November 27, 2018

Mr. Daniel Orodenker, Executive Officer
Hawaii State Land Use Commission
Department of Business, Economic
Development & Tourism
P. O. Box 2359
Honolulu, Hawaii 96804-2359

Dear Mr. Orodenker:

SUBJECT: A06-763 Kapolei Property Development, LLC
Motion for Time Extension, Name Change, Amend Caption
Department of Planning and Permitting Position Statement

The Department of Planning and Permitting of the City and County of Honolulu (hereinafter referred to as the "Department") has no objections to the motion of Kapolei Property Development, LLC, to modify Condition No. 17 of the Land Use Commission’s Decision and Order dated November 20, 2007, for a time extension from December 31, 2018 to December 31, 2035. The time extension request is to allow additional time to complete the buildout of the Kapolei Harborside Center Project (hereinafter the "Project"), including completion of the backbone infrastructure. The Department also has no objections to the change of name of the applicant from Kapolei Property Development, LLC, to Kapolei Properties, LLC (hereinafter the "Petitioner"), and amend the caption for legal documents for the Project.

The Department’s position is based on the 2008 global recession that affected the Petitioner’s ability to complete the Project as required, and that the onset and magnitude of the recession was beyond the control of the Petitioner.

Furthermore, based on an industrial market assessment prepared by Colliers International Hawaii, dated February 2018, current economic conditions and projections signal there is pent-up demand for industrial land and with the amount of new supply of vacant industrial zoned land being added to the market, the study forecasts the probability of its absorption by 2035.
Thank you for the opportunity to comment. Should you have any questions, please contact Raymond Young, of our staff, at (808) 768-8049.

Very truly yours,

Kathy K. Sokugawa
Acting Director

cc: Donna Y.L. Leong, Corporation Counsel
    Leo Asuncion, Office of Planning
    Jennifer A. Lim and Derek B. Simon
    Attorneys for Petitioner
    Carlsmith Ball LLP
    Dawn T. Apuna, Deputy Attorney General

KKS:ah