prepare their argument, and that might be a much shorter timeframe, two to three months.

As far as the Motion to Amend, we understand that there's different studies and other things that they need to do, maybe even some Chapter 343 study so that it would be -- it could be shorter than a year. I'm not sure. I would probably defer to Petitioner to give us a ballpark of what they need to do and what timing they can go with less than a year.

COMMISSIONER OKUDA: The reason why I'm asking this question is, I share my lawyer colleague Commissioner Wong's concerns that when --

 $\label{eq:CHAIRPERSON SCHEUER:} \mbox{ For the record, not}$  an attorney.

COMMISSIONER OKUDA: -- but when things go beyond ten years, it is kind of long. But at the same time, if parties are acting in good faith, and if they have certain projects in mind which would satisfy community goals such as education, welfare, things like that, you know, those are relevant factors to take into account.

Do you think it would be reasonable/unreasonable where, you know, a further hearing on the Order to Show Cause be scheduled maybe

1 three, four or five months, but to take into account 2 that if, for example, the Petitioner, you know, is 3 showing diligence in moving forward with a concrete 4 plan, that maybe that short fuse hearing can be moved or continued; but on the other hand, if there isn't 5 actual evidence of diligence and moving forward, 6 7 then, you know, the Order to Show Cause matters can 8 be heard and a decision rendered? 9 MS. APUNA: Yes, I think that's a good 10 position for the Commission as far as having that 11 flexibility based on the circumstances that arise 12 over time. So I would agree with that. 13 COMMISSIONER OKUDA: Thank you very much. 14 CHAIRPERSON SCHEUER: Are there further 15 questions for the Office of Planning? 16 Commissioner Chang. 17 COMMISSIONER CHANG: Mr. Chair, this is the Motion to Rescind the Order to Show Cause, because of 18 19 the Motion to Amend, but are you -- are we asking 20 questions related to the Order to Show Cause and the 21 stipulation? 22 CHAIRPERSON SCHEUER: Because of the 23

CHAIRPERSON SCHEUER: Because of the interrelated nature of the motions, you can ask a broader question, but the portion of the procedure we are in right now is considering the Petitioner's

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1 Motion to Rescind the Commission's Motion for the 2 Order to Show Cause. 3 COMMISSIONER CHANG: Following in the line 4 of questioning from Commissioner Okuda two questions 5 to OP. 6 Would you agree that we have 365 days upon 7 which a decision needs to be made on the OSC? 8 MS. APUNA: Not necessarily. You want me 9 to expand? 10 COMMISSIONER CHANG: Please, go ahead. MS. APUNA: I believe under Aina Le'a 365 11 12 is with regards to if there is a finding that there 13 is no substantial commencement -- I'm sorry, that 14 there is substantial commencement that, therefore, 15 the reclassification or reversion basically becomes 16 the district boundary amendment. The Commission 17 needs to reclassify, so they're referring to the 365 18 days with regards to like a DBA, a new DBA because 19 you're reclassifying because there has been 20 substantial commencement. 21 COMMISSIONER CHANG: But if there has been a finding of no substantial commencement, use of the 22 23 land, that we would be bound by 365 days? 24 MS. APUNA: I'm not sure it's clear. I

wouldn't say that's necessarily correct. If you are

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going to revert based on no substantial commencement, it would be automatic, it would be a void of the D&O. That would be -- and I don't believe that the court spoke to 365 days with regard specifically to when there's no substantial commencement and it's just a voiding of the D&O.

COMMISSIONER CHANG: I guess I'm looking at the Bridge Aina Le'a case, and I'm looking at -- I guess it would be page 7-11, it says:

Finally, the LUC must revolve the reversion or reclassification issue within 365 days, HRS  $205-4\left(g\right).$ 

MS. APUNA: I think there's a couple paragraphs above that they're referring specifically to where there hasn't -- has been a substantial commencement. I think it's specific to substantial commencement, therefore, doing a district boundary amendment as opposed to voiding the D&O, and just simple and immediate reversion to the original classification, I think.

COMMISSIONER CHANG: I'm reading it. I don't want to belabor that question, but if -- since there is some uncertainty, would you again have no issue with shortening that time period to ensure it is within 365 days?

1 MS. APUNA: That would be fine. OSC was
2 issued I think back in November of 2018, stay within
3 the -- I'm not sure exact date, it would issues stays
4 within 365 days of the OSC, OP would not object to
5 that.

COMMISSIONER CHANG: The other question that I have is with respect to, what under the stipulation is subject to prohibition of certain types of activities. Sounds like primarily limited to ground disturbing activities.

I guess I'm trying to avoid the Bridge Aina Le'a situation, where the Commission did give them an opportunity to go, continue on, and that became now the basis upon which the facts ended up turning around to say there was substantial commencement.

So in your mind, is putting up fences, doing surveys, improving fire breaks, drilling for water sources, do you think that is related to ground disturbance activities?

MS. APUNA: Not for the purposes of developing the project as represented in the current D&O. I think that the reason for like fire breaks, those are safety reasons, and that's not with regard to the purpose of the project.

I think these things also would not disrupt

1 the use of the land should it revert back to 2 agriculture. But basically I think Office of 3 Planning's position is when it comes to substantial commencement, it would have to be the moving of the 5 land, touching of the land such that it's toward the 6 development of the project, and we don't believe these things listed here fall under that umbrella. 8 COMMISSIONER CHANG: Thank you. 9 CHAIRPERSON SCHEUER: Commissioners, 10 anything further for the Office of Planning? 11 If not, Petitioner, you have the chance to

rebut.

MS. GARSON: I have no rebuttal.

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CHAIRPERSON SCHEUER: Commissioners, are there any further questions for any of the parties, particularly the Petitioner?

If I may say something at this point in the proceedings.

Having been through a few order to show causes, some of which resulted in reversion, some of which resulted in continuance, I harken back to my colleague, Malia Akutagawa. She has a beautiful summarization of what the Ka Pa'akai analysis is. There's a legal description on it, but then there's like what you're doing is like: "What get?" "What

going happen?" "What you going do?"

Similarly in these proceedings it's: "You did what you said you was going do?" "You did anything?" "Oh, if not, how come?" Right?

When, as the Petitioner you come in with these procedural arguments about due process, we obviously have to slow down. Take it very seriously. Those are very, very serious accusations.

But we are getting away from the real simple, water, important questions on this docket, which is: "Did you do what you said you was going do?" "Did you even start?" "If you didn't start, what, you got good reason?"

And I think you're trying to get to is, you know what, we got good reason. Stuff happened. We want to do some other things.

If you want to -- I'm going to say this the last time -- if you have the opportunity at any point to withdraw this motion to rescind, and we can actually get on with the substance of: "You did anything?" Right? "You know, what you did? Did you do anything?"

Or if you got good reason, we could get to that and some of your other motions, or we can take a ruling right now on the Motion to Rescind. Up to

1 you. 2 I think this Commission, speaking for 3 myself, not having consulted with them, but the tenor of the questioning, we want to get on to the 4 5 substance of things, not the procedural things, 6 because we will be here two days if we go in that 7 direction. 8 MS. GARSON: Would you mind if we take a 9 couple minutes? 10 (Recess taken.) 11 CHAIRPERSON SCHEUER: We are back on the 12 record. 13 MS. GARSON: I was just going to ask for 14 perhaps a ten-minute recess if that would be okay. 15 CHAIRPERSON SCHEUER: We may. In that 16 case, I would like to take a longer recess for lunch 17 to allow the Commissioners to eat. 18 MS. GARSON: That would be fine. 19 CHAIRPERSON SCHEUER: It's 11:55. reasonable for all the parties that we reconvene at 20 12:45? We will reconvene at 12:45. Thank you very 21 22 much. 23 (Noon recess taken.) 24 CHAIRPERSON SCHEUER: We're back on the 25 record.

Petitioner, Ms. Garson.

MS. GARSON: Thank you for allowing us that time.

CHAIRPERSON SCHEUER: Absolutely.

MS. GARSON: In the interest of trying to work something out and allow the Petitioner time to amend, Motion to Amend and continue the OSC, we will withdraw the Motion to Rescind.

CHAIRPERSON SCHEUER: Thank you very, very much.

So, Commissioners, the Motion to Rescind the Commission's Motion on the Order to Show Cause has been withdrawn. Because of that, we will now take up the next portion of the motions from the Petitioner which is — allow me one second to get — the Motion to Continue the hearing on the Order to Show Cause to give the Petitioner more time to prepare.

We are going to go through this, and as I said before the County was back in the room, we're hoping to try to wrap up by 2:30, 2:45-ish if possible. I say to all the parties, to the degree we can keep allowing everybody the chance to speak and present everything they need to keep our proceeding as efficient as possible.

1 We will go through the same procedure: 2 Petitioner, County, OP on the Motion to Extend. 3 Are you ready, Ms. Garson? 4 MS. GARSON: Yes, I am. 5 Just for more time to proceed with the Order to Show Cause -- I'm sorry, did I 6 7 misunderstand? I thought the next item was simply 8 just whether or not to continue the time for the OSC, 9 or are we discussing the continuance of the OSC to allow the Petitioner time to file an Intermittent 10 11 Motion to Amend? 12 CHAIRPERSON SCHEUER: So --13 MS. GARSON: I think we can combine them. 14 CHAIRPERSON SCHEUER: Excellent. You 15 anticipated what I was going to say. 16 So it was clear to me in designing the 17 order for today's hearing and working with staff that 18 we had to dispense with or somehow deal with the 19 Order to Rescind first. But after that, I'm actually flexible as long as my fellow Commissioners are okay 20 21 with it. We can take it up in a combined matter, or 22 reverse the order. 23 So what is your suggestion, Petitioner? 24 MS. GARSON: Because we have the 25 stipulation from the County and OP, I think this can

be quickly addressed and hopefully resolved.

CHAIRPERSON SCHEUER: Just to clarify for the record, you have two remaining motions before us, correct?

MS. GARSON: Correct, to continue the OSC and so we can have time to prepare for the OSC which is next on the agenda, or for the LUC to continue the OSC for one year so then we can file Amended Motion to Amend.

CHAIRPERSON SCHEUER: Let me ask the other parties. If we were to take the second motion first, so to continue the OSC in order to provide some period of time for the Petitioner to Amend their Motion to Amend, are you procedurally okay with that?

Do you have any objections procedurally that we would perhaps, if we granted that motion, we would not be taking up the final motion to extend the date for the Order to Show Cause hearing to allow them to prepare for an order to show cause hearing, because obviously their focus would be on the Amended Motion to Amend, if that was clear as possible.

 $$\operatorname{MR.}$$  KIM: It was Chair, thank you. No objection from the County.

CHAIRPERSON SCHEUER: OP?

MS. APUNA: So we're taking --

CHAIRPERSON SCHEUER: It's a question. The option is to take up -- I had said we were going to first take up the motion on the order to extend the time to respond for the Order to Show Cause hearing -- not exact language -- and then take up extending the time to allow them to -- motion to amend.

I'm suggesting we can actually do the

I'm suggesting we can actually do the second one first, as long as none of the parties or my fellow Commissioners have a big problem with it.

 $$\operatorname{MS.}$  APUNA: I know it's a question, but the agenda had --

 $\label{eq:CHAIRPERSON SCHEUER:} \ \ \, \text{The agenda was done}$  in the order that I first --

MS. APUNA: So we covered the Motion to Rescind, Roman numeral V on the agenda was the action on the Motion to Rescind, which we had dealt with.

Roman numeral VI is the hearing and action on the evidence.

CHAIRPERSON SCHEUER: We're actually still on V because we split V because there were separate motions within the Petitioner's motion. And they withdrew only a portion of the motion which was the Motion to Rescind. There is still before us either to continue the hearing --

MS. APUNA: Okay, no objection.

CHAIRPERSON SCHEUER: Commissioners, are we clear?

COMMISSIONER ACZON: No objection.

CHAIRPERSON SCHEUER: Your suggestion is fine, Ms. Garson. Let's proceed with that as long as we're all clear where we are.

MS. GARSON: So our request is to continue the OSC for one year to allow the Petitioner to come back and file Amended Motion to Amend.

We've discussed this option with both OP and the County and have come up with a set of terms actually to allow us to do that. And I know you have the stipulation in front of you, but just to address some of the discussion before.

I believe that there is a number two stipulation that the Petitioner shall submit a written six-month status report to the Commission and Parties no later than November 30th, 2019. This is a stipulation. Obviously we agree to that.

I think that with that condition in there we will come back to you and tell you where we are in the process of amending the motion, and in that way the Commission can monitor the progress.

Again, we took some time in negotiating

with the County and OP about the stipulation. 1 think it's reasonable. 3 Especially considering the County said that 4 the property really is in the Urban District, it is Urban in the General Plan and Kona Community 6 Development Plan. 7 I think the Commission should take into account that when considering our stipulation, and I reserve the right to call witnesses to tell you. 9 10 Thank you. CHAIRPERSON SCHEUER: Thank you. 11 12 Commissioners, are there questions for the Petitioner? Commissioner Wong. 13 14 COMMISSIONER WONG: So getting this 15 straight. It's to give you more time to do 16 amending -- is that correct? 17 MS. GARSON: Correct. 18 COMMISSIONER WONG: So I think one of the Commissioners here asked the question before lunch, 19 20 if we can do it, give you instead of a year, let's 21 say six months to three months. 22 Could you do that within one of those 23 shorter timeframes? 24 MS. GARSON: I think the problem with shorter timeframes, the concern about the studies 25

that need to be updated. So we are asking for that time, but we will come back in six months and give you a status report at that time.

COMMISSIONER WONG: The reason I guess is my recollection is there's something about a 365 days for the Order to Show Cause that was brought up by someone here, sorry, wasn't listening that well. But anyway, it was more of a statement that there was 365 days, within that time we have to do something with the OSC.

So if the timeframe was in November, we have to do something within the November timeframe from the last November to -- that's what I believe what I heard. Something has to be done. And it's now May, so it's kind of cutting it tight. Is that correct?

MS. GARSON: I believe that the OSC was issued March 29th of this year, so I think it's a year from the issuance is what the Commission is concerned with.

CHAIRPERSON SCHEUER: If I may. The

Commission has, in another docket, there's been no

ruling and no decision, but has been presented in

arguments in different Order to Show Cause hearings

we are bound to make a decision within 365 days, that

is the concern. If that position is correct, that we would be procedurally running up into a problem per the court's direction in Bridge the way some people read that direction.

Does that help clarify what the concern is?

MS. GARSON: I understand the concern.

Perhaps I misread it, but when I was reading 205 I thought if you stipulated that there could be an additional 90 days, I'm sorry, that is a question. I can look it up right now.

CHAIRPERSON SCHEUER: Without answering the question, I think I can respond to say that there's been this expressed concern, and there's not crystal legal clarity about when we are obligated to make a decision by. So what we don't want to do is extend the time so long that we can no longer legally make a decision.

MS. GARSON: I'll talk to my client about this, but could it be then the last meeting before the 365 days run?

CHAIRPERSON SCHEUER: Commissioner Chang.

COMMISSIONER CHANG: I guess it was more a -- what is it exactly, because the way I heard the previous statement from the client is that you actually have a plan and you presented that.

So my question is, why would you need a year to come back and give us an update? Couldn't you within three months? You've already got a plan, that's what I heard, you have a plan of how you're going to develop the property, that you conferred with your consultant as to what kind of studies need to be done, if any new studies, give you an opportunity to work with the County, and then within that period of time, give us a status update, or at least update the staff, but I'm having a hard time understanding why you would need a year, given the fact that representation has been made that you do have a proposed development.

So I'm not clear why you would need so much time to determine the studies when a lot of work may have already been done.

MS. GARSON: The year included an update of studies. So, for example, there was a TIAR that was submitted within the 2006 application. Because it was 2006, there have been road improvements since then, so we're anticipating the need to update that TIAR.

That's why we're also thinking that we probably need a cultural impact assessment, those are things, because of the time that the consultants take

to do that, we really wanted to have the year to come back to present a full amended Motion to Amend.

Now, if you're asking for a status report which is a plan, like a plan for how we're going to come back to do the Motion to Amend, that could be --

COMMISSIONER CHANG: You're presuming that we are not going to take action on the Order to Show Cause. So I guess for me I would feel much more comfortable if you came back sooner, within three months, detailing the studies that need to be done.

Detailing and providing us a specific plan, and how you're proposed -- what you're proposing, as well as coordination with the County as to what kind of additional permits, if any, need to be given.

But I think that, just to avoid -- because there is some legal uncertainty as to the time period, and we just don't want -- I think you would appreciate that the Commission does not want to have a Bridge Aina Le'a too, that we give you some additional time, and then that time is used to bootstrap, and say, okay, now we have substantial compliance, so I think you appreciate where we are coming from.

MS. GARSON: So you're more talking to -- yeah, okay, I understand.

COMMISSIONER CHANG: Thank you.

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2 CHAIRPERSON SCHEUER: Commissioner Okuda.

COMMISSIONER OKUDA: Thank you, Mr. Chair.

My fellow Commissioners are a lot more polite than me. The concern arises, and I could be mistaken about what prior transcripts show, but it might have been a member of your law firm in another case that threw this argument at us, and there's nothing wrong with lawyers making arguments and advocating for their clients, because that's the obligation under the rules of professional responsibility to advocate for clients. But you can also see that where a strong position is taken about something because, you know, at least for me, I have a lot of respect for the lawyers at your firm, and the quality of work. You know, when an argument is made that there might be a certain time deadline with respect to decision-making in order to show cause cases, we got to take that concern seriously in other cases that we do. So that's the concern we have.

But in any event, in any event, would you or your clients have a problem if your client expressly agreed that during the time that no action is taken by the Commission on the Order to Show Cause, that your client will not argue that it took

any action during that time which constituted substantial commencement of the use of the land, as that term or phrase is defined in the Bridge Aina Le'a case?

MS. GARSON: I'll have to ask them.

COMMISSIONER OKUDA: You can see our concern. If we extend certain leeway on the time deadline, it would make us look very irresponsible to the appellate court that we didn't enforce conditions that they told us to enforce, and then something else like that happens. Okay, I understand that I can't get an answer on that.

Would you or your client agree not to do anything during the period of time where no action is taken on the Order to Show Cause, that your client will not do anything which would be considered or may be considered substantial commencement of use of the land as that term is defined under the Bridge Aina Le'a case?

In other words, my first question dealt with what argument you might make in this proceeding, my second question deals with the actual conduct with respect to the land. And just so that you know where I'm going, I don't play hide the ball here. I don't believe the issues in an order to show cause hearing

are that complex, just a question, what are the conditions, and have these conditions been met.

And so, you know, my own personal opinion, not speaking for anybody else on the Commission, is I don't believe a lot of time is really necessary to prepare for an Order to Show Cause hearing. And unfortunately, the Supreme Court in Bridge Aina Le'a case said, hey, LUC, your only remedy you have to deal with failure to comply with conditions is revert the property, void the boundary change.

If you give time, try to do stuff local style or whatever with Petitioners -- you're going to end up not being able to enforce these conditions.

CHAIRPERSON SCHEUER: If I may ask for clarification for your question to the Petitioner.

In the stipulation that the three parties have signed to, the first condition has to do with not conduct any development activities with a certain few exceptions relating --

COMMISSIONER OKUDA: Yeah, I understand that. But the question is whether or not they would agree that the activities would not be anything that would be considered substantial commencement of use of the land, just because sometimes the list is not really exhaustive.

MS. GARSON: I understand. And again, I would have to speak to them, because I need to explain to them what that means. The stipulation in three did reserve that right, but I understand that you do not want another Bridge Aina Le'a case and I can explain that to them.

COMMISSIONER OKUDA: Thank you, Mr. Chair. CHAIRPERSON SCHEUER: We are going to go

CHAIRPERSON SCHEUER: We are going to go through questions, more questions for you, have a chance for the County to present, OP to present any rebuttal.

You can choose to talk with your client, and we can take a recess prior to taking a vote on things as is appropriate.

Does that make sense? So this issue you're deciding -- I'm trying to be very clean in my language. You want to talk to your client about this issue, there might be other issues you want to talk to your client before you say to us, yes, we agree, let's go through more of this hearing and see whether we can --

MS. GARSON: Thank you very much.

CHAIRPERSON SCHEUER: Commissioners, we're questioning the Petitioner. Further questions?

Commissioner Chang.

1 COMMISSIONER CHANG: I have a question. 2 The stipulation you're, one, it says essentially that you're not going to do any ground-disturbing 3 4 activities. 5 Is there a reason why you choose 6 ground-disturbing activities? 7 MS. GARSON: OP put that in. 8 COMMISSIONER CHANG: I'll ask OP when we 9 get to OP. 10 CHAIRPERSON SCHEUER: Are there other 11 questions, Commissioners? If not, County. 12 MR. KIM: As the County did sign off on the Party's stipulation, our position would be supporting 13 14 continuance to allow Petitioner to prepare amendment. 15 Now, with that said, we did sign the stipulation agreeing to a year, but we respectfully 16 will defer to whatever time period the Commission 17 18 decides on, if the Commission does decide to grant 19 continuance. 20 CHAIRPERSON SCHEUER: Thank you. Are there 21 any questions for the County, Commissioners? Office 22 of Planning. 23 MS. APUNA: Thank you, Chair. OP would not 24 object to allowing a reasonable amount of time for 25 Petitioner to better prepare for the OSC proceeding

or to provide a revised motion to amend.

And we too would defer to the Commission's decision as far as how long that stay or delay should last.

CHAIRPERSON SCHEUER: Are there question for the Office of Planning? Commissioner Chang.

 $\label{eq:commissioner} \mbox{Commissioner Chang: I'll restate my} \\ \mbox{question.}$ 

Under the stipulation, why were you -- why was the selection of "ground-disturbing activities" the limiting or the description of what they cannot do?

MS. APUNA: I think that it's derived in part from Bridge Aina Le'a. I think OP's position is that there should be -- I mention for substantial commencement there would be some movement of the land, some touching the land. So I think that term might have been used in that case, but something similar to that.

COMMISSIONER CHANG: Are you comfortable with the provisions in the stipulation relating to revising plans, establish new and improved fire breaks, preserve the archaeological sites and continue and pursue the water resources and construct security wall, that none of those activities, if the

Petitioner proceeded with those, would constitute
substantial commencement of use of the land?

MS. APUNA: We're comfortable with that. Bridge Aina Le'a isn't completely instructive in this area, but we believe that many of these things are not within the project as far as what the goals of the project are necessarily, as described in the current D&O. We wish we had more guidance of what substantial commencement means, but I think that we're comfortable that if they do any of these things and not beyond that, they will not have substantially commenced use of the land.

COMMISSIONER CHANG: Thank you.

 $\label{eq:CHAIRPERSON SCHEUER: Commissioners,} % \end{substitute} % \end{substit{Substitute}} % \end{substitute} % \end{substitute} % \end{subst$ 

 $\label{eq:continuous} \mbox{ If I may ask one question, and it's not a } \\ \mbox{ specific legal question related to Bridge or any } \\ \mbox{ other thing.}$ 

From a planning perspective, why does OP, if it has an opinion, believe it's important that timeframes do be placed on entitlements such as district boundary amendments? How does that help serve the state and private interests as well?

MS. APUNA: I think in Bridge Aina Le'a, the court they talked about when developments aren't