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2	LAND USE COMMISSION
3	STATE OF HAWAI'I
4	HEARING AND ACTION)
5	DOCKET NO. A92-683 HALEKUA DEVELOPMENT)
6	CORPORATION)
7)
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10	TRANSCRIPT OF PROCEEDINGS
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12	The above-entitled matter came on for a Public Hearing
13	and Action meeting at Honolulu Airport Conference
14	Center, 400 Rodgers Blvd., Suite 700, Room #3,
15	Honolulu, Hawai'i, commencing at 9:00 a.m. on August
16	22, 2013, pursuant to Notice.
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22	REPORTED BY: HOLLY M. HACKETT, CSR #130, RPR Certified Shorthand Reporter
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1	APPEARANCES	
2	COMMISSIONERS:	
3	SHELDON BIGA KYLE J.K. CHOCK	
4	DENNIS ESAKI RONALD HELLER LANCE INOUYE	
5	ERNEST MATSUMURA CHAD McDONALD	
6	CAROL TORIGOE	
7		
8		
9		
10	EXECUTIVE OFFICER: DAN ORODENKER CHIEF CLERK: RILEY HAKODA	
11	STAFF PLANNER: SCOTT DERRICKSON	
12	DEPUTY ATTORNEY GENERAL: PAT OHARA, ESQ.	
13	AUDIO TECHNICIAN: WALTER MENCHING	
14		
15	Docket No. A92-683 HALEKUA DEVELOPMENT CORP.	
16	For the Petitioner: WYETH MATSUBARA, ESQ. CURTIS TABATA, ESQ.	
17	STANFORD CARR	
18	For the County: DAWN TAKEUCHI-APUNA, ESQ. Deputy Corporation Counsel	
19		
20	For the State: BRYAN YEE, ESQ. Deputy Attorney General	
21	RODNEÝ FUNAKOSÁI, OP	
22		
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CHAIRPERSON HELLER: (gavel) Let's call the meeting to order and get started. First order of business is the adoption of minutes from our meeting of August 8th, 2013. Does anybody have any comments or corrections on the minutes? If not is there a motion to approve?

COMMISSIONER BIGA: So moved.

COMMISSIONER ESAKI: Second.

CHAIRPERSON HELLER: All in favor.

10 "Aye". Any opposed? Minutes are approved.

11 Next order of business is the tentative meeting

12. schedule. Mr. Orodenker would you update us on the

13 schedule.

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14 MR. ORODENKER: Thank you, Mr. Chair. 15 September 5th and 6th, we will be at the Maui

Courtyard Kahului Airport for 2 items: Koanaulu Ranch

to establish the LUC as accepting authority for their

18 revised ETS.

> Second thing will be the CMBY Investment LLC hearing. We will also be having a short hearing afterwards for our public rules. The Commissioners are not required to attend that meeting.

> On September 18th through 20th we will be on the Big Island for the HCPO. There's no meeting scheduled for that time period. However, we will be

1 having another public hearing on our rules. 2 On October 4th we will be having a video 3 conference. The only item on the agenda anticipated 4 at this point is a LUC approval to proceed with the 5 next phase of the Administrative Rules. 6 October 17th we will be having oral 7 argument on Maui for Maui R&T and decision-making. 8 October 18th is currently to be determined. 9 November 7th to 8th we will be having a 10 meeting here on O'ahu Kuilima Development 11 Corporation's Defend O'ahu Coalition's renewed Motion Issuance for an Order to Show Cause. 12. 13 CHAIRPERSON HELLER: Thank you. 14 COMMISSIONER ESAKI: May I? 15 CHAIRPERSON HELLER: Yes. 16 COMMISSIONER ESAKI: On A13-797 CMBY due to 17 potential conflict with my relationship with 18 Goodfellow Brothers I will recuse myself from this 19 Application. 20 CHAIRPERSON HELLER: So noted. Thank you 21 for informing us. 22 The next order of business is hearing an 23 action meeting on docket A92-683 Halekua Development

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Corporation Motion for Order Amending Amended Findings

of Fact, Conclusions of Law, and Decision and Order

dated October 1, 1996. First will the parties identify themselves for the record.

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MR. WYETH MATSUBARA: Chair, Commissioners, good morning. Wyeth Matsubara and Curtis Tabata on behalf of Canpartners IV Royal Kunia Property, LLC. With us today is also Stanford Carr designated representative for the Petitioner.

MS. TAKEUCHI-APUNA: Good morning. Deputy Corporation Council Dawn Takeuchi-Apuna on behalf of the Department of Planning and Permitting.

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. We also have Mr. Gary Ashikawa from the
Department of Transportation should the LUC have any
questions.

CHAIRPERSON HELLER: Thank you. Let me update the record. On August 12, 2009 the Commission received correspondence from Petitioner and a copy of Mortgagee's Quitclaim Deed sent at the request of Canpartners IV Royal Kunia Property, LLC.

On July 15, 2013 the Commission received
Petitioner's Motion for Order Amending Amended
Findings of Fact, Conclusions of Law and Decision and
Order dated October 1 1996 and Exhibits 1 through 7.

1 On July 18, 2013 the Commission received 2 Petitioner's First Supplement to its Motion for Order 3 and Exhibit 8. 4 On July 19, 2013 the Commission received 5 correspondence from Senator Michelle Kidani regarding 6 the motion and responded to the Senator on July it 22, 2013. 8 Of July 23, 2013 the Commission received City and County of Honolulu's comment letter stating 9 10 no objection to Petitioner's Motion. 11 On August 13, 2013 the Commission received Petitioner's Second Supplement to its Motion for Order 12. 13 and Exhibit 9. 14 On August 14, 2013 the Commission mailed 15 the agenda for the August 22-23, 2013 meeting to 16 parties and the statewide and O'ahu mailing lists. 17 On August 15, 2013 the Commission received 18 Petitioner's Errata to the Second Supplemental Motion 19 for Order Amending the Amended A92-683 D&O. 20 Mr. Matsubara, has our staff informed you 21 of the Commission's policy regarding the reimbursement 2.2 of hearing expenses? 23 MR. WYETH MATSUBARA: Yes, Chair. And we

CHAIRPERSON HELLER: Thank you. Let me

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will comply.

1 | briefly describe our procedures for today on this

2 | docket. First, I will call those individuals desiring

3 to provide public testimony to identify themselves.

4 | All such individuals will be called in turn to our

5 | witness box where they will be sworn in prior to their

6 testimony.

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The Commission will then hear argument only the motion. At the conclusion of the arguments on the motion, and after any questions from the Commissioners and the answers thereto the Commission will conducted its deliberations. Are there any questions on our procedure for today?

MR. WYETH MATSUBARA: No questions.

VICE CHAIR HELLER: Let me also add at this moment, I'm not sure if I've made this disclosure in this docket. I apologize if this is repetitive, but just to make sure I'll do it again.

In my law practice I represent taxpayers in real property tax appeals. In some cases where they're on O'ahu the adverse party would be the City and County of Honolulu. Therefore my clients are adverse to the City in certain matters that are unrelated to this case.

I'm simply making that disclosure for the record in case anybody has any objection to my

participating. If so now would be the time to raise that. (No comments) Okay. Thank you. Do we have any public witnesses signed up?

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MR. ORODENKER: No, Mr. Chair we do not.

CHAIRPERSON HELLER: Are there any individuals in the room desiring to provide public testimony? Seeing none, Mr. Matsubara, are you ready to make your presentation?

MR. WYETH MATSUBARA: Yes, Chair, thank you.

CHAIRPERSON HELLER: Please go ahead.

MR. WYETH MATSUBARA: Chair, Commissioners, Canpartners IV Royal Kunia Property, LLC requests that the Commission provide for an order: First recognizing Canpartners IV Royal Kunia Property, LLC's standing to bring this motion in this matter and to obtain the relief requested.

And (2), to amend the Findings of Fact,
Conclusions of Law and Decision and Order filed
October 1st, 1996 to modify Condition 2 to clarify
that improvements south of the cane haul road
intersection are considered regional improvements and
that the improvements north of the cane haul road
intersection with Kunia Road are considered local
improvements with the responsibility of Petitioner, as

stated in our second supplement, which was filed on August 13, 2013.

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In regards tor standing of this Petition, we believe that we have met the requirements to bring this motion. We hereby request that the Commission recognize Petitioner's standing to speak and obtain the relief requested today.

To provide this Commission with some backgrounds of the area: The location of Royal Kunia Phase 2 Project and the proposed Kunia Interchange is approximately north of 'Ewa Plains on O'ahu. I don't have an overview map of the area but this is generally the intersection we're talking about.

What we're here today to seek permission from the Commission is basically that as Condition 2 reads as today it is not as clear to the responsibility for improvements for this highway. So we just wanted to clarify, with DOT's assistance, clarify that everything north of Cane Haul intersection here is definitely the responsibility of the Petitioner. However, improvements south of Cane Haul Road to the intersection are deemed to be regional based on our traffic studies.

As a background to how this started:

Petitioner had been working on lane foundation design

and planning for the Royal Kunia Phase 2 project. Within that planning and design work, after receiving a planned development housing permit from the city and county in about 2009, the preliminary engineering for the development Project indicated that the highway improvements for the interchange, were regional in nature and not due or should be triggered solely to the Project.

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So at that time Petitioner entered discussions with DOT to get some clarity and identify the issues involved. We filed a motion amending with certain language to indicate what our desires were and the changes.

Subsequent to that first Motion to Amend we received further comments from the Department of Transportation regarding improvement evaluations. And we, again, went back and entered into the further discussions with DOT to discuss what were the issues and further clarify our responsibilities regarding the traffic improvements.

So as we sit here today we're asking for this Commission to approve an amendment to the 1996 Decision and Order to clarify that that interchange area south of Cane Haul Road is in fact regional so that Petitioner may finalize plans to break ground in

2014. We are open to questions if there's any questions.

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CHAIRPERSON HELLER: Commissioners, any questions at this time? City?

MS. TAKEUCHI-APUNA: The City has no objections to Petitioner's Motion basically because, one, it's a state road so we don't believe it's part of our kuleana. And we also agree because of the agreement that we see between DOT and the Petitioner.

CHAIRPERSON HELLER: OP?

MR. YEE: Thank you. The Office of
Planning is in agreement with the motion as currently
phrased pursuant to the Second Supplemental
Memorandum. We would also ask that certain findings
of fact be either added or amended in order to justify
this change.

We think, as this motion has finally come before you today, it's a fairly simple matter as the parties are all in agreement, I think the issue's been fully vetted. I do apologize for the lateness of some of our filings. Unfortunately sometimes simple takes a long time to get to.

So there were a lot of discussions that were occurring on this. So it took us a while before we could finally get it to a point where we could all

agree and come to you with hopefully a very simple motion.

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The findings of fact basically assure both you and the public that the Department of Transportation and the Petitioner have analyzed these issues and there are reasons why we're making these changes.

As you will notice from the map that they supplied, the Cane Haul Road is very close to the Kunia Interchange. There was perhaps some question as to exactly where the Kunia Interchange started and stopped. The Cane Haul Road's just a very good, easy demarcation for everyone to understand where does the regional improvements start, and therefore have to be shared among the various parties. And where is it a local and that has to be improved.

We've also included provision for interim measures. There's a particular interim measure that's being considered, specifically the condition requires three north-bound lanes and a right-turn lane.

And so one of the interim measures being looked at or actually the major interim measure being looked is allowing there to be a shared through and right-turn lane rather than three through lanes and one right turn. So that's provided for and

specifically allowed for in this case.

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Then, finally, it does update the conditions to clearly indicate the Traffic Impact Study and the Kunia Interchange Alternatives Analysis would be done by a particular point in time or point in the process to, again, assure everyone there's some concern about the Kunia Interchange I think, about the status of that.

So we just want to make sure everyone understood that that is being reviewed. That has not been forgotten, will be a part of this process as well.

With that I think the Office of Planning is in full support of this motion with the proviso, with the request that the proposed findings of fact be added and/or amended as set forth in our memorandum.

Mr. Ashikawa from the Department of Transportation is here if you have any questions. But we don't intend to affirmatively bring him as a witness. Thank you.

CHAIRPERSON HELLER: Commissioners, any other questions? I have a question. This may be in part for the Department of Transportation. As to the proposed regional improvements, do we know at this point who all the parties would be that would be

1 participating in those regional improvements and the cost of those? 3 MR. YEE: I can't say we know for sure 4 every one. But if the question might be directed at 5 Is Ho'opili one of the parties? The answer add: 6 would be yes. 7 There's the possibility, I think of --8 there's a piece of land for Robinson that could play a role. But, frankly, the major player is probably 9 10 Ho'opili. Would you like me to ask if there are any 11 more specificity, I could provide you with 12. Mr. Ashikawa. 13 CHAIRPERSON HELLER: I'd be interested and 14 also if there's any further information he can give us 15 as to the process for arriving at a cost-sharing 16 formula. 17 MR. YEE: Okay. Mr. Ashikawa can be a 18 public witness. 19 CHAIRPERSON HELLER: Sure. 20 GARY ASHTKAWA 21 being first duly sworn to tell the truth, was examined 2.2 and testified as follows: 23 THE WITNESS: Yes. 24 Thank you. CHAIRPERSON HELLER: 25 THE WITNESS: Regarding parties that would

1 be involved in the regional fair-share contribution to the Kunia Interchange improvements, a Bryan has 3 indicated the parties would be Royal Kunia 2, the Ho'opili Project. And there are several other 4 5 projects within the regional area extending out to 6 Kapolei that would also be participating. 7 The way we determined the regional 8 fair-share is through the impacts that a particular 9 project generates at a given point, and in this case 10 the Kunia Interchange. So the traffic volume that 11 they would generate in relation to the base traffic 12. volume at the interchange without their Project would 13 be generally the way we determine their fair-share. 14 CHAIRPERSON HELLER: And you would get 15 those numbers from the TIAR's? 16 THE WITNESS: From the TIAR's that's 17 correct. 18 CHAIRPERSON HELLER: So your process for 19 reviewing and approving the TIAR also affects how the 2.0 cost sharing works. 21 THE WITNESS: Yes. 22 CHAIRPERSON HELLER: Thank you. That 23 answers my questions. Commissioners, anything else? 24 VICE CHAIR McDONALD: Ouick one. As to the 25 regional improvements to Kunia Interchange, Bryan had

mentioned what was previously on the table is 3 through lanes, one right-turn lane along Kunia Road. Is that all that's being proposed as far as the regional improvements?

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THE WITNESS: Ah, no. There are other improvements also. But the regional analysis, their alternatives for the interchange hasn't been completed yet. So we've requested Royal Kunia to provide us with some alternative layouts for the interchange for an ultimate condition for future years 2025 I guess is their total buildout year. And ho'opili is a little past that I think.

So we're looking at what the ultimate traffic would be at a given future year and determine alternative improvements that would be required. So we're waiting for their interchange report to be completed as well as Ho'opili's.

VICE CHAIR McDONALD: Okay. Thank you.

MR. YEE: Chair, could I follow up just briefly on the question?

CHAIRPERSON HELLER: Sure.

MR. YEE: Commissioner McDonald asked you about the regional improvements that would be done. Are the three northbound bound through lanes and the right-turn lane a regional or a local improvement on

Kunia Road?

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THE WITNESS: Well, the 3 north-bound lanes would be regional up to the Cane Haul Road as our agreed upon demarcation line.

MR. YEE: And then past that?

THE WITNESS: Past that would be the responsibility of the Petitioner. So all of the costs related to improvements above the Cane Haul Road would be funded by the Petitioner.

MR. YEE: Just wanted to point that out because a TIAR, if you read through it, does do an intersection analysis of north of south Kupuna Loop which is north of the Cane Haul Intersection Road. Those indicate that without the Project those intersections are fine. With the Project the intersections go back to E or F.

So the improvements to those intersections including those northbound lanes and right-turn lane we had considered to be local or direct.

VICE CHAIR McDONALD: Thanks, Bryan.

CHAIRPERSON HELLER: Thank you. Anything further? Thank you very much. Petitioner, I don't know if you really need rebuttal but is there anything else you wish to say for the record?

MR. WYETH MATSUBARA: No. We just

1 appreciate the Commission's time. And like Bryan said, we also appreciate staff's time for letting us do the filings. The amount of time that was spent 3 4 between the client, Stanford's office and DOT was extremely time consuming. I think that Bryan and I 5 6 felt had a comfort level over these because those two were working together. There was never a point in 8 time where Stanford said, "I don't want to do things." It was, like, "Hey, let's be clear what is truly 9 10 regional and what is truly Project-triggered." DOT 11 saw that and they were able to work out an agreement 12. as to what it is.

We feel very comfortable with what we proposed today. We appreciate Bryan and DOT's assistance in this matter. We humbly ask for your vote today for that.

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CHAIRPERSON HELLER: Commissioners, what is your pleasure? Commissioner Inouye.

COMMISSIONER INOUYE: Thank you. I would move both requests, the change in parties as well as the clarification on the provision on what is a regional responsibility and what is the responsibility of the Petitioner that is north of Cane Haul Road is the Petitioner's responsibility. And south of that would be a regional responsibility.

1	COMMISSIONER CHOCK: Second.
2	CHAIRPERSON HELLER: Any comment or
3	discussion? If not, Mr. Orodenker will you call the
4	role.
5	MR. ORODENKER: Thank you, Mr. Chair.
6	Commissioner Inouye?
7	COMMISSIONER INOUYE: Yes.
8	MR. ORODENKER: Commissioner Chock?
9	COMMISSIONER CHOCK: Yes.
10	MR. ORODENKER: Commissioner Matsumura?
11	COMMISSIONER MATSUMURA: Yes.
12	MR. ORODENKER: Commissioner Biga?
13	COMMISSIONER BIGA: Yes.
14	MR. ORODENKER: Commissioner Torigoe?
15	COMMISSIONER TORIGOE: Yes.
16	MR. ORODENKER: Commissioner McDonald?
17	VICE CHAIR McDONALD: Yes.
18	MR. ORODENKER: Commissioner Esaki?
19	COMMISSIONER ESAKI: Yes.
20	MR. ORODENKER: Chair Heller?
21	CHAIRPERSON HELLER: Yes.
22	MR. ORODENKER: Mr. Chair, the motion
23	passes unanimously.
24	CHAIRPERSON HELLER: Thank you. Any

1 MR. YEE: Chair, could I ask a 2 clarification? 3 CHAIRPERSON HELLER: Yes. 4 MR. YEE: Did the motion include the 5 proposed amendments from the Office of Planning to the 6 findings of fact? 7 CHAIRPERSON HELLER: That is a good 8 question. What was your intent? 9 COMMISSIONER INOUYE: Thank you, Bryan. 10 It's approving the second amendment or the motion in 11 the second... 12. MR. YEE: Second supplemental. But their 13 second supplemental included amendments to the 14 conditions. Our memorandum included amendments to 15 findings. So I was just wondering if your motion 16 included the amendments to the findings of fact as well as to the conditions. 17 18 COMMISSIONER INOUYE: I apologize. What 19 were your changes to the proposed? 2.0 MR. YEE: In the Office of Planning's 21 response the Petitioner we added a paragraph Finding 2.2 of Fact 160A and an amendment to paragraph -- to 23 Finding of Fact 161. The amendment to paragraph 161 24 just notes, just brings into conformity with the 25 condition that is the Finding of Fact 161 previously

1 said, talked about the area between the Kunia Interchange and the northernmost boundary. They changed that to between the Cane Haul intersection and 4 the northernmost boundary.

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Finding of Fact 160A really updates the findings of fact which are justifying why we're making changes today. It talks about the agreements between the Department of Transportation and the Petitioner and the discussions that they had including the third northbound lane as well as the additional findings, the additional analyses and studies that will be required.

COMMISSIONER INOUYE: May I ask the Petitioner if they have any objection or the County objections to OP's request?

MR. WYETH MATSUBARA: We have no objections to OP's request for the proposed changes in the fndings of fact as noted.

MS. TAKEUCHI-APUNA: We have no objections either.

Okay. I'll amend my COMMISSIONER INOUYE: motion to include the OP's request to add the findings of fact and changes to the second amendment.

CHAIRPERSON HELLER: Okay. And who was the second? Commissioner Chock, is the amendment okay

1	with you?	
2	COMMISSIONER CHOCK: Yes.	
3	CHAIRPERSON HELLER: Just because it was	
4	not clear when we took the original vote, I think	
5	maybe we should call the roll again.	
6	MR. ORODENKER: Mr. Chair, thank you. Just	
7	to clarify: This is a motion to approve both	
8	requested substitution of parties and delineation of	
9	changes to the conditions including the Office of	
10	Planning's suggested changes to the fndings of fact.	
11	Commissioner Inouye?	
12	COMMISSIONER INOUYE: Yes.	
13	MR. ORODENKER: Commissioner Chock?	
14	COMMISSIONER CHOCK: Yes.	
15	MR. ORODENKER: Commissioner Matsumura?	
16	COMMISSIONER MATSUMURA: Yes.	
17	MR. ORODENKER: Commissioner Biga?	
18	COMMISSIONER BIGA: Yes.	
19	MR. ORODENKER: Commission Torigoe?	
20	COMMISSIONER TORIGOE: Yes.	
21	MR. ORODENKER: Commissioner McDonald?	
22	VICE CHAIR McDONALD: Yes.	
23	MR. ORODENKER: Commissioner Esaki?	
24	COMMISSIONER ESAKI: Yes.	
25	MR. ORODENKER: Chair Heller?	

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1	CHAIRPERSON HELLER: Yes.
2	MR. ORODENKER: Thank you, Mr. Chair. Once
3	again the motion passes unanimously.
4	CHAIRPERSON HELLER: Thank you. Try again.
5	Is there any further business? (laughter) If not do
6	I hear a motion to adjourn?
7	COMMISSIONER BIGA: So moved.
8	COMMISSIONER INOUYE: Second.
9	CHAIRPERSON HELLER: All in favor?
10	(Commissioners in unison: Aye) We're adjourned.
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13	(The proceedings were adjourned at 10:00 a.m.)
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25 1 2 CERTIFICATE 3 4 5 I, HOLLY HACKETT, CSR, RPR, in and for the State 6 of Hawai'i, do hereby certify; 7 That I was acting as court reporter in the 8 foregoing LUC matters on the _____ day of _____ 9 2013; 10 That the proceedings were taken down in 11 computerized machine shorthand by me and were 12. thereafter reduced to print by me; 13 That the foregoing represents, to the best 14 of my ability, a true and correct transcript of the 15 proceedings had in the foregoing matter. 16 This____ day of____ 17 DATED: 2013 18 19 20 21 22 HOLLY M. HACKETT, HI CSR, RPR 23 Certified Shorthand Reporter 24

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