDONALD: Yes. And I would              |
| 17 | agree with that.                                     |
| 18 | COMMISSIONER HELLER: If that's an                    |
| 19 | amendment to the motion that's also a friendly       |
| 20 | amendment.   |
| 21 | COMMISSIONER MATSUMURA: Accept.                      |
| 22 | CHAIRMAN CHOCK: Thank you. Commissioners,            |
| 23 | any other comments, questions, discussion? Will the  |
| 24 | executive officer please poll the Commission.        |
| 25 | MR. ORODENKER: Thank you, Mr. Chair. The             |

| 1  | motion is to accept the amendments to the proposed     |
|----|--|
| 2  | amendments to the Decision and Order as amended by the |
| 3  | Parties with amendments to the motion by Commissioners |
| 4  | Teves and McDonald.                                    |
| 5  | Commissioner Heller?                                   |
| 6  | COMMISSIONER HELLER: Yes.                              |
| 7  | MR. ORODENKER: Commissioner Teves?                     |
| 8  | COMMISSIONER TEVES: Yes.                               |
| 9  | MR. ORODENKER: Commissioner McDonald?                  |
| 10 | COMMISSIONER McDONALD: Yes.                            |
| 11 | MR. ORODENKER: Commissioner Matsumura?                 |
| 12 | COMMISSIONER MATSUMURA: Yes.                           |
| 13 | MR. ORODENKER: Commissioner Inouye?                    |
| 14 | COMMISSIONER INOUYE: Yes.                              |
| 15 | MR. ORODENKER: Commissioner Biga?                      |
| 16 | COMMISSIONER BIGA: Yes.                                |
| 17 | MR. ORODENKER: Chair Chock?                            |
| 18 | CHAIRMAN CHOCK: Yes.                                   |
| 19 | MR. ORODENKER: Mr. Chair, the motion                   |
| 20 | passes with 7 votes.                                   |
| 21 | CHAIRMAN CHOCK: All right. Thank you very              |
| 22 | much, Parties. Appreciate your patience on the         |
| 23 | matter. I know we had to reschedule this meeting       |
| 24 | because of a quorum issue the last time around.        |
| 25 | Appreciate your patience in working with us on that so |

|    | 740  |
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| 1  | without further adieu we're adjourned. Have a good |
| 2  | weekend, everybody. Aloha.                         |
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| 4  | (The proceedings were adjourned at 1:20 p.m.)      |
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## CERTIFICATE

I, HOLLY HACKETT, CSR, RPR, in and for the State of Hawai'i, do hereby certify;

That I was acting as court reporter in the foregoing LUC matter on the 14th day of September 2012;

That the proceedings were taken down in computerized machine shorthand by me and were thereafter reduced to print by me;

That the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings had in the foregoing matter.

This\_\_\_\_ day of\_\_ DATED: 2012

> HOLLY M. HACKETT, HI CSR #130, RPR Certified Shorthand Reporter

