

LAND USE COMMISSION  
MEETING MINUTES  
February 2, 2012  
Leiopapa A Kamehameha  
Conference Room 204, 2<sup>nd</sup> Floor  
235 S. Beretania St.  
Honolulu, Hawai'i

COMMISSIONERS PRESENT: Kyle Chock  
Thomas Contrades  
Lisa Judge  
Jaye Napua Makua  
Ernest Matsumura  
Chad McDonald  
Nicholas Teves, Jr.

COMMISSIONERS EXCUSED: Ronald Heller (recused)  
Normand Lezy

STAFF PRESENT: Orlando Davidson, Executive Officer  
Diane Erickson, Deputy Attorney General  
Bert Saruwatari, Staff Planner  
Riley Hakoda, Staff Planner/Acting Chief Clerk

COURT REPORTER: Holly Hackett

AUDIO TECHNICIAN: Hotai Zerba/Walter Mensching

**CALL TO ORDER**

Vice Chair Chock called the meeting to order at 9:40 a.m.

**APPROVAL OF MINUTES**

Commissioner McDonald moved to approve the minutes. Commissioner Judge seconded the motion. The minutes were unanimously approved by voice votes (7-0).

**TENTATIVE MEETING SCHEDULE**

(Please refer to LUC Transcript for more details on this matter)  
February 2, 2012 meeting minutes

Executive Officer Davidson provided the following:

- The regular tentative meeting schedule for the calendar year 2012 was distributed in the handout material for the Commissioners.
- Upcoming meetings on February 16-17 and in April will involve travel to Maui.
- The Waimanalo Gulch docket still has to be scheduled and there will be a legislative update at the February 16-17, 2012 meeting.
- Please contact LUC staff if there are any questions or problems regarding scheduling.

There were no other questions or comments regarding the tentative meeting schedule.

Vice Chair Chock described the procedures for the proceedings. There were no questions regarding procedures.

## **HEARING**

### **A11-793 Castle & Cooke Homes Hawaii Inc. (OAHU)**

Vice Chair Chock announced that this was a hearing on Docket No. A11-793 to amend the Agricultural Land Use District Boundary into the Urban District for approximately 767.649 acres at Waipio and Waiawa, Island of Oahu, State of Hawaii.

## **APPEARANCES**

Benjamin Matsubara, Esq., Wyeth Matsubara, Esq. and Curtis Tabata, Esq., represented Castle & Cooke Homes Hawaii, Inc.

Laura Kodama, Castle & Cooke Homes Hawaii, Inc.

Dawn Takeuchi-Apuna, Esq., represented City and County of Honolulu Department of Planning and Permitting (DPP)

Mike Watkins, DPP

Bryan Yee, Esq., represented State Office of Planning (OP)

Richard Poirier represented Intervenor-Mililani/Waipio/Melemanu Neighborhood Board No.25 (NHB#25)

Karen Loomis, Intervenor- NHB#25

Eric Seitz, Esq., Della Au-Belatti, Esq. and Sarah Devine, Esq., represented Intervenor-The Sierra Club and Intervenor- Clayton Hee. (Mr. Seitz advised the Commission that he had a schedule conflict later during the hearing and Ms. Au-Bellati and Ms. Devine would act on his behalf during his absence.)

Vice-Chair Chock updated the record and asked if Petitioner had been advised and was agreeable to the LUC reimbursement policy. Mr. Matsubara acknowledged that Petitioner would comply with the reimbursement policy.

#### PUBLIC WITNESSES

1. Ashley Ferrera

Ms. Ferrera stated that she had previously testified before the Commission on this proposed project and described why she still supported the project and how granting the Petition would provide economic benefits and housing opportunities in Central Oahu.

There were no questions for Ms. Ferrera.

2. Leonard Leong

Mr. Leong stated that he represented the Royal Contracting Company and gave his opinion that Castle & Cooke Homes Hawaii was a reputable developer and why his company supported the Petition.

There were no questions for Mr. Leong.

3. Dr. Randall Suzuka

Dr. Suzuka expressed his reasons for supporting the Petition and described how the medical needs of his patients and the surrounding Oahu communities could be met if the Petition were granted.

Mr. Seitz requested clarification on whether any portion of Dr. Suzuka's testimony would not be covered by Mr. Olden later in the proceedings. Dr. Suzuka acknowledged that Mr. Olden would be able to answer any questions about information that he had testified about. Mr. Sietz stated that he would defer his questions to Mr. Olden.

Commissioner Teves asked if the proposed hospital facility would provide 24 hour emergency services. Dr. Suzuka responded that if there were a medical center, it was planned to have a full-service 24 hour emergency department.

There were no further questions for Dr. Suzuka.

4. Roy Doi

Mr. Doi stated he was the Chair and President of the Wahiawa Hospital Association and provided the reasoning for his support of the Petition and why the proposed medical center would be vital to the welfare of area residents. Mr. Doi also shared his experiences with dealing with Castle and Cooke Homes Hawaii as Neighborhood Board #35 President.

There were no questions for Mr. Doi.

5. Anthony Aalto

Mr. Aalto described his affiliation with The Sierra Club; why he opposed the proposed project; and how the spread of urban development threatened Oahu. Ms. Takeuchi-Apuna requested clarification on how lands in the urban core could be better utilized; what Mr. Aalto's professional background was and if he was a Sierra Club member. Mr. Aalto provided his perspective of how urban development should occur and stated that he was a journalist and a member of The Sierra Club.

There were no further questions for Mr. Aalto.

6. Lance Yoshimura

Mr. Yoshimura stated that he was a long-time Mililani resident and described why he supported the Petition. Mr. Seitz asked what his work background was and whether Mr. Yoshimura was familiar with the traffic situation on the roadways surrounding the Petition Area and how the proposed project would exacerbate the situation. Mr. Yoshimura responded that he was a member of the Carpenter's Union and had considered more factors than traffic in his decision to support the proposed project.

There were no further questions for Mr. Yoshimura.

MAP ORIENTATION

LUC Staff Planner Bert Saruwatari provided a map orientation of the Petition Area. There were no questions for Mr. Saruwatari.

PRESENTATION OF EXHIBITS

Petitioner

Mr. Benjamin Matsubara offered Petitioner Exhibits "1"- "52" for the record. There were no objections to accepting Petitioner's exhibits.

(Please refer to LUC Transcript for more details on this matter)  
February 2, 2012 meeting minutes

City and County of Honolulu

Ms. Takeuchi-Apuna offered DPP's Exhibits 1-5 for the record. There were no objections to accepting DPP's exhibits.

OP

Mr. Yee offered OP's Exhibits 1-4, 5A, and 6 -17, and noted that a map (Exhibit 5) had been withdrawn, revised and re-submitted as Exhibit 5A. There were no objections to accepting OP's exhibits.

The Sierra Club/Senator Hee

Mr. Seitz offered exhibits 1-16 for The Sierra Club and stated that Senator Hee would be offering only Exhibit "H1" for the record. There were no objections to accepting these exhibits.

Mililani/Waipio/Melemanu Neighborhood Board No.25 (NHB#25)

Mr. Poirier offered NHB #25's Exhibits 1-19 for the record. There were no objections to accepting NHB #25's exhibits.

The Commission recessed at 10:21 a.m. and reconvened at 10:24 a.m.

### **PETITIONER'S WITNESSES**

Mr. Benjamin Matsubara stated that he was agreeable to Mr. Seitz's request to have Petitioner's first witness, Laura Kodama, return for cross examination questioning by Mr. Seitz later in the day and began his presentation.

1. Laura Kodama - Director of Planning and Development for Castle & Cooke Homes Hawaii, Inc.

Ms. Kodama used a PowerPoint presentation to provide a background of Castle & Cooke Homes Hawaii, Inc. and a description of the proposed development, its various features; and how they met State and County development criteria.

Ms. Kodama also described how Castle & Cooke had prepared for its proposed Project and identified the expert witnesses that Petitioner would have explaining the planned community characteristics and infrastructure features of the Petition Area.

Questions for Ms. Kodama

DPP-

Ms. Takeuchi-Apuna requested clarification on the status of highway modifications related to and/or located within the Petition Area; and whether the planned roadways were sufficient to handle anticipated commercial/industrial traffic in addition to the planned residential traffic.

Ms. Kodama described the proposed access points and roadway improvements for the Petition Area; major features of the proposed project and what the anticipated scheduling and timeline for completion was. Ms. Kodama also stated that the Koa Ridge Pineapple Interchange and the Ka Uka Boulevard Interchange designs were satisfactory to the DOT and that discussions were still being conducted on the Kamehameha Highway portion. She also described the anticipated roadway construction timetable that would be used if the Petition were granted and how various benchmarks would be identified and used to measure and “trigger” decisions to move forward with different phases of the traffic improvement plan and how the planned road capacities were designed to handle all the Petition Area traffic.

There were no further questions from DPP.

OP

Mr. Yee requested elaboration on the Project’s plan for infrastructure development; its incremental districting phasing and whether Petitioner had any objections to conditions similar to those in the prior docket on the Petition Area. Ms. Kodama explained how the Petitioner would complete the various portions of the project within 10 years and confirmed that Petitioner was comfortable with the earlier conditions from the previous A07-775 Docket for the Petition Area except for the condition regarding the Pineapple Interchange since a different benchmark “trigger” was being developed.

Mr. Yee requested clarification on whether Petitioner was agreeable to all the OP mitigation conditions set forth in the previous A07-775 Docket. Ms. Kodama responded that OP’s proposed mitigation conditions were acceptable, and that A07-775 and A11-793 were essentially the same project and all the Petitioner’s representations from A07-775 were still valid. Ms. Kodama also stated that the mitigation measures recommended by the experts in the EIS would either be implemented or improved upon and all the targets and goals mentioned by the Petitioner would be met.

Mr. Yee inquired if the Sou Brothers from Aloun Farms would be appearing to testify and how the existing irrigation system and water easements plans would factor in the proposed project. Ms. Kodama deferred the question regarding the Sou Brothers testimony to Counsel and described how the irrigation system and water easements were going

to be maintained during and after the proposed development of the Petition Area.

Commissioner Teves excused himself at 11:08 a.m. and returned at 11:13 a.m.

There were no further questions from OP.

#### Neighborhood Board #25

Mr. Poirier requested clarification on Petitioner's explanation for how traffic/transportation issues would be resolved and how proposed traffic mitigation features for Docket A06-771 (DR Horton) and A11-793 compared. Ms. Kodama provided her perception of how NHB #25 had reacted to Petitioner's presentation on traffic/transportation issues and described how the representations for her company's traffic mitigation compared to the D.R. Horton's plan but deferred more detailed explanations of the transportation and roadway infrastructure /traffic mitigation measures to Petitioner's traffic expert.

There were no further questions from NHB #25.

#### Sierra Club/Clayton Hee

Vice Chair Chock asked Ms. Au-Belatti if Mr. Seitz still wanted to conduct his questioning of Ms. Kodama in the afternoon. Ms. Au-Belatti acknowledged that Mr. Seitz's request was still valid.

#### Commissioners

Commissioner McDonald requested clarification on the concept plan for the Petition Area and the distances between the Ka Uka Boulevard and Pineapple Interchanges. Ms. Kodama stated that the distances between the interchanges met the minimum distance requirements for interchange separation and that the DOT had approved the location and construction of the interchanges, but the design work had not begun and would still require FHWA approval. Ms. Kodama deferred to Garrett Matsunami to respond to this question.

Commissioner McDonald requested clarification on how stormwater runoff would be handled in the Petition Area. Ms. Kodama responded that it was Petitioner's expectation to turnover the runoff facilities to the City to maintain and deferred further questions to Mr. Matsunami.

Commissioner Judge requested clarification on how the proposed Kamehameha Highway access plans could be implemented into the Petition Area. Ms. Kodama described how the DOT concerns about the access were being addressed by Petitioner and deferred questions on this subject to Mr. Matsunami.

There were no further Commissioner questions for Ms. Kodama.

2. Ann Bouslag- Expert in Real Estate Market Assessment and Economic Impacts

Dr. Bouslag used her portion of the Petitioner's PowerPoint program to present information about her market studies for the proposed Project and to describe how the proposed project helps to meet projected housing needs and will provide economic benefits to Oahu.

Questions for Dr. Bouslag

DPP-

Ms. Takeuchi-Apuna had no questions.

OP-

Mr. Yee requested clarification on the analyses of unmet housing shortage and absorption rates. Dr. Bouslag described how she had structured her studies and used various factors in making her calculations.

Mr. Yee requested clarification on how the report's job projections were made. Dr. Bouslag described how she had calculated the number of jobs attributed to onsite and off-site jobs and reported her findings.

There were no further OP questions.

NHB #25

Mr. Poirier asked if the proposed Hoopili development was included in her report. Dr. Bouslag replied that she had not included the Hoopili project in her calculations and that she was confident that the current real estate values she used to make her calculations would hold.

Mr. Poirier requested clarification on how public borne costs for infrastructure developments associated with new developments would impact the economy. Dr. Bouslag described how she perceived growth's effects on the economy and why she did not include the City's rail spur in her study.

The Sierra Club/Clayton Hee

Ms. Della Au-Belatti had no questions.

There were no further questions for Dr. Bouslag.

3. Don Olden- CEO Wahiawa Hospital

Mr. Olden provided the background and history of Wahiawa Hospital and identified the range of services currently provided by the facility. Mr. Olden described how his organization had cooperatively worked with Castle & Cooke on feasibility studies for medical facilities in the Koa Ridge Development and expressed his reasons why building the new proposed medical facility in the Petition Area would be beneficial to the community. He also described future plans for converting the older current hospital building to a skilled nursing and geriatric care facility.

Questions for Mr. Olden

DPP-

Ms. Takeuchi-Apuna had no questions.

OP-

Mr. Yee inquired about how serious Wahiawa Hospital and the Wahiawa Hospital Association were about development of a medical center in the Petition Area. Mr. Olden described the financial commitment that had already been made in the proposed project and what resources would be added if the Petition were granted.

There were no further OP questions.

NHB #25-

Mr. Poirier requested clarification on what service areas the proposed medical center would cover and how it might impact the Pali Momi Hospital. Mr. Olden described the regional coverage that the proposed medical center would have and how he thought Pali Momi might be affected.

There were no further NHB #25 questions.

The Sierra Club/Clayton Hee

Ms. Au-Belatti had no questions.

#### Commissioner Questions

Commissioner Judge requested clarification on whether the existing hospital provided the same types of care as the proposed facility and what would happen to the existing hospital facilities after the move. Mr. Olden responded that the existing hospital had the range of services but did not have the physician complement to support those services and that current plans for the existing facilities was to use them for elderly services and urgent care.

Commissioner Judge asked whether the certificate of need process for the new hospital had started. Mr. Olden replied that the certificate process had been halted due to financial reasons and would not resume until the land use designation change and zoning approvals had been obtained.

Commissioner Matsumura requested clarification on whether consideration had been given to takeover the HMC facility in West Oahu. Mr. Olden replied that there had been no discussion on the matter by his Board.

Mr. Matsubara noted that he had previously qualified Mr. Olden as an expert in medical facilities management and development and requested to add medical facilities administration to his qualifications. There were no objections by the Parties to Mr. Matsubara's request.

(Mr. Seitz returned to the proceedings at this time (12:02 p.m) and requested and was granted permission to question Mr. Olden.)

The Sierra Club/Clayton Hee

Mr. Seitz asked whether prime agricultural land needed to be used for building the planned medical facility. Mr. Olden responded that his organization's plan did not require the specific use of prime agricultural land as a construction site.

Mr. Seitz requested clarification on what would happen to the existing hospital facilities. Mr. Olden repeated his explanation of how existing facilities were planned to be used for geriatric and urgent care.

Mr. Seitz requested clarification on why the certificate of need process had not been pursued. Mr. Olden responded that the current state of hospital medical service providers had been disrupted by the closure of the HMC hospitals and described how health planning for the region needed to be balanced; and that the certificate of need process did not become financially feasible until the initial approval processes had been cleared to provide more certainty about the proposed medical center's future.

There were no further questions for Mr. Olden.

Vice Chair Chock announced that Mr. Seitz would have an opportunity to complete his questioning of Ms. Kodama after the recess and that Petitioner could then resume with the next witness.

The Commission went into recess at 12:15 p.m and reconvened at 1:33 p.m.

1. Laura Kodama (recalled from the morning session)

Mr. Seitz requested clarification on whether anything affecting the viability of Petitioner's development plan had changed in the span of time between dockets A07-755 and A11-793 and whether the loss of HMC's medical services required a re-assessment of the proposed project's plans. Ms. Kodama responded that the need for medical services still existed and would need to be addressed.

Mr. Seitz requested clarification of how adequate educational services were expected to be provided for the proposed development. Ms. Kodama described how DOE projections were used to gauge development of the Petition Area and how excess student populations would be managed before and after construction.

Mr. Seitz also requested clarification about water resources for the proposed project and how preserving agricultural land currently in production was perceived by the Petitioner. Ms. Kodama deferred the questions on water to Tom Nance- Petitioner's Hydrology/Water Resources expert witness; and described how Petitioner had used urban growth boundaries in determining where to locate its development to satisfy housing demands. Ms. Kodama also described Petitioner's concerns about public policy issues; and desire to mitigate any negative impacts on existing farm operations. Ms. Kodama stated that she believed that Petitioner had properly drafted its proposed development plans and had abided by the policies and practices of the State of Hawaii.

Mr. Seitz inquired whether any changes in unit pricing had occurred between the prior and current Petition Area dockets and how changes might have impacted planning for the proposed project. Ms. Kodama replied that the range of prices in the market assessment had remained stable and described the price offerings of the proposed project and stated that current declining market prices had not affected Petitioner's intent to develop the Petition Area.

Mr. Seitz requested clarification on what the impact of anticipated additional traffic emanating from the Petition Area would be on existing traffic conditions. Ms. Kodama deferred the question to the traffic expert of the project and clarified what State and County agencies were responsible for traffic mitigation and facility construction in the region. Ms. Kodama further described the proposed interchanges that were to be built to support the traffic from the proposed project; the costs for the Koa Ridge Interchange at Pineapple Road and the Waipio Interchange that would be borne by Castle & Cooke and stated that any further mitigation attributable to the Waiawa Ridge Development would be Waiawa Ridge's share.

There were no further questions by Mr. Seitz.

Redirect

Mr. Matsubara requested clarification on Petitioner's agreement with the DOE for the number and locations of schools within the Petition Area. Ms. Kodama described how the terms and conditions of the agreement with the DOE had been determined and how the impact fees and facility needs were calculated.

Mr. Matsubara requested clarification on the impact of reclassifying the Petition Area from Agricultural District to Urban District. Ms. Kodama described how agricultural and ranching operations would continue to exist and stated that she did not foresee any loss of agricultural food production as a result of the proposed project. Ms. Kodama also stated that agricultural preservation was not the only public policy issue that the LUC had to consider during its review of the Petition and described the other considerations that also needed to be made and which were included in the Petitioner's proposal.

There were no further questions for Ms. Kodama.

4. Bruce Plasch -Expert in Agriculture and Economic Assessment  
(Mr. Wyeth Matsubara asked questions to clarify Dr. Plasch's report for the benefit of the Commission.)

Dr. Plasch described the methodology and considerations made in conducting his studies and summarized his various reported findings, their impacts and his conclusions.

Commissioner Judge excused herself at 2:15 p.m. and returned at 2:19 p.m.

#### Questions for Dr. Plasch

DPP-

Ms. Takeuchi-Apuna requested clarification on how practical full food sufficiency for Oahu was. Dr. Plasch stated that due to competitive pressures, there was little potential for growth in the agriculture industry and described the difficulties involved with trying to attain that goal.

There were no further questions from DPP.

OP

Mr. Yee requested clarification on replacement land acreages, and on the types of crop being grown on them. Dr. Plasch described the amount of acreages of agricultural land remaining to be offered as replacement lands; and how a combination of cover crops would be planted to amend the replacement lands' soil. Dr. Plasch shared his recollection of a DOA letter to the Petitioner about the amount of lease rent being charged for Koa Ridge Makai and the status of water availability in the replacement farm land sites.

Mr. Yee requested clarification on how Dr. Plasch was able to report on the status of water availability considering that the condition of the irrigation water infrastructure was uncertain. Dr. Plasch replied that he had discussed the matter with Aloun Farms and they were comfortable with the relocation to the replacement farm lands but were not certain of the irrigation issue.

Mr. Yee requested clarification on the concerns regarding terms of the license to use the land. Dr. Plasch deferred the questions to Petitioner to respond to and provided his understanding of how licenses were used for collateral for loans and what the availability of adjacent farm lands to the replacement lands was.

There were no further questions from OP.

NHB #25

Mr. Poirier requested clarification on the advantages and disadvantages to the State's "land banking" of important agricultural land. Dr. Plasch shared his perspective of how "land banking" could be managed in the future.

There were no further questions from NHB #25.

The Sierra Club/Clayton Hee

Mr. Seitz requested clarification on Dr. Plasch's academic and business qualifications and background. Dr. Plasch stated that he had not farmed and had no formal classroom training in agriculture and described his experiences and knowledge of agriculture that qualified him in his area of expertise.

Mr. Seitz requested clarification on Dr. Plasch's awareness of the changes in the local marketplace for fresh, locally grown produce and whether the Petition Area lands qualified for "Important Agricultural Land" (IAL) designation. Dr. Plasch shared his knowledge of the local market for produce and described the role that food crops and seed corn had in it and stated that the Petition Area lands had never been classified IAL. Dr. Plasch described how he estimated that 7,500 acres could supply food crops for Hawaii and what resources were needed.

Mr. Seitz had no further questions.

#### Redirect

Mr. Wyeth Matsubara requested clarification on the changes that had occurred in the local farming marketplace in the last 30 years. Dr. Plasch described the challenges that he thought made farming difficult.

#### Commissioner Questions

Commissioner Matsumura requested clarification on whether hydroponic farming operations and biofuel crops were feasible in Hawaii. Dr. Plasch described how successful mainland and local hydroponic operations differed and why biofuel crops were not economically feasible. Dr. Plasch also described how the development of algae as a fuel alternative could be more lucrative and discussion ensued over how hydroponics and greenhouses were used for different types of crops in other parts of the world, and how other agricultural alternatives could be used for fuel sources. Dr. Plasch stated that the acreage necessary for a successful Hawaii greenhouse operation did not need to have quality soils, and opined on what types of crops could be successfully exported.

Commissioner Judge requested clarification on whether local hydroponically grown tomatoes were being exported to the mainland and what percentage of currently farmed land was being used to produce seed corn. Dr. Plasch replied that the tomatoes were grown for local consumption and that 25% of the harvested acreage was for seed corn. Dr. Plasch described what types of local crops were profitable for export and how more crops were being raised using new technology within the urban boundaries and not on farmland.

Vice Chair Chock requested clarification on what the productivity of the 30,000 acres of existing farmland could be and what impact it would have on the importation of food. Dr. Plasch replied that the State could be totally self-sufficient in melon, vegetable and certain other food crops.

Commissioner Matsumura requested clarification on what other hydroponic techniques were available and feasible to use. Dr. Plasch described operations that might succeed in Hawaii using alternative mediums for growing the crops.

Vice Chair Chock requested further clarification on what impediments existed that deterred using the existing available 30,000 acres for active farming. Dr. Plasch described why crop profitability depended on water and land availability, and demand for the particular crop being raised; and how difficult it was to be successful in the farming industry.

Commissioner Matsumura expressed his familiarity with the profitability of "green tea" as a crop and questioned whether there was potential for other crops to be similarly profitable. Dr. Plasch provided his perspective on what was necessary to have a profitable crop.

Commissioner McDonald asked if any local farmers were using the newer technologies that were mentioned. Dr. Plasch responded that he had provided information to Aloun Farms and described the local operations that he was aware of.

The Commission went recess at 2:57 p.m. and reconvened at 3:08 p.m.

##### 5. Garrett Matsunami- Expert in Engineering and Site Construction

Mr. Benjamin Matsubara stated that Mr. Matsunami had been recalled as an expert witness to address questions and concerns that OP had in regard to "low impact development practices" (LID). Mr. Matsunami described LID objectives and "green" techniques and summarized the details of his report on infrastructure considerations that factored into meeting the demands of the proposed project.

During his presentation, Mr. Matsunami provided information in response to Mr. Yee's prior questions on which specific reports he had used from the State Commission on Water Resource Management and the City and County Stormwater Best Management Practices Manual. Mr.

Matsunami also described the role that Petitioner had with the State of Hawaii Water Conservation Advisory Group and clarified how wastewater and stormwater might be included in LID studies and possibly used within the proposed project.

Mr. Matsubara requested clarification on aspects of Commissioner McDonald's question regarding Petition Area traffic access. Mr. Matsunami described the various planned components of the traffic system planned for the Petition Area

Questions for Mr. Matsunami  
DPP-

Ms. Takeuchi-Apuna had no questions.

OP-

Mr. Yee requested clarification on plans for R-1 water re-use. Mr. Matsunami described how the dual water system infrastructure considerations would be assessed for the Petition Area and if required, how it would be installed where it was "practical and feasible".

Mr. Yee inquired when R-1 water might be available to the Petition Area. Mr. Matsunami responded that he did not know and that it was a DPP issue.

Mr. Yee requested clarification on plans for stormwater re-use and roadway dedication. Mr. Matsunami described the plans the Petitioner had for stormwater re-use and commented that it was unlikely that the City and County would accept the roadway facilities that would support the proposed project and that it was more likely that the Community Association of the proposed project would have to assume roadway ownership and maintenance.

Mr. Yee requested further clarification on what LID infrastructure features and capacities would be included for the Petition Area. Mr. Matsunami responded that he did not have capacity information and provided his understanding of where different features would be situated within the proposed project and how they would function to fulfill their LID role and noted that it was still premature for more specific details.

Mr. Matsunami stated that Petitioner would commit to using some type of

non-potable water system but could not identify which specific type of system till further Petition Area designs were finalized.

Mr. Yee requested clarification on the proposed water retention and detention basins for the Petition Area. Mr. Matsunami described the functional roles that the different types of basins had and how they were intended to be located and operated.

There were no further questions from Mr. Yee.

NHB #25

Mr. Poirier requested clarification on the status of the Kamehameha Highway widening project. Mr. Matsunami responded that it was in its preliminary planning stages and did not have more information.

Mr. Poirier requested clarification on the plans for “right in” and “right out” access to the Petition Area. Mr. Matsunami responded that Petitioner was continuing to work with DOT on an agreement in principle and expected results soon.

There were no further questions from NHB #25.

The Sierra Club/Clayton Hee

Mr. Seitz requested clarification on whether Mr. Matsunami had personally participated in discussions with the Board of Water Supply in regards to the proposed project. Mr. Matsunami responded that he had been involved with meeting with the Board of Water Supply and described how the terms and conditions of the impending agreements were determined; and that he did not anticipate any controversy or problems with negotiations.

Commissioner Questions

Commissioner McDonald requested clarification on DPP approvals for the Drainage Area Master Plan and if the DPP had any concerns about it. Mr. Matsunami responded that the drainage plan was in progress and described the concerns that had been resolved during discussions about the plan’s designs and that he anticipated the plan to be approved.

Commissioner McDonald requested clarification on the status of the Pineapple Road Interchange design considerations and their status. Mr. Matusnami responded that there was no design yet, but after discussions, the initial approvals were expected.

Commissioner Judge requested clarification on whether the Kamehameha Highway access had a “green light” for approval. Mr. Matsunami responded that he anticipated no problems.

There were no further Commissioner questions.

DPP

Ms. Takeuchi-Apuna asked for and was granted permission by Vice Chair Chock to further question Mr. Matsunami to clarify what the “triggers” for developing the Pineapple Road Interchange might be. Mr. Matsunami responded that Petitioner’s preference was to proceed with development and thereafter depend on updated TIARs to determine what phases of construction needed to begin.

There were no further questions for Mr. Matsunami.

6. Gail Reynard- Expert on Environmental Impact and Land Use Planning

Mr. Tabata stated that Ms. Reynard was being offered in response to a request from NHB #25. Ms. Reynard described her role in producing the EIS for the proposed project.

Questions for Ms. Reynard

DPP and OP had no questions.

NHB #25-

Mr. Poirier requested clarification on the transportation infrastructure portion of the EIS. Ms. Reynard described the methodology and data that was used to arrive at the conclusions stated in the EIS and provided her perspective of the Central Mauka Road status. Ms. Reynard deferred questions regarding the EIS’s commuter travel time study and

proposed traffic improvements and facilities to Mr. Pascua, Petitioner's Traffic Expert. Ms. Reynard

The Sierra Club/Clayton Hee  
Mr. Seitz had no questions.

There were no redirect and no Commissioner questions.

Vice Chair Chock asked the Parties to provide a status report in regards to the appearance of their witnesses.

Mr. Matsubara stated that Petitioner had two witnesses making appearances on Friday – Tom Nance on Water Issues and Ron Nishihara on the proposed project's Sustainability Plan. Mr. Matsubara noted that Petitioner's Traffic Expert-Mr. Pascua's appearance was being deferred till after the anticipated DOT memorandum of understanding was completed.

Ms. Takeuchi- Apuna stated that DPP had only one witness- Mike Watkins and would be ready to proceed if called upon.

Mr. Yee stated that he would not have any witnesses available on Friday due to schedule conflicts.

Mr. Poirier stated that he had no witnesses available.

Mr. Seitz stated that he might have one witness but was uncertain if the witness could appear on Friday.

Petitioner stated that they had no more witnesses available.

Vice Chair Chock encouraged NHB #25 make to their best effort to produce their witnesses to better utilize the scheduled Commission meeting time and announced that proceeding would resume on February 3, 2012 at 9 a.m.

Vice Chair Chock declared a recess at 3:45 p.m.

LAND USE COMMISSION  
MEETING MINUTES  
February 3, 2012

Leiopapa A Kamehameha  
Conference Room 204, 2<sup>nd</sup> Floor  
235 S. Beretania St.  
Honolulu, Hawai'i

COMMISSIONERS PRESENT: Kyle Chock  
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STAFF PRESENT: Orlando Davidson, Executive Officer  
Diane Erickson, Deputy Attorney General  
Bert Saruwatari, Staff Planner  
Scott Derrickson, Staff Planner  
Riley Hakoda, Staff Planner/Acting Chief Clerk

COURT REPORTER: Holly Hackett

AUDIO TECHNICIAN: Todd Bodden

**CALL TO ORDER**

Vice Chair Chock called the meeting to order at 9:05 a.m. Commissioner Contrades excused himself at 9:06 a.m. and returned at 9:15.

**CONTINUED HEARING**

**A11-793 Castle & Cooke Homes Hawaii, Inc. (OAHU)**

Vice Chair Chock announced that this was a continued hearing on Docket No. A11-793 to amend the Agricultural Land Use District Boundary into the Urban District for approximately 767.649 acres at Waipio and Waiawa, Island of Oahu, State of Hawaii.

#### APPEARANCES

Benjamin Matsubara, Esq., Wyeth Matsubara, Esq. and Curtis Tabata, Esq., represented Castle & Cooke Homes Hawaii, Inc.  
Laura Kodama, Castle & Cooke Homes Hawaii, Inc.  
Dawn Takeuchi-Apuna, Esq., represented City and County of Honolulu Department of Planning and Permitting (DPP)  
Mike Watkins, DPP  
Bryan Yee, Esq., represented State Office of Planning (OP)  
Richard Poirier represented Intervenor-Mililani/Waipio/Melemanu Neighborhood Board No.25 (NHB #25)  
Karen Loomis, Intervenor- NHB #25  
Eric Seitz, Esq., and Sarah Devine, Esq., represented Intervenor-The Sierra Club and Intervenor- Clayton Hee

#### PETITIONER'S WITNESSES (CONTINUED)

7. Ron Nishihara - Trinity Management Group- Energy Conservation Sustainable Development and LEED Expert

Mr. Nishihara described his relationship with Castle & Cooke and shared information about how he developed the sustainability plan for the proposed project. Mr. Nishihara described what sustainable development was and the types of sustainability measures, and current market and technology forces that were associated with his practice.

Questions for Mr. Nishihara  
DPP.

Ms. Takeuchi-Apuna had no questions

OP

Mr. Yee requested clarification on what the average lifespan was for a residential building. Mr. Nishihara estimated the lifespan of a residential building to be 50 years and described why the sustainability plan proposed designing and building a new "sustainable" structure since it was more cost-effective than renovating it. Mr. Nishihara described the targets and strategies that Petitioner was utilizing and why flexibility was needed to take advantage of developments in new technology.

NHB #25

Mr. Poirier requested clarification on what the sustainability goal was for transportation. Mr. Nishihara described how job creation in the Petition Area factored into the Sustainability Plan and deferred further questions on traffic to Mr. Pascua.

The Sierra Club/Clayton Hee

Mr. Seitz had no questions.

Commissioner Questions.

Commissioner Judge requested clarification on why there was no mention of photovoltaic (PV) for commercial units. Mr. Nishihara stated that PV was not precluded in the commercial units and was not a planned action. Mr. Nishihara added that the Petitioner would rely on developers of commercial units to consider using PV.

Commissioner McDonald requested clarification on how elements of the sustainability plan carried over to the commercial properties in the Petition Area. Mr. Nishihara deferred the question to the Petitioner and stated he was unsure of how the Petitioner would handle the issue.

There were no further questions for Mr. Nishihara.

#### 8. Tom Nance Expert in Hydrology and Water Resource Engineering

Mr. Seitz requested clarification on whether Mr. Nance would be testifying about a water resource report by Daniel Lum. Mr. Matsubara responded that Mr. Nance was originally going to be a rebuttal witness and that in meetings with OP, Mr. Yee had requested that Petitioner provide a witness in water availability (either Mr. Lum or Mr. Nance). Due to scheduling, and in the interest of efficiency, Mr. Nance's appearance was scheduled to address this concern. Mr. Seitz responded that he had no objections to Mr. Nance's testimony or qualifications and reserved the right to recall him if it was necessary later. Mr. Matsubara was agreeable and Vice Chair Chock allowed Mr. Seitz's request.

Mr. Nance provided the reasoning and methodology used to construct his studies and reported on his findings and recommendations in regards to OP's concerns about the groundwater needs of the proposed project.

Questions for Mr. Nance

DPP-

Ms. Takeuchi-Apuna had no questions.

OP-

Mr. Yee requested clarification on why there was a difference in the water usage figures reported by Mr. Lum and by Mr. Nance. Mr. Nance replied that his report had more current figures, and described the data source used in his findings and the other details of his analysis and data collection.

Mr. Yee asked why it was necessary to dig a well if the usage figures did not appear to require one. Mr. Nance replied that a well needed to be dug in a location where it could serve the project area and described the Board of Water Supply (BWS) service pressure zone requirements and water use permit procedures involved in ensuring that adequate water supplies would be available for the Petition Area.

Mr. Yee requested clarification on the capacity of the Waipahu aquifer and if there were adequate capacity to supply existing proposed projects in the region. Mr. Nance described how BWS allocations for current and future plans were made and the many variables that could impact them over time.

Mr. Yee asked why there was such a significant difference between permitted and actual use; and whether alternative water sources needed to be considered. Mr. Nance described how BWS had reservations for allocations for different projects and plans that had not been built or were not using their water; and how important it was to seek alternatives for potable water sources in any water management area; and why LID measures were necessary.

OP had no further questions.

#### NHB #25

Mr. Poirier requested clarification about the extent to which the proposed project would contribute to aquifer contamination relative to pesticides and industrial solvents. Mr. Nance responded that he did not think it would be substantial in Central Oahu and described how contamination to water sources could be attributed to prior agricultural and military activities and why it was unlikely to occur in the Petition Area.

NHB #25 had no further questions.

#### The Sierra Club/Clayton Hee

Mr. Seitz requested clarification on the long term impact of urbanization on aquifer replenishment. Mr. Nance responded that the Petition Area was in relatively low rainfall areas and described his perspective of how aquifer recharge was impacted by using retention and detention methods.

Mr. Seitz asked if the 2006 figures reported in Mr. Lum's report were still accurate. Mr. Nance replied that the numbers that he reported on were the most recent and were nearly identical to Mr. Lum's; and

further stated that the number of water use permits had not changed and what the water consumption level differences were.

Mr. Seitz requested clarification on whether the BWS would agree that there are adequate water supplies for the Petition Area and whether Mr. Nance had been involved in any discussions with the BWS about the proposed project. Mr. Nance opined that the BWS probably would agree that sufficient water supplies existed and confirmed that a desalinization plant had been included in plans for future water supplies and that he had not had any discussions with the BWS.

Mr. Seitz asked if further development of agriculture would impact Oahu water resources. Mr. Nance described how he envisioned water would be supplied in different scenarios.

There was no redirect.

#### Commissioner Questions

Vice Chair Chock asked if Petitioner had a water agreement with the BWS. Mr. Nance replied that he did not know

Mr. Matusbara stated that he had no more witnesses for today and that his remaining witness was Traffic Expert-Mr. Pascua.

#### DPP WITNESS

1. Mike Watkins – DPP Representative

Mr. Watkins described why DPP supported the Petition and why it was consistent with DPP's long range land use plans for Oahu. Mr. Watkins also expressed how DPP's zoning, subdivision and permitting requirements were used to manage urban growth and development and what DPP concerns were regarding the access points for the Petition Area.

Questions for Mr. Watkins

Petitioner and OP had no questions.

#### NHB #25

Mr. Poirier requested clarification on how urban growth boundaries (UGB) were used by DPP to determine if proposed projects were in keeping with the Oahu General Plan. Mr. Watkins responded that UGBs were a simple way to make initial determinations and described how the DPP had attempted to curb "urban sprawl" using UGBs and promoting infill development within the boundaries; and described a case where an urban development request was denied since it fell outside of the UGB.

Mr. Poirier requested clarification on how increasing commuter travel times could be in keeping with DPP planning objectives. Mr.

Watkins stated that DBEDT economic projections were used by DPP for its planning and traffic forecast computer studies and described how sufficient development in the Ewa region had occurred that would make it difficult to specifically attribute additional traffic to the proposed project. Mr. Watkins described how DPP used the OMPO long range plan and developer projections in addition to DOT information and shared concerns about traffic in planning for the long-term population growth (20 yrs or more) that DBEDT projects for the State. Mr. Watkins further described how development plans implemented the general plan and how considerations were made to manage all aspects of expanding population growth.

Mr. Poirier requested clarification on how zoning was approved for the Ewa Development Plan. Mr. Watkins stated that the Ewa Development Plan was the only plan that allowed general phasing of development and described how DPP allowed growth within this urban boundary. Mr. Watkins identified the services that the State and County were responsible for within the boundaries and stated that the County was depending more on developers to provide needed infrastructure improvements; and described how DPP performed its analysis of proposed development and how it relied on DOT information to make forecasts for anticipated infrastructure capacity needs.

Mr. Poirier requested clarification on why approval of the Petition would not affect DPP plans for accommodating growth in the region. Mr. Watkins described how DPP had based its forecasts and aligned itself with the State agencies' projections. Discussion ensued on traffic matters and Mr. Poirier stated that he had no further questions.

The Sierra Club/Clayton Hee

Mr. Seitz confirmed that Mr. Watkins was speaking on behalf of DPP before the LUC and requested clarification on whether the DPP was governed by the State Constitution. Mr. Watkins responded that, in general, the DPP was governed by the State Constitution and described how Article XI of the Constitution regarding the protection of agricultural lands was only one of the criteria involved in determining UGBs and creating regional development plans.

Mr. Seitz requested clarification on whether water was available for alternative replacement agricultural lands and why lands that were currently productive were sacrificed for lands that were lacking water supplies. Mr. Watkins responded that water availability was a technical matter that DPP did not consider in its development plans at the levels being considered by the LUC and described how DPP had created its development plans over the years and made various modifications to the plans based on forecasts.

Mr. Seitz requested clarification on DPP's awareness of traffic conditions in the Petition Area. Mr. Watkins responded that he was not familiar with the conditions and would have to rely on traffic studies to make a determination; and described the considerations made for existing traffic by DPP.

Mr. Seitz asked if Mr. Watkins was familiar with the "affordable" unit prices for the proposed project. Mr. Watkins responded that he was not involved in the pricing of units and was not an expert in real estate market conditions; and described how and when the number of "affordable" units were determined and stated that DPP had limited power to determine "affordable" housing prices and opined how more development of more units to supply demand could possibly create more competitiveness in pricing units.

Mr. Seitz had no further questions.

Commissioner Teves excused himself at 10:25 a.m. and returned at 10:28 a.m.

Redirect

Ms. Takeuchi-Apuna requested clarification on when during the zoning process concerns about the negative impact of the proposed project were addressed and when the Ewa Development Plan (EDP) and the Central Oahu Communities Plan were adopted. Mr. Watkins described how conditions were imposed during the zoning process to address specific impacts of the proposed project and how heavily DPP relied on State provided data to develop those conditions; and stated that the EDP was adopted in 1997 and the Central Oahu Communities Plan was adopted in 2002 and were in the process of being updated. Mr. Watkins added that these plans had a 5 year update schedule but due to budget constraints, the DPP had fallen behind and outside planning firms were engaged to assist in preparing them.

Ms. Takeuchi-Apuna requested clarification on whether the H1/H2 freeway merge problem was a County concern. Mr. Watkins replied that freeways and highways were a State concern and that only City roads within communities and not between them were of County concern.

Commissioner Questions

Commissioner Judge requested clarification on how DPP's concerns about the timing of the construction of the Pineapple Interchange had changed since the initial hearings on the Petition Area. Mr. Watkins described how DPP had restudied the Pineapple Interchange issue and internally resolved the initial concerns about the situation.

Commissioner Matsumura asked if the DPP had a population ceiling for its long-range plans for growth and what impact saturation points would have on UGBs. Mr. Watkins responded that no maximum population ceiling existed and described how DPP reacted to accommodate the State's projections for growth; and how DPP staff expected population growth to decline in the future.

Commissioner Judge requested clarification on the reason for DPP's change of position. Mr. Watkins stated that the DPP had not changed its position yet and explained what he conditionally meant about internal change within DPP.

There were no further questions for Mr. Watkins.

The Commission went into recess at 10:45 a.m. and reconvened at 11:01 a.m. (Commissioner Contrades returned at 11:12 a.m.)

Ms. Takekuchi-Apuna stated that DPP had no more witnesses and rests. Vice Chair Chock noted that he had been advised that NHB #25 had two witnesses.

#### NHB #25 WITNESSES

1. Ann Freed

Ms. Freed described her involvement with NHB #25 and the Mililani community and voiced her concerns about how the EIS for the proposed project had not considered traffic when it reached the H1/H2 merge and the Middle Street merge; and how traffic impacted commuter travel times and daily lifestyles. Ms. Freed also commented on how the preservation of prime agricultural land, sewer conditions, misrepresentations about providing educational facilities, lack of affordable housing, urban growth boundaries/permit issuance and availability of medical services were concerns of the Neighborhood Board members.

Ms. Freed asked the Commission to consider the validity of the proposed plans to construct a new hospital for the area and suggested that an alternative plan for a medical center and an agricultural park be studied instead.

Questions for Ms. Freed- NHB #25 Member

Petitioner and DPP had no questions.

OP-

Mr. Yee requested clarification on whether Ms. Freed was aware that Petitioner was donating land for the medical center to be constructed on. Ms. Freed responded that she was not and commented that the Petitioner had donated land to the Oahu Art Center in Mililani and had taken back the land.

Mr. Yee had no further questions.

The Sierra Club/Clayton Hee and the Commissioners had no questions.

2. Karen Loomis- Educational Perspective

Ms. Loomis voiced her concerns about the negative educational impacts and the possible failure of Petitioner and DOE to honor their representations to the community.

Questions for Ms. Loomis  
Petitioner and DPP had no questions.

OP-

Mr. Yee asked if Ms. Loomis was aware of and had reviewed the educational agreement executed between Petitioner and DOE; and capacities of surrounding schools mentioned in DOE testimony. Ms. Loomis responded that she had reviewed the agreement but did not quantify the amount of the additional cash contribution she was suggesting other than what was already provided. Ms. Loomis added that her understanding was that the cash contribution was for the construction of new schools and that she was not familiar with the DOE testimony regarding sufficient capacities in surrounding schools to accommodate just the Koa Ridge proposed project.

The Sierra Club/Clayton Hee and the Commissioners had no questions.

There was no redirect.

There were no further questions for Ms. Loomis.

Vice Chair Chock announced that there were no further witnesses and remaining docket business; and entertained a motion to amend the agenda to add an Executive Session to address personnel matters.

Commissioner Teves moved for an Executive Session and Commissioner Judge seconded the motion. .

Vice Chair Chock asked if there were any questions or concerns regarding future proceedings before the Commission began its Executive Session. Mr. Matsubara requested the Parties exchange witness lists at least a week in advance. Vice Chair Chock acknowledged that that was the wish of the Commission too. Mr. Yee stated that he expected to complete his questioning of witnesses at the next hearing.

There were no objections to Mr. Matsubara's request.

By unanimous voice vote (6-0) the Commission elected to enter Executive Session at 11:18

The Commission reconvened from Executive Session at 11:40 a.m.

Vice Chair Chock announced that Executive Officer Davidson was authorized by the Commission to begin proceedings to seek his replacement and process the necessary personnel and administrative documents in order to assist the Commission in its ultimate selection of a candidate.

There being no further business, the meeting was adjourned at 11:40 a.m.

