completed or moved along in a timely manner, that planning doesn't work, because we make plans or we ensure developments go in a certain order, and if one project is not working with that timeline, then it's not how it's supposed to be.

And so it is important to be timely, and to adhere to the conditions or the timelines that are placed by this Commission or otherwise.

CHAIRPERSON SCHEUER: Thank you.

Do you want to rebut?

MS. GARSON: I have nothing further.

CHAIRPERSON SCHEUER: Commissioners, why don't we set a little time for any further questions for the Petitioner or any of the other parties, then I'll call for a recess to give -- when the Petitioner has a clear idea of at least some of our concerns about time and any other concerns what they might -- Commissioner Okuda.

additional question, which perhaps the Petitioner can answer. And that question is whether or not the Petitioner would agree to waive making any arguments or assertion that the Land Use Commission must make a decision within 365 days from the date of the Order to Show Cause with respect to the Order to Show

Cause.

CHAIRPERSON SCHEUER: So you have two basic questions for the Petitioner, Commissioner Okuda?

COMMISSIONER OKUDA: Chair, it's actually three questions.

The first question is whether or not the Petitioner will agree not to do anything which may be considered substantial commencement of use of the land as that phrase or term has been used in the Bridge Aina Le'a case.

Number two, whether or not the Petitioner will agree not to argue or assert in a future proceeding that it had done anything which constitutes substantial commencement of use of the land, as that phrase is used in the Bridge Aina Le'a case.

And by the way, the time frame for both of those questions would be the time from the date of the entry of the order to show cause forward. The Petitioner would still be able to make their argument on things that took place or did not take place prior to the entry of the Order to Show Cause.

And then the final question is whether or not the Petitioner will agree to weigh or not make any argument that the Land Use Commission was

required or is required to make its decision within 1 2 3 4 5 6 7 three questions are. 8 9 10 11 12 13 14 15 16 17 18 19 20 to amend the present D&O. 21 22 23 support that the Petitioner has not substantially 24 commenced the use of the land. Those conditions --

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365 days of the date of the Order to Show Cause. So three questions, Mr. Chair. CHAIRPERSON SCHEUER: Petitioner, do you want to ask any clarifying questions just to make sure that when we go into recess you're clear? MS. GARSON: I think I understand what the CHAIRPERSON SCHEUER: And I don't mean to suggest anything other than Commissioner Okuda is an incredibly clear speaker, but just want to make sure. Commissioners, are there any other questions for the Petitioner? Commissioner Chang. COMMISSIONER CHANG: What I would like to know is sort of the bottom line for the Petitioner. Is it your intent to actually file a motion to amend LUC conditions to support a modified plan? MS. GARSON: Yes. It would be the amended motion to amend or a new motion to amend. I'm not sure what form it will take, but it will be a motion COMMISSIONER CHANG: Under the current set of facts, circumstances, I think there's adequate

but if it is your intention to come back and have a viable project, and that you need some additional time to put forth that viable project, and do all the necessary studies, and then come into us with a motion to amend, that to me is genuine, and you're not waisting -- you're not just delaying, but that is actually your intention, and you now apparently from January to now there's a change of -- whether there is a change of leadership or a vision, a clarity, that you now realize that this new or this modified proposed plan for the land that you want an opportunity to pursue that, and yet you want to be consistent with the LUC conditions so that you would have to modify those conditions to an amendment.

I just want to be really clear. That is eventually you're intent, and that we are not going through this kind of futile exercise?

MS. GARSON: That is the intent. It's the same intent that they had in 2006 was to get the development in line with what their mission is.

COMMISSIONER CHANG: And I guess I would just be very cautious about that, because in 2006 when you came in with a motion to amend, you didn't do anything for 13 years. And I don't think the LUC will permit that same kind of time period to pass.

1 So if you say like 2006, there's going to 2 have to be due diligence and follow through on what 3 you're saying. 4 MS. GARSON: They understand that. 5 CHAIRPERSON SCHEUER: Commissioners, are 6 there any other questions for Petitioner at this time 7 before we take a recess? Commissioner Wong COMMISSIONER WONG: Following up on 8 Commissioner Chang's question, just to make sure. 9 10 you going back to your clients now. We take a recess 11 to ask them if we can do less time to have another 12 hearing for motion to amend. Is that correct? MS. GARSON: I think Mr. Okuda's question 13 14 was whether or not we would waive the objection on 15 the 365, if we go beyond 365 days. 16 COMMISSIONER WONG: This is another 17 thinking style. If you have to amend the plan and 18 you have to do all this other things, 19 construction-wise, if you to have to do a 343 -- EIS 20 thing, that usually takes six months to eight months, 21 approximately if everything was going good. 22 So that's going past the 365 days 23 approximately. So just to give a plan to amend, and

not -- and set up all your ducks, wouldn't that be

kind of fast with that plan, you know, going through

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setting up the plan?

MS. GARSON: They have started working on the plan. We will certainly come back to you. We will come back to you if there are roadblocks in our way, and tell you.

COMMISSIONER WONG: Thank you.

CHAIRPERSON SCHEUER: Commissioner Aczon followed by Commissioner Okuda.

COMMISSIONER ACZON: Another clarification. You mentioned that once your client decided what they want to do, you coming back to us with a new motion to amend?

MS. GARSON: Actually we were thinking we were going to amend the motion to amend, but I am not leaving -- so that is what we said. I'm also not -- it may be either to withdraw the file, so I'm not sure at this point which procedural way we will do it.

COMMISSIONER ACZON: That's where I'm coming from. Are you going to withdraw your Motion to Amend 2006 and file another new motion?

MS. GARSON: I'm not sure how that is going to work. The way we worded it was Amend the Motion to Amend, we need to finish it. Somehow it will -- we will either amend that or we will have a solution.

COMMISSIONER ACZON: So just one motion to amend, not two?

MS. GARSON: Not two.

CHAIRPERSON SCHEUER: Commissioner Okuda.

COMMISSIONER OKUDA: Thank you, Mr. Chair.

Let me just, with full disclosure, tell you how the answer responses to my questions would affect, at least my view, of the pending matter.

If we're forced to face these strict requirements, or potentially strict requirements of time, or the strict rules that Bridge Aina Le'a lays out, substantial commencement of use of the land, then we have to be really strict as far as how we handle time requirements, and how strictly we have to view things, even if it might create practical problems for what you folks are trying do.

On the other hand, if we don't have these pressures, because it's within your right to waive certain things that you're entitled to, or certain arguments you're entitled to, then it's less pressure, at least for me, to basically put pressure on you.

I mean, I don't have a hidden agenda here for those questions, that's why I'm asking the question. Because the response will determine, at

least in my view, what alternative we have to take. 2 Thank you. 3 CHAIRPERSON SCHEUER: Commissioners, 4 anything further before we recess? 5 It's more of a statement than a question. 6 The image I have in my mind is that this has gone on 7 far too long. We're not going to try to assign blame 8 or fault, but LUC and Petitioner, County and OP can't 9 be hand in hand, but we can be shoulder to shoulder, we can try and hold each other accountable in our 10 relationship to this place and your goals and what we 11 12 know the goals are for the overall Urban District and 13 economic growth of this community. 14 That's the kind of solution I'm looking for 15 where we can stand comfortable shoulder to shoulder. 16 How long do you need, Ms. Garson? 17 MS. GARSON: 15 minutes. CHAIRPERSON SCHEUER: It's 1:27. We will 18 19 reconvene at 1:43. 20 (Recess taken.) 21 CHAIRPERSON SCHEUER: We're back on the 22 record. Petitioner. 23 24 MS. GARSON: Thank you for that time. 25 Commissioner Okuda, could you read your

first question again? I don't want to butcher it, that's why.

COMMISSIONER OKUDA: The first point is whether or not the Petitioner will agree that during the time from the Order to Show Cause date, or let me -- strike that and start all over again.

Whether or not the Petitioner would stipulate or agree that from the date of the Order to Show Cause going forward, that the Petitioner will not argue or claim that it had substantially commenced the use of the land as that term or phrase is used in the Bridge Aina Le'a case.

MS. GARSON: Yes.

COMMISSIONER OKUDA: The second, whether or not the Petitioner will stipulate or agree that it will not argue that it had substantially commenced the use of the land from the date of the Order to Show Cause going forward?

MS. GARSON: I'm sorry, I heard "argue" twice.

COMMISSIONER OKUDA: I might have misstated it. One question is whether or not the Petitioner will argue that it had substantially commenced the use of the land from the date of the order to show cause; and the second question or stipulation would

be whether or not the Petitioner will stipulate that it would not do anything which would constitute substantial commencement of the use of the land as that term is used in the Bridge Aina Le'a case, the timeframe being from the date of the Order to Show Cause going forward.

MS. GARSON: On number two, Petitioner is not trying to be difficult. Their concern is that because substantial commencement hasn't been -- that it's difficult to determine what that is, that they won't argue that whatever they did was substantial commencement, number one. But two --

COMMISSIONER OKUDA: That's fair enough.

And based on what you are saying makes plenty of sense, because -- and maybe that I'm just being redundant and unnecessary, so actually the answer to the second question about whether or not -- with respect to the second question that deals with conduct which may or may not be considered substantial commencement of use of the land, Mr. Chair, I'll just withdraw that question.

 $\label{eq:CHAIRPERSON SCHEUER: So there's one and three. \\$

 $$\operatorname{MS.}$ GARSON: Just so the record is clear, we are stipulating that we will not argue that

1 anything that we do between the time of the issuance 2 of the OSC and the hearing on the OSC constitutes 3 substantial commencement. CHAIRPERSON SCHEUER: Mr. Okuda. 5 COMMISSIONER OKUDA: Yes, that is 6 satisfactory. And because we also -- I also 7 recognize that assuming everything works out, you 8 really wouldn't want to have substantial 9 commencement, and even in the eyes of the Commission 10 there might be a situation where it's more proper to have a record of substantial commencement. So with 11 12 your clarification, I think your clarification makes 13 the question a lot clearer. 14 CHAIRPERSON SCHEUER: Do you want to do 15 your third condition and allow the Petitioner to 16 speak? 17 COMMISSIONER CHANG: Mr. Chair. 18 CHAIRPERSON SCHEUER: Commissioner Chang. 19 COMMISSIONER CHANG: What is the date? Is 20 it from the Order to Show Cause? Can you clarify for 21 me? 22 MS. GARSON: It was March 29th when the 23 Order to Show Cause was issued. 24 CHAIRPERSON SCHEUER: Commissioner Okuda. 25 COMMISSIONER OKUDA: Thank you, Mr. Chair.

1 And then the last question would be whether or not the Petitioner would stipulate that it will 2 not argue that the Land Use Commission must enter or 3 make a decision on the Order to Show Cause within 4 5 365 days of the date of the Order to Show Cause. 6 MS. GARSON: The Petitioner stipulates to 7 that. 8 COMMISSIONER OKUDA: Thank you very much. 9 CHAIRPERSON SCHEUER: Does the Petitioner 10 have anything else that you wish to say? 11 MS. GARSON: No, thank you very much for 12 your patience and understanding today. Appreciate the opportunity to be before you and present our 13 14 position. Thank you. CHAIRPERSON SCHEUER: Commissioners, with 15 that, if there is no final questions for any of the 16 17 parties --18 MS. GARSON: Just one thing, that the things in the stipulation are things that they need 19 20 to be ordered to do. 21 CHAIRPERSON SCHEUER: Not number three, right? The third stipulation had to do with 22 substantial commencement, so presumably that would be 23 24 struck.

MS. GARSON: In the written stipulation

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that was filed, there are four things, five things
that they are going to do under number one, and I

just want to make sure that those are --

CHAIRPERSON SCHEUER: Would you read those?

MS. GARSON: Be allowed to revise, update

and proceed with any and all new or existing

development plans and studies necessary to support

the amended motion to amend. That was A.

- B. Establish new and/or improve existing fire breaks and any other emergency work for the health and safety of the property surrounding the Petition Area.
- C. Conduct any and all further work to protect and preserve archaeological and historical sites within the Petition Area pursuant to plans approved by the State of Hawai'i, Department of Land and Natural Resources, State Historic Preservation Division, including without limitation, the installation of signage, establishment of one or more access easements, and the restoration of damaged or disturbed burial sites.
- D. Continue to pursue development of water sources within the Petition Area, including but not limited to test well.
 - E. Construct a security wall and/or fence

1 around the perimeter of the Petition Area. 2 CHAIRPERSON SCHEUER: So just to be clear, you're ensuring these are requirements that the 4 Petitioner has for any motion that we make to extend? 5 MS. GARSON: That they be allowed to do 6 those things. 7 CHAIRPERSON SCHEUER: Any further questions 8 for the Petitioner or the parties? 9 Commissioner Chang. 10 COMMISSIONER CHANG: And I don't mean to be 11 redundant because I know you've answered Commissioner 12 Okuda, but I'm going to ask the same question as I asked of Office of Planning. 13 14 Of those five activities that you just addressed, is it your -- are any of these activities, 15 16 if they are completed, substantial commencement of 17 use of the land? 18 MS. GARSON: Not to be argumentative, I think they could be, but that's why we have accepted 19 them. And we have said we won't argue that they are. 20 21 So we won't argue that they are. 22 COMMISSIONER CHANG: Okay, very good. 23 CHAIRPERSON SCHEUER: Anything further? 24 If not, Commissioners, where we are, we can 25 entertain a motion now. If we pass this motion, that

will have the effect of obviating the need to take up No. V on the Order to Show Cause motion, in which case we would then move on to our last two remaining administrative matters on the agenda, annual review and related to our executive officer and officers.

So I believe we can entertain a motion. It could be any kind of motion, but presumably the motion would be to extend by one year the Order to Show Cause hearing to allow the Petitioner to file an amended amendment, either an amendment to the motion to amend conditions; or to withdraw the motion to amend conditions and file a new motion to amend conditions.

Second, to accept the two stipulations as reflected on the transcript from this hearing regarding not arguing substantial commencement, and not arguing about the 365-day deadline.

And third, to come to us within six months for a status report.

I believe that's what the motion would potentially contain. But I can't make the motion because I'm the Chair, but I thought I would make it a little easier for whoever wants to.

Commissioner Wong.

VICE CHAIR CABRAL: Wait, the question I

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have, have we figured out the date that our year starts on? March 29th, thank you.

COMMISSIONER WONG: I'm going to make it really easy for me. The motion, I want to make the motion that you just said, what you just said.

CHAIRPERSON SCHEUER: This is, with great respect to my Commissioners, this is why I stated it. There is a motion by Commissioner Wong.

Is there a second? Commissioner Mahi has seconded the motion. We may now deliberate on the motion. Is there anything further, Commissioner Wong?

COMMISSIONER WONG: So I wanted to make that motion that you said so eloquently and I wouldn't able to say it, this allows all parties to work together for — to work together and to get something done. And hopefully within six months you'll come back and say, hey, guys, look what we did, and pretty much — and then we can go from there.

So that's the reason I wanted to make that — well, to do that motion. Thank you.

 $\label{eq:Chairperson} \mbox{CHEUER:} \quad \mbox{I will recognize}$ briefly the Office of Planning's counsel.

MS. APUNA: Apologize, Chair, I just wanted

to clarify. In the stipulation it said within six months that the Petitioner would actually provide a written status report. It does not say that they would come back to the Commission. Just wanted to make that clarification.

CHAIRPERSON SCHEUER: Thank you for that clarification. I was not aware of that. At least the intent of what I said was that given the long history and significance of this issue that it would be more than a written status report, that we would actually come together.

COMMISSIONER WONG: Chair, I totally agree on that, that we come together and talk story.

CHAIRPERSON SCHEUER: Thank you, Ms. Apuna.

We are in deliberation on the motion before us. The motion should have also reflected the agreement with the conditions that Ms. Garson read as well.

Commissioner Okuda.

COMMISSIONER OKUDA: Chair, I would like to speak in favor of the motion. And let me preface what I'm saying where there is no substantial commencement of use of the land with respect to representations made to the Commission, I agree with the rationale in Bridge Aina Le'a that there's major

public policy reasons including the desensitized land speculation, and frankly, people saying one thing to the government or -- and it's not to the government, actually making representations to the community about what would take place or not take place, and then not carrying out these representations.

So it's important, as Bridge Aina Le'a laid out, that we have an obligation to enforce these conditions. But at the same time we try to make our decisions based on the evidence that's presented in front of us. And having heard the testimony, and even though we can take the position reasonably saying, look, you've suffered fraud or misfortune or what have you, it's really not our problem. Perform the conditions no matter what.

What I find persuasive is the fact that even though the Petitioner was not under any legal obligation, for example, to engage in any type of housing project, it did so.

And it might have done so for many other reasons, but the bottom line is the bottom line.

There's at least facts which indicate that it's more than words to them.

Now, we have to take into account that there's been significant and substantial delay in

meeting these conditions, that's why I agreed with the Chair that we should get together face-to-face just to keep this thing on tract.

But for the reasons I've stated and all the good cause in the record, I'm inclined to vote in favor of the motion.

CHAIRPERSON SCHEUER: Commissioner Cabral.

VICE CHAIR CABRAL: I thank all my fellow
Commissioners and all the great legal minds around me
for tracking on this. I'm much more practical person
and want to get to the bottom line and the answer in
rapid order, and I appreciate the Petitioner for
willingness to not drag me through 13 years of
history to make a decision, because that wouldn't
make me a happy voter.

I'm a lay person. I'm just a volunteer.

And, again, I'm here to try and do what's best for our community, and I think our Commissioners are, and I am particularly in favor with trying to work with the Petitioner and get something put together on this property, like the county's decision is, if that's what their plan is, the use of the land follows with what the county wants that land to be used for.

We clearly have to start working on developing land to provide housing and property for

people to live and work in, otherwise our various problems like homelessness will only grow much more, make it more and more difficult.

So I'm excited that hopefully, Petitioner, you folks will get together and figure out not just how to have more legal meetings, but how we can actually find the funds and partner up with somebody to get your project not just to report, but concluded it's built out. Thank you.

CHAIRPERSON SCHEUER: Thank you,

Commissioner Cabral. Any other -- Commissioner Chang

followed by Commissioner Aczon.

COMMISSIONER CHANG: I too am inclined to vote in favor of this motion. I think at least for me sitting on the Land Use Commission, reversion is a very, very drastic remedy and one that I think this Commission only acts with a tremendous amount of trepidation, and really looking at what is the intent of the law and the rules on this.

And I think we try as much as possible to the extent that we can maintain the integrity of what we had originally approved, and I think I see some genuineness.

I mean this room is fool of a lot of clients, and I think they have a genuine desire to do

the right thing. And so I appreciated the willingness to come back and take some time. I will caveat that with I think six months should be sufficient time for you to come back to the Commission, and I agree physically coming back to the Commission. I want to see the plans, because I think — I also don't want you to presume that the Commission won't take action on the Order to Show Cause in the absence of any genuine movement towards having a plan that is well thought out, you've got some — you've done all the things that you say you're going to do.

You may not be able to complete them, but I think we really want to see that there is genuine due diligence towards completing them. But I think this is a really nice balance, again, maintaining the integrity of the original approval of the LUC and permitting you to move forward.

So for me, I think six months coming back to the Commission is a reasonable time upon which the Commission can then evaluate how serious you are to really doing this, or are you just buying more time. So for those reasons I'm inclined to support this motion. Thank you.

CHAIRPERSON SCHEUER: Commissioner Aczon.

1 COMMISSIONER ACZON: I hope the Petitioner appreciates and understand the Commission's hesitancy 2 3 to extend the time, and in supporting this motion, and I also hope the Petitioner recognize our sincere efforts to work with the Petitioner to make this 5 6 development happen. In that regards I'll be 7 supporting the motion. 8 CHAIRPERSON SCHEUER: Anything further, 9 Commissioners? 10 I'd just like to thank the parties for 11 letting cooler heads prevail. 12 Mr. Orodenker, please do a vote. EXECUTIVE OFFICER: The motion is to allow 13 14 the Petitioner additional time for the purposes and with the conditions as stated by the Chair. 15 16 Commissioner Wong? 17 COMMISSIONER WONG: Aye. 18 EXECUTIVE OFFICER: Commissioner Mahi? 19 COMMISSIONER MAHI: Aye. 20 EXECUTIVE OFFICER: Commissioner Aczon? 21 COMMISSIONER ACZON: Aye. 22 EXECUTIVE OFFICER: Commissioner Chang? 23 COMMISSIONER CHANG: Yes. 24 EXECUTIVE OFFICER: Commissioner Okuda? 25 COMMISSIONER OKUDA: Yes.

EXECUTIVE OFFICER: Commissioner Cabral? 1 VICE CHAIR CABRAL: Yes. 3 EXECUTIVE OFFICER: Chair Scheuer? CHAIRPERSON SCHEUER: Aye. 5 EXECUTIVE OFFICER: Thank you, Mr. Chair. 6 The motion passes unanimously. 7 MS. GARSON: Thank you very much. 8 (Off the record.) 9 CHAIRPERSON SCHEUER: Commissioners we are 10 back on the record. 11 The next agenda item is a nonaction item, 12 discussion of fiscal year 2020 LUC officers. EXECUTIVE OFFICER: Just to start the 13 14 process, we can appoint a nominating committee, have discussions off record, whatever you want to do. 15 16 We usually, tradition has always been to bring this up about this time every year. 17 18 CHAIRPERSON SCHEUER: I just wanted to make 19 sure. So typically, not at all times, it has been that sort of everybody moves up in line, so the Chair 20 21 serves one year, steps off. The first vice chair 22 become the chair, second vice chair becomes the first 23 vice chair. EXECUTIVE OFFICER: That's not true. 24 25 That's not true. Please correct me, Dan.

1 CERTIFICATE STATE OF HAWAII 2) SS. COUNTY OF HONOLULU 3 4 I, JEAN MARIE McMANUS, do hereby certify: 5 That on May 22, 2019 at 9:30 a.m., the 6 proceedings contained herein was taken down by me in 7 machine shorthand and was thereafter reduced to 8 typewriting under my supervision; that the foregoing 9 represents, to the best of my ability, a true and 10 correct copy of the proceedings had in the foregoing 11 matter. 12 I further certify that I am not of counsel for any of the parties hereto, nor in any way interested 13 in the outcome of the cause named in this caption. 14 15 Dated this 22nd day of May, 2019, in Honolulu, 16 Hawaii. 17 18 19 S/s Jean Marie McManus JEAN MARIE McMANUS, CSR #156 20 21 22 23 24 25