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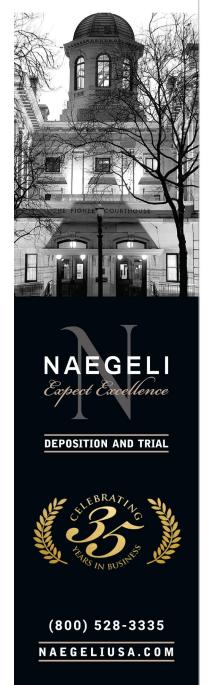
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## STATE OF HAWAII

## LAND USE COMMISSION

Hearing held on April 14, 2022

Commencing at 9:14 a.m.

Held at

Airport Conference Center

400 Rodgers Blvd., Suite 700, Room IIT, No. 1

Honolulu, HI 96818

and

via Zoom Interactive Conference Technology

- I. CALL TO ORDER
- II. ADOPTION OF MINUTES
  March 23, 2022
- III. TENTATIVE MEETING SCHEDULE
- TV. CONTINUED ACTION-A87-610 KS WAIAWA (Oahu) To Consider Petitioner's Motion for Modification, Time Extension, and Release and Modification of Conditions of Order Granting Motion for Order Amending Findings of Fact, Conclusions of Law and Decision and Order issued by the Commission on February 11, 2020 to allow for modification of the Phase 1 and Phase 2 of the solar farm and to modify and release various conditions under the Commission's 2014 and 2020 Decisions and Orders concerning requirements of the submission of a Master Plan, archaeological sites and plans, burial plans, historic resources, aircraft hazards, traffic, development plans and schedules, and decommissioning of the solar farm phases.
- V. ADJOURNMENT

**BEFORE:** 

## 1 APPEARANCES BY VIDEOCONFERENCE: 2 3 COMMISSIONERS PRESENT: Jonathan Scheuer, Chair 5 Dawn N.S. Chang 6 Dan Giovanni 7 Lee Ohigashi 8 Nancy Cabral 9 Arnold Wong 10 Gary Okuda 11 12 COMMISSIONERS EXCUSED: 13 Edmund Aczon 14 15 16 STAFF PRESENT: 17 Daniel Orodenker, Executive Officer Scott Derrickson, Chief Planner 18 19 Riley Hakoda, Planner 20 Natasha Quinones, Chief Clerk 21 Dan Morris, Esq. Deputy Attorney General 22 23 24 25

## APPEARANCES BY VIDEOCONFERENCE 1 2 3 PETITIONER: Jennifer Lim, Esq. 5 Derek Simon, Esq. Onaona Thoene, Esq. 6 7 CITY AND COUNTY OF HONOLULU, DEPARTMENT OF PLANNING 8 AND PERMITTING: 10 Brianna Weaver, Esq., Corporation Counsel 11 Dina Wong, Acting Planning Division Chief 12 Franz Kraintz, Planner 13 OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT: 14 15 Bryan Yee, Esq., Deputy Attorney General 16 Rodney Funakoshi, Land Use Administrator 17 Lorene Maki, Planner 18 19 PETITIONER'S WITNESSES 20 Jason Jeremiah, Kamehameha Schools 21 Michelle W. Swartman, Kamehameha Schools 22 2.3 24 25

CHAIR SCHEUER: Aloha mai kakou. This is the April 14th, 2022, Land Use Commission Meeting. This is our first hybrid meeting, which is being held at a physical meeting location open to the public here at Honolulu International Airport and also by interactive conference technology, which links -- I cannot put people on mute next to me -- which links videoconference participants and other interested individuals of the public via the Zoom webinar platform in order to comply with state law. Members of the public are able to attend this inperson or view the meeting via the Zoom webinar platform.

For all meeting participants, I'd like to still emphasize the importance of speaking slowly and clearly and directly into your microphone. We do the recordings of this meeting from the Zoom -- we do the transcripts of this meeting from the Zoom recording, so it's very important to have a clear audiovisual signal.

If you are tuned into this, your participation in the Zoom meeting is your implied consent to be part of the recording of this meeting. If you do not wish to be part of the recording, you should exit the meeting now.

This meeting allows the conference -- this Zoom conferencing technology allows the meeting participants and other participating members access to this meeting via their own digital devices and Internet access.

individual control, occasional disruptions to connectivity may occur from time to time. If this happens, please let us know, and it's going to be especially important during this hybrid work, because we're going to be trying to pay attention to people physically with us as well as virtually. So let us know if you're having problems accessing the meeting, and please be patient in the process as we try to restore audiovisual signals.

Public testimony during this meeting. The only item which is open for public oral testimony is the adoption of the minutes. We closed public testimony on this docket item at the last hearing on this matter, and we have received some written testimony.

If anybody wishes to testify during the public testimony that's available on adoption of the minutes, if you are calling in by phone, press \*9 to raise your hand virtually. If you are here in the

room, there is a sign-up sheet in front of you.

We will take breaks from time to time, approximately 10 minutes every hour. In addition, due to schedule constraints from Commissioner Okuda, we will be taking a break at one point so that he can attend a court hearing.

Commissioner Okuda, that will be at approximately what time, do you believe?

COMMISSIONER OKUDA: Mr. Chair, that would be five minutes to 10:00, probably for about half an hour, depending on when the court calls our case.

Thank you.

CHAIR SCHEUER: Thank you, commissioner.

So my name is Jonathan Likeke Scheuer. I have the pleasure and honor of serving as the Land Use Commission chair. We currently have eight seated commissioners of a possible nine, but we did actually get four more commissioners replacing vacancies as well as existing commissioners who are attending this meeting, as I understand, virtually. Commissioner-to-be Mike Yamane from Kauai is attending, I believe.

Here in the room, I have Commissioner Dawn Chang from Oahu; Commissioner Nancy Cabral, who represents Hawaii Island; Lee Ohigashi from Maui;

Commissioner Arnold Wong from Oahu. Virtually, we 1 have Commissioner Dan Giovanni from Kauai and 2 3 Commissioner Gary Okuda, who I mentioned already, from the island of Oahu as well. 5 With us in the room, we have our small but mighty staff, our Land Use Executive Officer Dan 7 Orodenker, our Chief Planner Scott Derrickson, our Staff Planner Riley Hakoda, our Chief Clerk Natasha 9 Quinones. Our deputy attorney general is tuning in 10 virtually, Dan Morris. And we are all on the roll. As I said, transcriptions are being done 11 12 from the Zoom recording. 13 Commissioner Aczon is excused from today's meeting, and Commissioner Okuda will take a break as 14 15 previously noted. For the commissioners who are 16 17 participating in this meeting via Zoom, I'd like you 18 to confirm whether you are alone in the room or if there are any other people present. If so, who is 19 20 present? Commissioner Okuda? 21 22 COMMISSIONER OKUDA: Mr. Chair, I am in 23 the public area of the First Circuit Court 24 courtroom. There is no one else, however, observing

or participating with me. But it is a public area.

25

25 l

Are there any?

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1
             Seeing none, are there any members of the
 2
   public who are attending physically who wish to
 3
   testify? Seeing none.
             Commissioners, are there any comments or
 4
 5
   question on the adoption of the minutes?
 6
             Commissioner Cabral?
 7
             COMMISSIONER CABRAL: I move for the
   adoption of the minutes of the March 23rd, 2022,
 9
   meeting.
10
             CHAIR SCHEUER: Is there a second?
11
             COMMISSIONER WONG: Chair?
12
             CHAIR SCHEUER: Commissioner Wong?
13
             COMMISSIONER WONG: This is Commissioner
14
   Wong. I second.
15
             CHAIR SCHEUER: A motion has been made by
   Commissioner Cabral and seconded by Commissioner
16
17
   Wong to adopt the minutes. Is there any discussion?
18
             Seeing none, Mr. Orodenker, would you
   please poll the commission?
20
             MR. ORODENKER: Thank you, Mr. Chair.
21
   motion is to adopt the minutes.
22
             Commissioner Cabral?
23
             COMMISSIONER CABRAL: Yes.
24
             MR. ORODENKER: Commissioner Wong?
25
             COMMISSIONER WONG:
                                 Yes.
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1	MR. ORODENKER: Commissioner Aczon is
2	excused.
3	Commissioner Chang?
4	COMMISSIONER CHANG: Aye.
5	MR. ORODENKER: Commissioner Okuda?
6	COMMISSIONER OKUDA: Yes.
7	MR. ORODENKER: Commissioner Giovanni?
8	COMMISSIONER GIOVANNI: Aye.
9	MR. ORODENKER: Commissioner Ohigashi?
10	COMMISSIONER OHIGASHI: Yes.
11	MR. ORODENKER: Chair Scheuer?
12	CHAIR SCHEUER: Aye.
13	MR. ORODENKER: Thank you, Mr. Chair. The
14	motion passes unanimously.
15	CHAIR SCHEUER: Thank you. Mr. Orodenker,
16	would you now please go over our next meeting agenda
17	item, the tentative meeting schedule?
18	MR. ORODENKER: Thank you, Mr. Chair. Our
19	next meeting will be on April 27th at Hilo for the
20	Church-Hildal motion for reconsideration. We will
21	also begin discussion on the election of officers
22	for the upcoming year and staff performance reviews.
23	We will be on Kauai on May 11th for a
24	continuation of the Kekaha Ag matter. We will also
25	be on Kauai on May 12th, where we will be honored by

1 Chair Scheuer's presentation on the public trust doctrine. 2 3 On May 25th, we will be on Oahu, if necessary, for this, a continuation of this matter. 5 And if we conclude today, that would be the adoption of the order. 7 June currently is open; however, we are anticipating those dates to be filled in the near 9 future, so we would ask the commissioners to keep 10 those dates open. 11 July, we have the 13th and 14th scheduled 12 for tentative meetings, although the dockets have not been determined as yet. On July 27th and 28th, 13 14 we are anticipating a training session for the new 15 commissioners. And that's all we have on the calendar so far. 16 17 CHAIR SCHEUER: Thank you, Mr. Orodenker. Commissioners, are there any questions for 18 19 Dan about our meeting schedule? 20 The next agenda item is a continued action 21 for Docket No. A87-610, Kamehameha Schools Waiawa 22 Oahu to consider Petitioner's Motion for 23 Modification, Time Extension, and Release and 24 Modification of Conditions of an Order Granting a

Motion for an Order Amending the Findings of Fact,

25 l

Conclusions of Law, and Decision and Order issued by 1 the Commission on February 11th, 2020, to allow for 2 3 modification of Phase 1 and Phase 2 of the solar farm and to modify and release various conditions under the Commission's 2014 and 2020 Decisions and 5 Orders concerning requirements of the submission of a Master Plan, archaeological sites and plans, 7 8 burial plans, historic resources, aircraft hazards, 9 traffic, development plans and schedules, and 10 decommissioning of the solar farm phases. 11 Will the parties please identify 12 yourselves for the record, starting with the 13 petitioner? 14 MS. LIM: Good morning, chair and 15 commissioners. Am I loud enough? 16 CHAIR SCHEUER: Maybe a little louder, if 17 you could. 18 MS. LIM: Start again. Good morning, 19 chair and commissioners, other parties. Jennifer 20 Lim representing petitioner Kamehameha Schools. MS. THOENE: Good morning, chair and 21 22 commissioners. Onaona Thoene, co-counsel for the 23 petitioner Kamehameha Schools. With me today is 24 Derek Simon. Thank you. 25 CHAIR SCHEUER: So you press the button

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1
   until it's lit, and then you don't have to hold it
 2
   down. It should stay lit. And speak directly into
 3
   the microphone.
 4
             MS. WEAVER: Good morning. Deputy
 5
   Corporation Counsel Briana Weaver appearing on
 6
   behalf of the Department of Planning and Permitting.
 7
             CHAIR SCHEUER:
                              I'm going to say I'm in
 8
   the same room and having a hard time hearing you.
 9
             MS. WEAVER:
                           Should the light be green, or
10
   is it supposed to be red?
11
             CHAIR SCHEUER:
                              It should be orange.
12
   you press the bottom button?
13
             MS. LIM:
                       Yes.
14
             CHAIR SCHEUER:
                              Okay.
15
             MS. LIM:
                       Okay. How's that?
16
             COMMISSIONER WONG: A bit louder.
17
             MS. LIM:
                       Okay.
18
             CHAIR SCHEUER: Among the artifacts that
19
   I'll just note for everybody that we're having is
20
   that we actually have a number of participants
21
   who've only participated virtually in our meetings
22
   and never actually participated physically, so
23
   there's going to be that aspect of things going on
24
   as well.
25
             MS. WEAVER: Good morning. Briana Weaver
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1 appearing on behalf of the Department of Planning and Permitting. With me are Franz Kraintz and Dina 2 3 Wong. Thank you. 4 CHAIR SCHEUER: Thank you. 5 Office of Planning and Sustainable 6 Development? 7 MR. YEE: Good morning. Deputy Attorney General Brian Yee on behalf of the Office of 9 Planning and Sustainable Development. With me is 10 Lorene Maki and Rodney Funakoshi from the Office of 11 Planning and Sustainable Development. 12 CHAIR SCHEUER: Thank you. I will note that I think it will work better for our hybrid 13 14 meetings in the future if we all have access to 15 laptops physically so that we can see your beautiful 16 smiling faces. 17 I will now update the record. On April 18 4th, 2022, the LUC mailed and emailed the meeting 19 agenda for this meeting to the parties in this 20 docket to our citywide and county mailing lists. 21 April 7th, petitioner filed a second list of 22 witnesses, a second list of exhibits, a certificate of service, and Exhibits 42 through 47. 23 24 On April 12th, the Department of Planning 25 and Permitting filed its Notice of Appearance of

Counsel Briana Weaver. Also on that date, the commission received additional public testimony.

Let me go over our procedures for today.

First, I will ask the commissioners if there's any additional disclosures to make. Next, I will recognize any written public testimony. As I mentioned before, I did close oral testimony on this matter in the last hearing, so there will be no further oral testimony on this matter at the time.

After the notification of written testimony, the petitioner will continue their presentation from where they left off.

Oh, excuse me, before that, we will accept the new exhibits into the record as proposed -- or consider the acceptance of new exhibits into the record as proposed by petitioner.

Then we will hear from the petitioner continuing their presentation, followed by DPP and then OPSD to make their presentations with questions and comments from the commissioners.

The petitioner will be given the opportunity to provide any rebuttal, and after all parties have presented their arguments, presuming we make it through all of that, the commission will conduct formal deliberations and issue a decision on

1 the motion. 2 As noted, from time to time, we will be 3 taking breaks, one approximately at five minutes to 10. We will lose one of our commissioners at 3 p.m., so we will hopefully make it through our 5 proceedings by 3. If not, then we will have to 7 continue this yet again. We will also take a longer break for lunch. 9 Are there any questions on the procedures 10 today, beginning with the petitioner? 11 MS. LIM: No questions from petitioner. 12 Thank you. 13 CHAIR SCHEUER: DPP? 14 MS. WEAVER: No questions. T hank you. 15 CHAIR SCHEUER: OPSD? 16 MR. YEE: No questions. Thank you. 17 CHAIR SCHEUER: Thank you. Commissioners, are there any further 18 19 disclosures to make regarding this docket? I believe the additional witness added to 20 21 the Kamehameha Schools witness list is the wife of a 22 high school classmate of mine, but not one of the 23 high school classmates who bullied me, so I can 24 continue to be fair and impartial in these

proceedings. But I just want to throw that out

25

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1
   there.
 2
             If there's any concerns from the parties,
 3
   I can hand it over to Vice Chair Giovanni to
   proceed. Any objections? I'm getting plenty of
 5
   feedback from OPSD. Commissioner Giovanni
   personally must have helped them. Any objections or
7
   concerns with my disclosure, starting with the
8
   petitioner?
 9
             MS. LIM: No concerns. Thank you.
10
             CHAIR SCHEUER:
                             DPP?
11
             MS. WEAVER: No concerns.
                                         Thank you.
12
             CHAIR SCHEUER:
                             OPSD?
13
             MR. YEE: No concerns. Thank you.
14
             CHAIR SCHEUER: Of course, the difference
15
   between Brian and I is that he went there when there
16
   was only boys.
17
             COMMISSIONER WONG: Mr. Chair?
18
             CHAIR SCHEUER: Commissioner Wong?
19
             COMMISSIONER WONG: A question about the
20
            Was -- is it on our list or was she --
21
             CHAIR SCHEUER: She is on the list, which
22
   we have not yet accepted.
23
             COMMISSIONER WONG: Thank you. Just
24
   wanted to make sure.
25
             CHAIR SCHEUER: I acted preemptively.
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COMMISSIONER WONG: Thank you, chair. 1 2 CHAIR SCHEUER: Anything else, 3 commissioners? Any disclosures? If not, Ms. Quinones, written testimony? 4 5 MS. QUINONES: Good morning, chair. 6 CHAIR SCHEUER: If you can speak directly 7 into the microphone, Ms. Quinones. 8 MS. QUINONES: Good morning, chair. This 9 is Natasha. We received two additional testimonies. One is Garret Matsunami from Castle & Cooke Hawaii, 11 and the second one is Stanford Carr for Stanford 12 Carr Development LLC. 13 CHAIR SCHEUER: Thank you. Those have 14 been posted? 15 MS. QUINONES: They have been posted to the website. 16 17 CHAIR SCHEUER: Thank you very much. 18 And I'll deal with the petitioner's 19 exhibits. Ms. Lim, you have additional exhibits you 20 wish to enter into the record? 21 That's correct, chair. Jennifer MS. LIM: Lim speaking, Kamehameha Schools, and we submitted 23 Exhibits 42 through 47 as you noted earlier. Some 24 of these materials are materials that have previously been submitted in this docket, but we

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provided them again in light of some of the
 1
   questions that came up last week.
 2
 3
             Some of the materials are newspaper
   articles that came out after the last master plan
   hearing that we had in, I believe, this very room,
 5
   and then an updated master plan PowerPoint
 7
   presentation and an updated Gantt chart, again, all
   in response to questions from commissioners.
 9
             So we would ask for those to please be
10
   admitted into the record.
11
             CHAIR SCHEUER: Thank you, Ms. Lim. Any
12
   objections to these admissions to the record?
13
   County?
14
             MS. WEAVER:
                         No objections. Thank you.
15
             CHAIR SCHEUER:
                              OPSD?
16
             MR. YEE: No objections.
17
             CHAIR SCHEUER: Commissioners, starting
18
   with the ones physically here?
19
             Commissioners Giovanni or Okuda, any
20
   objections?
21
             Seeing none, petitioner's additional
22
   exhibits are entered into the record.
23
             County, any additional exhibits?
24
             MS. WEAVER:
                          We don't have any.
25
             CHAIR SCHEUER: I can no longer hear you.
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1 I don't know what has happened. No additional exhibits. 2 MS. WEAVER: 3 Thank you. CHAIR SCHEUER: OPSD? 4 MR. YEE: No additional exhibits. 5 CHAIR SCHEUER: Okay. With that, we can 6 continue, Ms. Lim, with your presentation. 7 MS. LIM: Thank you, chair. So when we broke from the last meeting, my recollection is that 9 Mr. Jason Jeremiah, our expert in traditional and 10 customary Hawaiian practices, had gone through 11 direct examination, and I don't believe the other 12 parties had questions for him. But commissioners had questions, and there 13 14 might be the possibility for redirect, so therefore, 15 I would ask that Mr. Jeremiah would continue in 16 questioning from commissioners. 17 CHAIR SCHEUER: Thank you, Ms. Lim. And my recollection jives with yours. 18 19 Mr. Jeremiah? Even though we could say 20 that you are still under oath, I'm just going to 21 swear you in again. Do you swear or affirm the 22 testimony you're about to give is the truth? 23 MR. JEREMIAH: Yes. 24 CHAIR SCHEUER: Okay. Let's see whether 25 we can get the mic -- you and the mic closer

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together. Let's just -- please, Mr. Jeremiah, if
 1
   you could just do a test. You're almost kissing it.
 2
 3
   There you go. That's better. Okay.
             Are there questions for the witness,
 4
 5
   starting with DPP?
 6
             MS. WEAVER: We have no questions for him.
7
   Thank you.
 8
             CHAIR SCHEUER: OPSD?
 9
             MR. YEE: No questions. Thank you.
10
             CHAIR SCHEUER: Commissioners, questions
   for Mr. Jeremiah?
11
12
             Commissioner Chang?
13
             COMMISSIONER CHANG: Good morning, Mr.
14
   Jeremiah. Good to see you this morning.
15
             MR. JEREMIAH: Good morning.
16
             COMMISSIONER CHANG: I just have just a
17
   few questions. And I appreciated the work that was
18
   done. There was a lot of good work, a lot of
19
   reaching out to the kupuna. (Unintelligible.)
20
             These questions deal with if you could
21
   describe for me the use of the property prior to the
22
   plantations as far back as pre-contact, if you could
23
   describe that, because I did not see a lot of
24
   descriptions about that.
25
             I know there was a lot of discussion there
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as we turn to the plantations. A lot of the resources may have been as far as -- there was no evidence of -- if you could describe the activities on the property prior to western contact.

MR. JEREMIAH: Thank you, Commissioner Chang. You know, when you look into the written record, the oral record from our kupuna through various archival sources, and just understanding traditional land uses of Waiawa, especially in the Ewa moku, the area of the proposed project, this middle area of Waiawa, was not an area that was heavily inhabited. It wasn't heavily used.

There was traditional, like, trails that were documented by John Papa Ii in some of his work that they have been pretty close to the area, but they were trails that kind of where the present-day Kamehameha Highway would have been, and kind of there would have been a thoroughfare that went up to the North Shore, another royal center at the mauna areas, so roughly the areas.

But then we looked into the land commission's awards that were awarded and claimed during the mahele in the 1850s. We see the concentration of the habitation, the use of the ahupua'a, the lower area below the current Leeward

Community College. There were lokoi'a, loi kalo, loko wai in those areas. And you didn't see any claimants in the area of this, of the area we're talking about in this petition.

So that's generally my understanding through my research of the area, that there, you know, through our archaeological work, we haven't, you know, uncovered any significant Hawaiian sites in this area.

We've gone through there. We've talked to archaeologists about plantation. But I would say that we wouldn't suspect a lot of traditional Hawaiian sites the area of the petition area.

COMMISSIONER CHANG: Thank you for that description. In many instances, traditional and customary practices is the right to access. It may not be, like you say, a place where there was habitation or where there may have been actual use. But it may have been -- especially with your mention of trails, it may have been access with porters running mauka to makai so that people could get access from where they live, perhaps a compound.

Could you elaborate further on this trail system? You said there was one that is currently present, Kamehameha Highway. Any other trails

within this property?

MR. JEREMIAH: Within the property, I haven't seen any documented trails specifically in the property. And, you know, there have been trails more north of the ahupua'a Waiawa that are where a lot of the kind of the public hunting area is located. But within the specific ahupua'a, I haven't seen any documented trails in those areas.

COMMISSIONER CHANG: My final question is within this area, are there known to be any resources that may have been used for gathering, whether they're for medicinal purposes or subsistence? Are you aware of any kinds of resources that may have at one time been located in this area?

MR. JEREMIAH: I'm not aware of any of those traditional resources, whether it be plants and so forth, in this area. It's -- and as you've kind of mentioned as well -- the plantation came in, and there's been a lot of impact, and we haven't seen any Hawaiian plants in this area.

COMMISSIONER CHANG: And this is just to confirm that Kamehameha Schools has not received requests by, you know, Hawaiian practitioners or families to access the area since the time that --

as far as that you're aware of?

MR. JEREMIAH: As far as I'm aware of, you know, we took back more control and management of this property area around 2010, 2011, and we haven't to my knowledge received any requests of that nature.

asking my last question, kind of, but I think this is my last one. And I have greatly appreciated just your ability to respond to the questions I've asked. So clearly you have a good understanding of this property.

However, in the future, if a family member comes forth and asks Kamehameha Schools to have access or can demonstrate that they have a relationship to the property, would Kamehameha Schools be adverse to meeting with the family to discuss reasonable access to the property?

MR. JEREMIAH: No. We would not be adverse to that. You know, I think we want to support our Native Hawaiian communities and families and individuals and practitioners. And, yeah, we would kind of discuss that with them, if they would come forward.

COMMISSIONER CHANG: And I appreciate that

as well, because as land stewards, especially 1 Kamehameha Schools, where you have such a special 3 kuleana to always keep that door open in the event that there is a family member who can demonstrate 5 activities on the property. So mahalo for that. And I have no further questions. Thank you so much, 7 Mr. Jeremiah. 8 MR. JEREMIAH: Thank you, Commissioner 9 Chanq. 10 CHAIR SCHEUER: Thank you, commissioner. 11 Commissioners, any further questions for 12 Mr. Jeremiah? 13 Seeing none at this time, any redirect, 14 Ms. Lim? 15 MS. LIM: No redirect. Thank you. CHAIR SCHEUER: Okay. Thank you very 16 17 much. 18 Thank you, Mr. Jeremiah, for your 19 testimony. 20 MR. JEREMIAH: Thank you, chair. 21 CHAIR SCHEUER: Please feel free to call 22 your next witness. 23 MS. LIM: So, chair, commissioners, our 24 next witness is Michelle Swartman. And to let the cat out of the bag, Michelle is going to walk the 25

commissioners through the PowerPoint that we filed. 1 I think that's Exhibit 46. So I do want to be 3 mindful of Commissioner Okuda's exit time, which is going to be in about 10 minutes, so we'll run 5 through as much as we can. 6 CHAIR SCHEUER: That's what I was going to 7 suggest. 8 MS. LIM: Okay. Exhibit 47 is the 9 PowerPoint. 10 CHAIR SCHEUER: Okay. So, okay. So, 11 sorry, in virtual land, how are we getting the 12 PowerPoint? Are we putting the PowerPoint up on the 13 screen? 14 MS. LIM: I'll be sharing it on Zoom. 15 CHAIR SCHEUER: Thank you, Ms. Lim. Okay. 16 And, Ms. Swartman, good morning. 17 MS. SWARTMAN: Good morning. Aloha. 18 CHAIR SCHEUER: Do you swear or affirm the 19 testimony you're about to give is the truth? 20 MS. SWARTMAN: I do. 21 CHAIR SCHEUER: Okay. Thank you. 22 MS. LIM: Michelle, for the record, would 23 you please tell us --24 CHAIR SCHEUER: Ms. Lim, talk into your 25 microphone, if you can.

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MS. LIM: Would you please tell the
 1
 2
   commissioners your business address for the record?
 3
             MS. SWARTMAN:
                            Sure. It's 567 South King
   Street, Suite No. 200, Honolulu, Hawaii 96813.
 5
             MS. LIM:
                        Thanks. And I know you work at
   Kamehameha Schools, but would you let the
 7
   commissioners know, please, what your position is
 8
   there?
 9
             MS. SWARTMAN:
                            Sure. I work in the
   planning and development of the Commercial Real
11
   Estate Division at Kamehameha Schools.
12
             MS. LIM: And how long have you been
13
   there?
14
             MS. SWARTMAN:
                            I've been there for the
15
   last six years, and I've been working in that
16
   capacity across -- and working on different land
17
   projects across the Ewa Moku for Kamehameha Schools
18
   for about the last six years.
19
             MS. LIM:
                        Okay.
20
             MS. SWARTMAN:
                            Including Waiawa.
21
             MS. LIM: And, Michelle, what is your
   professional educational background? I just -- I
23
   know you haven't testified before this commission in
24
   the several hearings we have had on Waiawa, so let
   the commissioners know a little bit more about you.
25
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1
             MS. SWARTMAN: Sure.
                                    So I was born and
 2
   raised in Hawaii on Oahu.
                               I attended Punahou School
 3
   and received my bachelor degree from University of
   Hawaii, and I'm very happy to be working with
   Kamehameha Schools.
 5
             I have been in the real estate industry
 6
 7
   for the last 32 years, and I have been in land
 8
   development and planning for the last 16 years.
 9
             MS. LIM:
                       Thanks for that. And, Michelle,
   you know the reason we're here today is because we
11
   filed a motion. And when I say "we", I mean your
12
   counsel filed a motion on behalf of Kamehameha
   Schools for a motion for modification, time
13
14
   extension, release and modification of some
15
   conditions. We filed that in December 2021. Would
16
   you let the commissioners know if you're familiar
17
   with the contents of that motion?
18
             MS. SWARTMAN: Yes. I am familiar with it
19
   and have reviewed the files along with the
20
   appendices that were attached to them.
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                       Now, Michelle, for the record,
             MS. LIM:
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   did you attend the hearing that we had on March
23
   23rd, the first hearing on this motion?
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             MS. SWARTMAN: I did, but I did not
   provide any --
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So you were in the audience. 1 MS. LIM: MS. SWARTMAN: 2 I was. 3 MS. LIM: What was your takeaway as you listened to the hearing, and especially questions 5 that came from the commissioners? 6 MS. SWARTMAN: I quess as I was listening 7 to the testimony and hearing, it became apparent to me that there was some confusion over the Waiawa 9 master plan and solar uses as an interim use. 10 I think there was a little bit of 11 confusion as to whether or not these solar projects would hinder the development of future homes at 12 Waiawa. And I hope this presentation that I'm 13 14 hoping to present to you will, you know, add more 15 clarity to that. And instead describe how in fact, 16 the solar development is in synergy with the Waiawa 17 master plan that we presented in 2020. 18 MS. LIM: I see with that, Michelle, I 19 know we have Exhibit 46 up on the screen. Why don't 20 you -- excuse me, I've done it again. Exhibit 47 is 21 the PowerPoint presentation. Why don't you go ahead 22 and walk the commissioners through that? And I'll 23 ask you some questions as we go through it as well. 24 MS. SWARTMAN: Okay, then. 25 CHAIR SCHEUER: Don't be afraid to

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project.
 1
 2
             MS. SWARTMAN:
                            Okay.
 3
             CHAIR SCHEUER: Both of you, please.
 4
             MS. SWARTMAN: So I also want to note that
 5
   we have submitted Exhibit 48, the GANTT chart, as
   requested, I think, by the commissioner last time.
   So we have submitted that as well.
 7
 8
             MS. LIM: And, you know, Michelle, you and
 9
   I, I think, have mind meld, because we keep messing
10
   up exhibit numbers.
11
             MS. SWARTMAN: Yes. Sorry.
12
             MS. LIM: But for the record, the GANTT
13
   chart is actually Exhibit 46.
14
             MS. SWARTMAN: Oh, okay.
15
             MS. LIM: And the PowerPoint is Exhibit
16
   47.
17
                            Correct.
             MS. SWARTMAN:
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             MS. LIM: But it's noted. A Gantt chart
   was submitted in response to comments from
20
   commissioners.
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             MS. SWARTMAN: Yes. I think we can start.
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   Turning to the next slide, though. So, you know,
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   you may recall in 2020, my colleague and managing
24
   director for commercial real estate -- really, my
  boss -- Walter Thoemmes presented to this commission
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in January, I believe, of 2020, and he presented our Waiawa master plan.

And the master plan vision has not changed since then, and we continue to pursue. And while it's ambitious and it will be a long and arduous process, we are continuing to strive for the vision of Waiawa community to include culture, to include housing, the much-needed housing, and rail as well as solar as an interim use.

So collectively, you know, we do think that there's an opportunity using our lands and our aina at Waiawa.

MS. LIM: So, Michelle, you mentioned
Walter and --

MS. SWARTMAN: Can I add one more thing?

MS. LIM: Of course.

MS. SWARTMAN: I'm sorry. I also want to just note that, you know, Kamehameha Schools has an obligation to our beneficiaries, and in all decisions that we make with our aina Hawaii, we have to make sure that it makes economic sense, and so through those lands we're able to provide in perpetuity for our beneficiaries.

So it's not for our beneficiaries today, but it's really the kinds of decisions that we make

that are hard and long really affect our 1 beneficiaries in the long term. So it's not for 2 3 just today. It's for generations to come. 4 Sorry about that. 5 MS. LIM: No. Those are important points. 6 I'm glad you interrupted me. 7 Coming back to sort of the technical details, why did Kamehameha Schools submit a master plan to the commission? I believe it was submitted in 2019, and then a presentation was done, like you 11 said, by Mr. Thoemmes in January 2020. Why was that 12 done? MS. SWARTMAN: In the 2014 decision and 13 order authorizing Kamehameha Schools to use our 14 15 lands for solar as an interim use required that we, 16 Kamehameha Schools, goes back to the commission with 17 a revised master plan within five years of that 18 approval, which in 2014, five years from then was 19 2019. 20 So I believe it was condition 1 that we 21 were satisfying, and that was the reason why we sent 22 it to the commission in 2020. I believe we 23 submitted our motion in October of 2019, but 24 eventually made our presentation in 2020, January of 25 2020.

1 MS. LIM: That's correct. And just for the record, the master plan submittal that was made 2 3 in October 2019, another copy of that's been filed. That's Exhibit 42; is that correct? 5 MS. SWARTMAN: That's correct. 6 MS. LIM: And Mr. Thoemmes' PowerPoint 7 that he gave to this very commission in January, we filed as Exhibit 43. 9 MS. SWARTMAN: Yes. That's correct. 10 MS. LIM: So, Michelle, you're going to do 11 this way better than I can. Why don't you give the 12 commissioners a refresh? I mean, they've already 13 heard all about the master plan. Will you give them 14 a refresh going back to your opening point, which is 15 there seemed to be some confusion. We just haven't 16 explained things well enough. 17 Yeah. Well, what you see MS. SWARTMAN: 18 on the screen here is an overview of our Waiawa 19 master plan. It may seem familiar to you. 20 actual map that you see to the right was presented 21 to the commission in 2019, and Walter did speak to 22 it. 23 But so just to kind of give folks a 24 reminder, another overview of the land plan, you 25 know, our land plan remains the same today.

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1
   covers approximately 2,010 acres. There's going to
   be various uses across the lands here that you see.
 2
 3
   It will include housing, open space, schools, parks,
   commercial uses. And what you see as the star, that
   location there marks the area where we intend to
 5
 6
   start our land plan and our Waiawa community.
 7
             MS. LIM:
                       Michelle, I'm going to stop you
 8
           I know we've always indicated since 2014
 9
   that Kamehameha Schools was intending to start
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   development from the south, but let the
11
   commissioners know why.
12
             What's the thinking behind that? Why is
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   it important, and why was the decision made to
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   pursue development starting from the south?
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             MS. SWARTMAN:
                             True. So our plan differs
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   from the previous plans that have been approved in
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   the past. Primarily, the reason why we are starting
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   at the southern or makai side of our land plan is
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   because, one, it's closer to the Pearl Highlands
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   transit station.
21
             And so -- and secondly, it's closer to the
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   existing infrastructure.
23
             MS. LIM: By infrastructure, do you mean
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25
             MS. SWARTMAN:
                            Well, sewer, roadways, and
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1 water as well. 2 MS. LIM: So there's a better ability to 3 actually connect to existing sewer infrastructure as you start building roads? 5 MS. SWARTMAN: And we felt that it was just -- you know, we constantly look for ways to be more efficient in our planning process. So, you know, instead of bringing all our infrastructure up to the mauka side through the Kula area, up that 9 10 area, starting where, you know, our existing 11 infrastructure makes more sense to us. 12 MS. LIM: And certainly, the transit --13 MS. SWARTMAN: Yes. Obviously, yes. 14 MS. LIM: -- component. 15 MS. SWARTMAN: Yeah. MS. LIM: Michelle, the slide says interim 16 17 solar, Phase 1 and Phase 2. And it's going to be 66 18 megawatts with a combined 384 megawatt-hour of 19 storage. What are you talking about when you say 20 interim solar? Where is Phase 1 and where is Phase 21 2? 22 MS. SWARTMAN: I don't feel like you can 23 see it as clearly on the screen, but if you follow 24 along, my apologies, it's a little small, but. 25 So there are two solar projects at Waiawa,

which was approved in 2014. And the area to the 1 right, which is dashed in pink, where the hand is 2 3 encircling right now, that is what we call the Waiawa Solar Phase 2. That's the Solar Phase 2 5 site, and that currently is being constructed by Clearway, and where this commission approved that 7 solar project in 2020. 8 MS. LIM: I'm just going to interrupt you 9 I want to make sure that we're very, very 10 clear. So the site that you're calling the Phase 2 11 solar, where the hand is on the screen right now, 12 that was approved by the commission for solar use in 13 2014? 14 MS. SWARTMAN: Yes. That was -- both projects were approved in 2014 as an interim use. 15 16 MS. LIM: And then, the Phase 2 solar site 17 was approved again in 2020? 18 MS. SWARTMAN: That's correct. I think 19 they were somewhat patient. The solar, Waiawa Solar 20 Phase 2 site where that hand is, is to be 21 decommissioned by 2059. 22 MS. LIM: At the latest. 23 MS. SWARTMAN: At the latest, based on --24 with the caveat that there's conditions to that.

But I believe it's at 2059.

MS. LIM: What is --1 2 COMMISSIONER OKUDA: Chair, I'm sorry, 3 chair. This is Gary Okuda. May we take a break at this point? 4 5 CHAIR SCHEUER: Yes. Reconvene in 25 minutes, half hour? 6 7 COMMISSIONER OKUDA: Yes. Hopefully, 8 sooner than then. Thank you, chair. 9 CHAIR SCHEUER: Okay. We're going to 10 pause right now. We're take a recess. I'm not 11 going to at this time announce how long our recess 12 is going to be. I'm going to be texted by Commissioner Okuda when he's done with his court 13 14 hearing. I'm going to give people a five-minute 15 warning that we're ready to start again. 16 (Recess taken from 9:55 - 10:58 a.m.) 17 CHAIR SCHEUER: We're back in session. 18 are joined in person by Commissioner Okuda. 19 apologize to everybody for the unexpectedly long 20 delay, and thank you. It is 10:58. My intention is 21 that we go until noon, or perhaps if we need to go 22 slightly beyond an hour to conclude any cross and 23 rebut of the witness, we will. So then we will take 24 a half-hour break for lunch and resume our 25 proceedings.

FINAL HI State Land Commission Meeting April 14, 2022 NDT Assgn # 57012 Ms. Lim, please continue with the direct 1 testimony of your witness, Ms. Swartman. 2 3 MS. LIM: Thank you, chair. And my cocounsel, Ms. Onaona Thoene, is putting the 5 PowerPoint back up on the screen, Exhibit 47. And I believe we left off on slide 3. We'll just let 7 Michelle get started once that's pulled up. 8 MS. SWARTMAN: So thank you. I just 9 wanted to kind of clarify also the various phases of 10 our Waiawa master plan that we presented to you 11 folks in 2020. And I know this is just kind of a 12 recap of what we had presented then. 13 But the colors that you see correlate with 14 the various phases, and it's chronologically. So 15 what you see in yellow is Phase A. Green is Phase 16 B. C is in brown to the left where those springs

D is the pink area, and then E is in the most mauka region and in purple.

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And I think where I left off was right between the two different solar projects that were approved in 2014. And the area in the pink dashed area is what we refer to as site of Solar Phase 2 And that is in construction right now by Clearway, which you folks approved in 2020.

And then in the area that you may see as



the hashed red area and blue, that boundary identifies what the current motion is in front of you. And that land area is that area, refers to what we call Solar Phase 1.

And so Solar Phase 1 project occurs in two different phases, if you will, and it correlates with the rollout of our master plan development.

So in the red dashed area, we refer to that as Parcel A, and the area in the blue dashed area that covers portions of Phase D in our master plan is what we refer to as Parcel B.

So this map, you know, kind of shows graphically how the Waiawa master plan and the solar uses as an interim use is an integral part of our master plan.

MS. LIM: Michelle, just for clarification, because you're using the term "interim use", but I look at this map of the master plan, and I see over in Phase C and Phase D of the master plan a solar farm. So is that what you mean? The master plan and the solar farms are going to coexist from --

MS. SWARTMAN: Actually, they -- the solar uses are an interim use. So as we develop from the makai for our Waiawa community, as we rollout into

the latter phases, the solar uses in Waiawa solar site 1 or Solar Phase 1 will then be decommissioned and roll out. They will go away.

Solar Phase 2 in the pink dashed area, that will remain as we continue with our master plan, working our way from the makai side up. So it is timed with what we think is the absorption rate for homes and commercial uses. And that's how we created our agreements with the solar developers.

MS. LIM: So in your view, is there going to be competition between the Phase 1 solar project, which is what we're here about today -- is there going to be competition between Phase 1 solar project and the ability to construct homes on this land?

MS. SWARTMAN: No, none of that. No, not at all. There's no competition. It's just part of the overall plan where we optimize the ability to use our lands for renewable energy projects. And as they roll off, the master plan will continue to move upwards.

MS. LIM: Maybe it would be more clear if you'd help the commissioners understand the estimated timing of the master plan, which I think is on the next slide.

Yes. If we could change to 1 MS. SWARTMAN: the -- turn to the next slide there. 2 3 Okay. So this slide speaks directly to our phasing again. Just as a reminder, renewable 5 energy sources create an opportunity for Kamehameha Schools and has a -- is a revenue source. And so, we think that -- we believe that renewable energy at 7 Waiawa as an interim use is just very aligned to, 9 you know, our values at Kamehameha Schools. 10 So back to the slide. Phase A you'll see 11 in the pink there. 12 MS. LIM: I'm sorry. Can I just correct 13 Phase A in the master plan, that's in yellow. 14 Is that what you --15 MS. SWARTMAN: Yes. Yeah. So if I go 16 back to the red boundary bold line that you see 17 here, identifies the urban uses or the urban 18 district at Waiawa. And you'll see just below that big chunk a number 1 looking boundary. That, too, is within the urban district. 20 21 And you'll see here, again, on both the 22 Ewa side and Diamond Head side of our master plan, 23 you'll see where we intend to have our renewable 24 energy projects, our solar projects.

MS. LIM: So please, again explain to the

FINAL HI State Land Commission Meeting April 14, 2022 NDT Assgn # 57012 commissioners what these timeframes are, where it 1 2 says Phase A in yellow and it lists the number of 3 homes, and then it's got years. What do those years 4 represent? 5 MS. SWARTMAN: So the numbers that you see in parentheses this time around, because this, to 7 kind of note, we presented an exhibit that had these kinds of timelines in the 2020 presentation. But this year, I'd like to highlight the fact that these 9 10 timelines are in response to this commission's 11 requirement for us to -- KS to complete the Phase A 12 backbone infrastructure by 2030. 13 So these dates here, as in Phase A in

yellow, 2031 to 2040, respond directly to -- they reflect the vertical construction of homes. obviously, we have to complete the backbone infrastructure, as you folks required in 2020, by 2030. So we anticipate starting vertical construction in 2031.

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MS. LIM: So then, explain from Phase A of the master plan, vertical construction starts -it's estimated in 2031. Then what happens after that, Michelle, in terms of the phasing?

MS. SWARTMAN: So in terms of the phasing, we roll up into Phase B, where we anticipate

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delivering 2,300, approximately, homes and starting
 1
   construction, vertical construction, in 2038.
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 3
   that will be throughout Phase B up to 2048.
             And then the same goes with Phase C. And
 4
 5
   again, just as a reminder, Solar Phase 1 Parcel A
   will decommission by 2044, and then Phase 1 solar
   Parcel B will be decommissioned by 2054 that you see
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 8
   in pink in that D area of the master plan.
 9
             MS. LIM: So just to be real clear, the
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   solar farm that we're here about today, the Phase 1
11
   solar, the portion that's within Phase C of the
12
   master plan, that's going to be decommissioned no
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   later than the end of 2044. And you anticipate
14
   vertical construction in Phase C of the master plan
15
   to begin when?
16
                            In 2045. I'm sorry.
             MS. SWARTMAN:
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   just barely see that --
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             MS. LIM:
                        I think it says 2048.
19
             MS. SWARTMAN: 2048. Yes. Sorry.
                                                 2048,
20
   2060.
          Sorry.
                 It's so light on that.
21
             MS. LIM:
                        It is light on the screen.
22
   again, do you see that there's any competition?
23
   the solar farm, Phase 1 solar farm, in any way
24
   delaying, inhibiting, restricting the master plan?
25
                            No, not at all. Not at
             MS. SWARTMAN:
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1 all.

MS. LIM: You know, keeping track of all the phasing and names and developer names is a little bit confusing. You've managed it real well. I guess maybe we'll just acknowledge that it's difficult when there's different phases, different parcels, and maybe assure the commissioners that you're prepared to answer questions in that regard.

MS. SWARTMAN: Yes. I think anytime in planning, there's difficulty in proper labeling. I mean, we just review that so many times and often, but, yes, you know, I think it's a little confusing with regard to the phasing numbers.

But just to be clear, the motion for Phase 1 solar, that's the 387 acres in this -- in the 287-acre area that this commission approved for the interim uses in Solar Phase -- excuse me, interim uses in 2014.

So both areas for Solar Phase 1 and Solar Phase 2 were both authorized in the 2014 decision and order.

MS. LIM: Is this motion requesting any additional land for the solar farm than what was already approved by the commission in 2014?

MS. SWARTMAN: No. Not for the solar farm

1 at all. No.

CHAIR SCHEUER: If I may, some of your points are on slide 6 of your exhibit? What you're talking about doesn't seem to be a little more --

MS. LIM: We'll continue. We do want to make sure that everybody can follow the facts, even if sometimes it seems like they're a bit redundant.

So coming back to what we have in front of us, which is, I believe -- now I've lost my track; are we on slide 3 or slide 4?

MS. SWARTMAN: Slide 4.

MS. LIM: Slide 4. Okay. Now, the -- can you explain to the commissioners why Phase 1 solar, the one that we're here about today, is split into Parcel A and Parcel B? And that's to make way for the master plan.

MS. SWARTMAN: Correct.

MS. LIM: Now, I see that the Phase 2 solar, which we're not here about today, but we want to be sure everybody has a complete picture, what's going on in this property. Why isn't that split into Parcel A or Parcel B or somehow split up into different little pieces?

MS. SWARTMAN: So Solar Phase 2 sits within the zone of contribution, and so there's no

1 urban uses that are contemplated within the area, so there was no need for them to make way for our 2 3 master plan development. You know, they were -- the commission 4 5 authorized them to be there until 2059 and again, you know, should they meet the various conditions of that D&O from 2020. 7 MS. LIM: Gotcha. So, I mean, there's not 8 9 going to be, at this point, anticipated development going on in that area whereas for Phase 1 solar, 11 that is planned for development. 12 MS. SWARTMAN: That is correct. 13 MS. LIM: Michelle, switching gears, also 14 on this slide, though, you explained what the red 15 bold line means. And that's the 1,395-acre existing urban district land. 16 17 But then up at the top, you've got some 18 other notations about land, and you said the master 19 plan itself covers about 2,000 acres, so I don't 20 know if you want to talk to that issue on this slide 21 or the next slide. Just explain that for the 22 commissioners, please. 23 MS. SWARTMAN: Yes. So the 2,010 acres

that I mentioned earlier that the Waiawa master plan

covered consists of the 1,395 acres that we have

24

1 currently in the existing urban lands. And we will seek, based upon the existing 2 3 master plan, an additional 476 acres for reclassification. And then the lands to be retained 5 in ag is about 130 -- again, I can't see that well -- about 139 acres. 6 7 But, okay, thank you. Let's move to the 8 next slide. I think this helps to describe graphically what I'm talking about. 10 So this slide, slide number 5, again 11 speaks to the various lands that are urban district. 12 So the red bold line that you see there indicates 13 the current 1,395 acres that are in the urban 14 classified district. 15 The areas that you see in hashed and 16 labeled where it says there are portions of Phase A 17 of 71 acres that we would need to reclassify in Phase C of our master plan, where we need to 18 19 reclassify approximately 114 acres. 20 And then in the upper areas of our master 21 plan, our proposed master plan today, we're looking 22 at reclassifying 251 acres from ag to urban. So, 23 yes.

MS. SWARTMAN: 291 would be reclassified.

CHAIR SCHEUER: 291?

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Yes. So collectively, that makes about 476 acres.

MS. LIM: So, Michelle, I know we're discussing the master plan, and yet you're talking about reclassification.

Now, I heard one of the commissioners raise a question at the last hearing. If this master plan is premised upon a reclassification, you know, how do we know they can go forward? So what happens if the commission decides not to grant that reclassification?

MS. SWARTMAN: You know, we have a very long road ahead of us. We have a number of steps to take before we even ask the commission to grant a reclassification. So, you know, I think the biggest step for us at this point would be satisfying the environmental impact statement for the entire Waiawa master plan. I think it's premature at this point to really know what the alternatives are that we, you know, evaluate in the EIS process.

But, you know, one of the possibilities is that we could have an alternative that shows a smaller Waiawa master plan than what we show today. We just need to go through the process of understanding the impacts of the various alternatives through our EIS process. We just

haven't gotten there yet.

MS. LIM: Understood. So whether ultimately this commission is asked to reclassify additional lands or not, it's not known at this point. But in an effort to be transparent, you're describing, you know, this sort of master desired vision for Waiawa, and then the hard work needs to get done.

MS. SWARTMAN: Yes. And what -- I mean, assuming that this is the land plan that we select and we go through our EIS, we obviously will have to look for reclassification of lands. But at this point, we don't really know what all those alternative plans look like.

MS. LIM: And even setting aside a question about reclassification, but, let's say ultimately, the Waiawa master plan is retained entirely within the existing urban district plans, and maybe some adjacent agricultural lands that you plan on keeping in the agricultural district, would Kamehameha Schools have to return to this commission to get permission to go forward with that project?

MS. SWARTMAN: Yes. So there are, I think, actually kind of -- I think the next slide will describe to you -- maybe we can jump to the

1 next slide first before I answer that question. 2 MS. LIM: Sure. 3 MS. SWARTMAN: That's slide number 6. This is just kind of a reminder of -- again, I'm sorry if I'm repeating myself over and over again, 5 but we just want to be crystal clear that, you know, this is again -- just this line, number 6, describes 7 the urban boundary. It shows where the Phase 1 9 solar, which is who, through our partner AES, would 10 develop these areas of Parcel A and Parcel B, and 11 Phase 2 solar as Clearway, so. 12 And just as a reminder again, Solar Phase 13 1 of Parcel B is to be decommissioned in 2044, and then Parcel B decommissioned by 2054, and then 14 15 lastly, Phase 2 Clearway Solar will be decommissioned in 2059, per the LUC 2020. 16 17 So I'm sorry. Again, my apologies for 18 being repetitive, but thank you for bearing with me. We can turn to the next slide, if you don't mind. 19 20 So this slide describes in chronological 21 order the solar approvals. And again, this might be 22 a little redundant, but I just wanted to remind you 23 all in 2012, KS regained control of our Waiawa lands 24 from the Gentry Development. And then just two 25 years later, we went to the State Land Use

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Commission, and they approved the solar as an
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 2
   interim use until 2049.
 3
             And then even two years after that,
   unfortunately, Sun Edison, who was a merged company,
   filed bankruptcy, and the Waiawa lands returned back
 5
 6
   to KS once again.
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             MS. LIM: They were a publicly traded
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   company; is that right?
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             MS. SWARTMAN:
                           That is correct.
10
             MS. LIM: So had KS done its due diligence
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   to determine if SunEdison appeared to be a reputable
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   and capable developer?
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             MS. SWARTMAN: Yes. At that time, we were
14
   definitely confident in their ability to deliver the
15
   solar as an interim use of that land.
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             MS. LIM: I think a lot of people were
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   surprised.
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             MS. SWARTMAN:
                            Yes.
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             MS. LIM:
                        Thank you.
20
             MS. SWARTMAN:
                             Unfortunate.
21
   though, in 2018, HECO distributed a request for
22
   information, and KS responded to that request,
23
   because we felt that there was an opportunity for KS
24
   to use our aina for renewable energy and to support
25
   the state in their goals for renewable energy by
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2050 -- 100 percent by 2050, so.

And then we went back to you folks again in -- we submitted our motion to amend in 2019. This commission approved and reauthorized the use of our lands at Waiawa for solar as an interim use once again.

MS. LIM: In the 2019, 2020 motion on the Phase 2 solar, did Kamehameha Schools alert this commission that we would be coming back in fairly short order to request reauthorization for the Phase 1 solar site?

MS. SWARTMAN: Yes. In 2020, we did notify the LUC of our intent to come back for the use of the other solar site and for their authorization again. And thus, here we are today.

But I also want to note here that you'll see in the slide that in 2020, the commission also imposed a condition on Kamehameha Schools to complete all backbone infrastructure for our Phase A by 2030.

MS. LIM: And going back to 2014, and this goes to a question I asked while you were on a prior slide, but I think you justifiably wanted to move ahead. But my question was even if Kamehameha Schools elects ultimately not to pursue a district

boundary amendment so the master plan stays entirely within the existing urban land, does Kamehameha Schools need to return to the Land Use Commission to get authorization to go forward with their master plan?

MS. SWARTMAN: Yes. The answer is yes.

We do intend to come back to the State Land Use

Commission for a couple of reasons. One is, well,

you know, what was authorized in 2014 -- or, excuse

me, what was authorized for Gentry's urban

reclassification is quite different. What they

represented back then is quite different from what

our land plan shows.

You know, at that time, Gentry proposed two golf courses. They also proposed use of the lands for age-restricted housing, and whereas our land plan is quite different.

One of the ways that we're quite different from the Gentry plan that is in place today is that we intend to start at the very makai area, which is one. Two, we envision a place where we have multigenerational homes and residents living there. And three, it's just something that's very different than what was proposed by Gentry.

And our land plan also is really in sync



with, honestly, the solar, but also, we wanted to have a connection to the rail transit station there at Pearl Highlands.

wrong on this, but in 2014, did the commission not impose a condition on Kamehameha Schools that it couldn't do anything other than interim solar until such time as they filed a motion to amend and got approval from this commission to do so?

MS. SWARTMAN: Yes. So I believe one of the conditions is that we need to present a revised master plan upon decommissioning. However, you know, our plan was never to just sit on this land, even though there was solar being used, being constructed and developed on this land.

Our land plan, you know, Kamehameha
Schools' plan was always to evaluate these lands for opportunities for housing and commercial uses. So we anticipate, given -- assuming that it's the land plan that we presented already, we would need to come back to the Land Use Commission for a district boundary amendment, and then shortly after that, we would have to come back and make a motion to amend, based on the different projects and what was represented by Gentry and what we propose today.

1 MS. LIM: Shall we turn to the next slide, which will give the commissioners, like, sort of a 2 3 high-level walkthrough on the next steps, kind of a short-term plan? And then we can talk more about 5 the longer-term plan after. 6 MS. SWARTMAN: Yes. 7 MS. LIM: We're now on -- I believe it's 8 slide 8. 9 MS. SWARTMAN: Yes. And I won't read each 10 box here, but this is our road map of the Waiawa 11 master plan entitlements and our process. 12 -- well, the entitlements are what they are. There's no way to avoid or accelerate the 13 14 entitlements process. 15 But we expect it to be long and ambitious 16 and costly and arduous but, you know, again, we plan

to go back to the State Land Use Commission at the very milestones that you see here marked in the red These are the initial steps that we need to take to even consider any -- delivering any houses.

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MS. LIM: What are those steps? I'm sorry to interrupt you. And I agree. I don't think anybody wants to hear you read everything in every little box, but we keep talking about a motion to amend and possibly a district boundary amendment.

At a high-level, what are a couple of external steps that would have to happen before a motion to amend gets filed?

MS. SWARTMAN: Well, you're asking what happens before that second star?

MS. LIM: That's right.

MS. SWARTMAN: So we have to go through our EIS process. You know, we've identified -- PBR is our consultant to guide us through this process. So obviously, with the EIS process, we have to do community outreach, and that plays a huge role in that EIS process. And then that will start and be continuous and ongoing for guite a number of years.

And then we have to understand who our next -- who the appropriate EIS-accepting authority is. And so, we have to coordinate with various agencies to understand, you know, who that agency will be accepting our EIS.

And then, you know, we also need to file our prep notice and the publication of it, and then anticipate a 30-day comment period. And then, you know, I think you guys can all read the individual boxes and the different steps in each of these milestones, but.

And then, of course, we need to go through

the draft EIS, public comments again, and then prepare the final EIS and submit the EIS to the accepting authority for action.

So we have a long road ahead of us and, I mean, again, like I mentioned before, there's no way that we want to accelerate this entitlements process. I mean, we'd love to, if we could do that right, if we could get right to it. And, I mean, and that's the plan is, you know, right after these proceedings, we plan to get into our EIS and satisfy the entitlements milestones.

MS. LIM: For clarification, PBR Hawaii has been retained.

they have actually helped us identify what those next steps. They're helping us to create a plan for outreach and engagement. You know, we selected them based on their experience on a number of EISs across the state. So, I mean, we're satisfied with their work.

MS. LIM: Thanks, Michelle. And just a couple of more questions on this slide, and then I don't know if you'll have anything that you'll want to add.

But I note that at the bottom there's a

1 discussion about rezoning. Going to the Planning Commission and then eventually going to City 2 3 Council. Now, this commission and all the parties 4 5 know that Exhibit 3 that we filed shows that this property is rezoned. So when Gentry had it, they 7 pursued the reclassification, and then they went and they got it completely rezoned from the city. So 9 why is there rezoning listed here? 10 MS. SWARTMAN: So what Gentry proposed as 11 zoning, again, like I mentioned, is very different 12 from what we propose. They in their plan included 13 industrial as well as residential but, you know, the 14 locations of where those uses are proposed from 15 Gentry is, again, different because we're starting 16 at the lower region. 17 And our plan, our Kamehameha Schools plan today, is much more dense. We look to find more 18 19 efficiencies and increased density within the Waiawa 20 plan. 21 MS. LIM: Got you. So the land already 22 has zoning for development which, in pursuit of the 23 master plan, that zoning needs to be changed. 24 MS. SWARTMAN: Yes. And granted, I'll

also note that Gentry also completed an EIS.

1 MS. LIM: Right. But we don't -- I mean, we 2 MS. SWARTMAN: 3 plan to complete our own EIS, go through our own zoning process, to ensure that we are doing it the 5 right way and that it's relevant to what Kamehameha Schools is proposing versus another project or 7 developer before us. 8 Thanks, Michelle. Last question MS. LIM: 9 on this slide, and it's not really something that we 10 need to sit on the slide for, but you've got 2027 11 for subdivision. So that's actions through the 12 Department of Planning and Permitting. 13 So 2027, estimated date. Then what, 14 construction happens 2028? 15 MS. SWARTMAN: Actually, we can -- if you 16 don't mind, we can turn to the GANTT chart that we 17 submitted. That's the one that's our design one 18 that is developed. 19 MS. LIM: Exhibit 46, that is. 20 MS. SWARTMAN: Yes. Sorry, Exhibit 46. 21 MS. LIM: A challenge. Sorry. Just, if I 22 could, we do have large printed hardcopies, if 23 there's anyone, the parties or commissioners. 24 CHAIR SCHEUER: If the witness would

specify what you're -- are we straight on the GANTT

1 chart?

MS. SWARTMAN: So what I was trying to share with you all is how shortly after our zoning in -- completing our zoning process in 2027 -- I can't even see that myself, I'm sorry.

I was hoping to share with you all how shortly after that, we would be starting our construction of our backbone infrastructure and how it rolls into the vertical construction and timed with the Phase A.

I think just kind of a big overview, this GANTT chart shows our overall planning and the various milestones of our EIS process, the petition for a district boundary amendment, and then the -- file for a motion to amend.

CHAIR SCHEUER: Sorry to interrupt.

MS. SWARTMAN: Yes.

CHAIR SCHEUER: As we're studying the GANTT chart, which are challenging to read even if you have it physically in front of you, could you just jump to what specifically are you trying to commend to the commission?

MS. SWARTMAN: I guess what I'm trying to say is that this process is going to be long and arduous. We're going to meet -- we're planning to

meet our milestones shortly after our subdivision, going straight into our backbone infrastructure, and starting vertical construction shortly thereafter in 2030.

CHAIR SCHEUER: Okay. I think I have -- I just wanted to hear your words, and perhaps better to hear words than the GANTT chart.

MS. SWARTMAN: Okay. I just wanted to make sure that we acknowledge this GANTT chart that was requested by one of the commissioners in the past hearing, and we satisfied that.

CHAIR SCHEUER: Thank you very much.

MS. LIM: And again, I think part of the GANTT chart communicates that people will view things differently. Some people are words; some people are pictures; some people are charts.

But if there are any lingering concerns that this Phase 1 solar would delay the building of homes in the area where the Phase 1 solar has been approved, that's communicated in the GANTT chart as well. You can see where the solar is and how the Phase C development doesn't even get underway until after the solar is removed.

CHAIR SCHEUER: Thank you.

MS. LIM: But we won't beat that horse any

1 further. Is there anything you want to bring the 2 3 commissioners back to within the PowerPoint, Michelle? I know you've got that slide, an update 5 on the diligence. 6 MS. SWARTMAN: Yes. If we can go to slide 7 9, I just wanted to speak to this presentation and share with the commissioners all the different 9 things that Kamehameha has done over the last couple 10 of years. 11 The diligence slide we're going MS. LIM: 12 to see in a moment when we can get it on the screen. Is this the collective diligence efforts, or is this 13 14 just merely what has been done since Mr. Thoemmes' 15 presentation in January 2020? 16 MS. SWARTMAN: Yes. So --17 MS. LIM: It's an update. 18 MS. SWARTMAN: This is an update. 19 since the 2020 hearing and the presentation by 20 Walter, my colleague Walter Thoemmes, these are all 21 the different steps that we've had that we've 22 completed over the last two years over COVID. 23 The last time we were here, we submitted a 24 long list of actions, but this time, all these tasks

that we've been addressing over the last two years

really is we heard you folks and the importance of meeting that 2030 deadline of all our infrastructure for Phase A.

And so, we took it upon ourselves to get right to it, and we started working with different agencies and addressing infrastructure capacity and agreements with the state. And, you know, these are all the things, obviously, that we need to provide even before we considered -- started considering delivering any homes.

It describes various actions, who we've been working with, who our consultant is to help guide us through that process, and some of the outcomes over the last years -- two years since we presented to you folks in January 2020.

Aside from the things that you don't see, we've also updated our residential demand study.

We've engaged a traffic engineer, Wilson Okamoto, for updated regional traffic impact assessment. And then we've also worked on de-registering a portion of our wAIAWA lands from land court to the regular system.

So we haven't been sitting idly over the last two years while the world adjusted to COVID and the impacts from COVID. We've been quite busy

addressing access and sewer and water. And again, we've also worked internally to refine our own master plan that we proposed in 2020 to ensure that it is fiscally sustainable and viable at the same time.

And then what you see here we've completed, but we've also engaged EIS. I added that to the list as well.

MS. LIM: So, Michelle, I see -- I know, also what I see here from this slide, and what you just said, is that work toward the master plan has been underway, but a lot of this is technical work. It's figuring out how to make the infrastructure feasible. It's, you know, where can you connect the sewer and how can you connect the sewer. But I'm not seeing community consultation here.

Now, I know in the last presentation, there was a long list of meetings that had taken place with stakeholders. How come we aren't seeing community consultation on this chart?

MS. SWARTMAN: Yes. I guess before Walter Thoemmes presented in 2020, we had completed significant community engagement and consultation with the state and city agencies, some of which are here today.

But we knew that while we anticipated the report, by the time we came back to your folks for solar approvals for the re-authorization of Solar Phase 1, we knew that through our EIS process, we would again do a huge amount of community engagement.

As you know, that process is going to be involved and lengthy and, you know, we anticipate getting right to it as soon as we're done with these proceedings. Have we done as much as we expected and anticipated? No. But we do anticipate that, you know, a much more accelerated outreach once we start our EIS.

MS. LIM: And by the master plan refinement and financial feasibility work that's been done with DPI, that was really trying to figure out how to make the master plan pencil.

MS. SWARTMAN: It was really about looking for ways to be way more efficient with our infrastructure, with our roadways, our wastewater. You know, we met with the City Environmental Services to look for opportunities for existing capacity that they may have.

So, yes, every step of the way. And it is our obligation to make sure that what we present to

our own leadership and our beneficiaries makes sense.

And I think I might have mentioned -- I mentioned in the very beginning, is that whatever we do and however we assess our lands and how we propose our lands to be used, we have a fiscal responsibility to make sure that we make the best decisions for our beneficiaries.

MS. LIM: You don't want to run off kind of half-cocked doing consultation until you've done some of the hard homework.

MS. SWARTMAN: No. And the work that we've done through this whole process of working in order to find new efficiencies working with the different agencies is to make sure that we have that information when we're asked by our alumni association who are some of our stakeholders or the Native Hawaiian community organizations.

When they ask us questions about our proposed, you know, master plan, we want to make sure we have the correct answers to the best of our ability and have those facts clear.

MS. LIM: So this kind of maybe not very sexy but important internal diligence work is -- you called it a necessary prerequisite.

1 MS. SWARTMAN: I find planning quite sexy, 2 but. 3 So just, you know, I've come MS. LIM: just about to the end of my questions. I just -- I 5 do want to touch on estimated cost figures because as the commissioners and other parties may recall, 7 Mr. Thoemmes estimated that the infrastructure alone would cost, like, \$630 million for this project. 9 that number is still ringing true, Michelle? 10 MS. SWARTMAN: I wish it were. The more 11 we are delayed, the higher the cost escalates. 12 today we anticipate upwards of \$664-665 million for infrastructure. And that includes onsite and 13 14 offsite improvements of the roadways or upsizing of 15 wastewater facilities. So that includes all the 16 infrastructure for the entire project on and offsite 17 -- what we know today. 18 MS. LIM: Thanks, Michelle. I feel we've 19 gone through a lot of the master plan, and I guess I 20 just want to bring it back to what we are here about 21 today, which is the motion that we filed in December 22 for the re-authorization of Phase 1 solar. Do you 23 have any final comments on that? 24 MS. SWARTMAN: You know, I've reiterated

-- I hope that I've cleared up the confusion that

there might have been with regards to solar, you 1 know, taking place as being in competition, if you 2 will, as Jennifer mentioned, with the master plan. 3 But on the contrary, the solar plan -- the solar developments on our project sites at Waiawa has 5 always been a complementary use and as an interim 7 use for our master plan. 8 So, you know, I respectfully hope, you 9 know, request that this commission approve the 10 motion before you folks and approve the request to modify the 2014 decision and order to authorize the 11 12 use of Waiawa Solar Phase 2, LLC's -- AES' project over our solar site 1. 13 14 MS. LIM: And just to be real clear, in 15 2014, the commission already approved the use of the 16 Phase 1 solar site until November 2049, I think it 17 So when I look at your slide, you're saying 18 that Parcel A is actually going to be decommissioned 19 five years earlier than what the commission has 20 authorized. So it's Parcel B that's going to be 21 decommissioned five years later. 22 MS. SWARTMAN: Correct.

MS. LIM: I don't have any further questions for Ms. Swartman.

25

CHAIR SCHEUER: Thank you, Ms. Lim. I'm

sure that, having listened to the presentation and 1 knowing my commission, I'm sure we're probably going 2 3 to need time with Ms. Swartman beyond what we can do before lunch, so let's go through what we can, and 5 then try to take a break at noon for half an hour. Questions for the witness from the 6 7 Department of Planning and Permitting? 8 No questions. Thank you. MS. WEAVER: 9 CHAIR SCHEUER: Ouestions from the Office 10 of Planning and Sustainable Development? 11 MR. YEE: I have a few. 12 CHAIR SCHEUER: Okay. Thank you. 13 MR. YEE: Thank you. I do have a few 14 questions, and hopefully, there'll only be a few. 15 want to make sure I understand. Any solar that will be constructed will be outside of Phase A; correct? 16 17 MS. SWARTMAN: Yes. That's correct. There's no solar uses within the master plan Phase 18 19 Α. 20 MR. YEE: And would the commissioning or 21 decommissioning of the solar have any impacts or any 22 direct impact on the timing of development within 23 Phase A? 24 MS. SWARTMAN: No impact at all. 25 MR. YEE: Okay. But you will need to come -- in order to develop in Phase A, I think you've testified that you will need to come back before the Land Use Commission at least for an amendment to the conditions, if not also for an additional amendment, district boundary amendment for additional lands.

MS. SWARTMAN: That is correct.

MR. YEE: Okay. And in order for you to come back before the commission, you also need -- you need an EIS completed before that.

MS. SWARTMAN: Absolutely.

MR. YEE: Okay. And let me focus on the EIS. I understand that, moving forward, sometimes it's difficult to tell exactly what's going to happen, so let me focus on this year. What do you plan to do this year to move forward with the EIS?

MS. SWARTMAN: So this year, in that last slide that I shared with you all, we're looking at presenting our outreach, community outreach engagement.

And then the next step would be, you know, obviously, we have to understand who the accepting authority is for our EIS, and so working with the various agencies, you folks or LUC or DPP, to understand which of you are going to be the accepting authority of our EIS.

And then shortly thereafter, we would be drafting our prep notice.

MR. YEE: And if you could be a bit more concrete, what do you mean by outreach? What do you intend to do for outreach this year?

MS. SWARTMAN: So there are a lot of stakeholders that we've already identified. Aside from, you know, working with the state agencies on pre-consultation, we look to working and meeting with our neighbors at Waiawa. Those would include the various neighbors within Mililani, Wahiawa, Pearl City Highlands, because they look directly at our properties, and then Waipio.

There are a number of stakeholders, and I think included in that would be the Native Hawaiian communities. I mean, we really need to vet any kind of development at Waiawa through the community, so neighborhood boards, business associations, practitioners, alumni.

We want to talk to others about the various demands and what they see. What are their concerns? What are some of the issues that they may have? I mean, these are all the processes that we have to go through as part of our EIS anyways, and understand what those impacts are.

1 You know, we'll have to talk to some of our subconsultants. Obviously, you know, we have to 2 3 complete our traffic impact assessment. We have to do a biological study, you know, engineering. 5 And not only will we be engaging a number of consultants for those reports and studies that 7 make up the EIS but, you know, we'll be doing that to assess a number of alternative plans, a number of different variations of what our plans are. 9 10 So it's an extensive process that I think 11 you may already know but, you know, just to 12 highlight it, like I said, it's a long -- we have a 13 long road ahead of us. 14 MR. YEE: So prior to the publication of 15 the preparation notice, this year -- I want to make 16 sure I understand -- you intend to have a meeting

with all of the relevant neighborhood boards?

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MS. SWARTMAN: No. No, no, no. That's over the course of many -- but we're in the course of the whole process. This year I think it's about kind of laying the groundwork for ourselves, identifying who are all those stakeholders, you know, that we should be consulting with. That's first and foremost.

And then we just get going, and we work on



1 that list. I can't say that, you know, I can't say we're going to have 100 meetings by December 31st of 2 3 2022, but I can state that we're using -- we would be making good faith efforts to talk to as many 5 people as we can in the next eight months. 6 MR. YEE: Are you not yet ready to -- do 7 you not yet have a plan for community outreach for 8 Is that something that's still to be done? 9 MS. SWARTMAN: That is in -- that's in 10 draft form right now. That's one of the scopes of 11 work that we've engaged PBR to help us identify what 12 does that outreach plan look like. 13 Okay. So in the remaining, MR. YEE: 14 roughly, eight months of the year, you will have to 15 finalize that community outreach plan and then begin 16 the meetings that you have described? 17 Yes. Absolutely. MS. SWARTMAN: I mean, 18 even for the 2020 presentation that we had 19 completed, we did speak to a number of different 20 stakeholders. We've met with our 'Aina Ulu 21 education partners that exist in the lower regions 22 of our lands. We've met with the various UH 23 chancellors at LCC and their staff and their 24 administration. We've met with UH West Oahu. 25 met with the Pearl City Highlands Neighborhood Board president.

And so we've met with -- we've given our presentation already once before to our Kamehameha Schools Alumni Association representatives, so. And we have a long list of stakeholders that Kamehameha Schools already relies on for input on anything that we do.

But that said, we have -- you know, we anticipate a much more exhaustive round and outreach program.

MR. YEE: And after you finish this, then you intend to issue the prep notice; is that right?

MS. SWARTMAN: Once we know who we're submitting it to, yes. And, yes.

MR. YEE: And do you anticipate that prep notice won't come out until 2023?

MS. SWARTMAN: We're hoping that it will be -- we'll be able to draft that by the end of this year, if not early 2023. That is correct.

MR. YEE: In the GANTT chart, it seemed to indicate you have allocated up to four years for the EIS. You have 2022, '23, '24, and '25, I think.

The GANTT chart, however, lists them in total years, so it might not be all of 2025, for example. And if

I misread this, let me know.

1 Do you think this is -- let me put it this It seems a little long to me, even for an EIS 2 3 of this scope. Can you explain why it came out this long? 4 5 MS. SWARTMAN: This is our best quess as far as how long it would take. If we could 7 accelerate that, we definitely would want it to be accelerated. I mean, obviously, we are being --9 satisfying the condition to complete our backbone 10 infrastructure by 2030, and before we do that, we 11 have to prepare the EIS. 12 So, yes, you know, does it look long? 13 Does it -- would we hope that it takes four years? 14 No. But, you know, a project of this magnitude to 15 deliver over 11,000 homes we don't take lightly at 16 all. 17 MR. YEE: Do you anticipate hiring your 18 subconsultants this year? 19 MS. SWARTMAN: We do. PBR is our prime, 20 and who they -- and the subconsultants are a 21 subconsultant to PBR, not to Kamehameha Schools. 22 MR. YEE: Sorry. Do you anticipate PBR 23 will hire their subconsultants by the end of this 24 year? 25 MS. SWARTMAN: Yes.

1	MR. YEE: And then you anticipate that the
2	subconsultants will begin their work, their studies
3	that will be necessary for the EIS.
4	MS. SWARTMAN: Yes. That's correct.
5	MR. YEE: And you think they will start in
6	this calendar year?
7	MS. SWARTMAN: No. By 2023, they should
8	they would be engaged, but I really don't think
9	that they would start their actual studies until the
10	early beginnings of 2023.
11	MR. YEE: Okay. So they will start their
12	studies, you think, after the preparation notice.
13	MS. SWARTMAN: Correct.
14	MR. YEE: Okay. When you get back to the
15	Land Use Commission, do you anticipate that you will
	Harra obe commission, as you arrefer pace that you will
16	
16 17	then have a revised master plan, a revised table for
	then have a revised master plan, a revised table for
17	then have a revised master plan, a revised table for the various phases in this project?
17 18	then have a revised master plan, a revised table for the various phases in this project?  MS. SWARTMAN: I think the answer is yes.
17 18 19	then have a revised master plan, a revised table for the various phases in this project?  MS. SWARTMAN: I think the answer is yes.  I mean, we would have gone through our EIS process
17 18 19 20	then have a revised master plan, a revised table for the various phases in this project?  MS. SWARTMAN: I think the answer is yes.  I mean, we would have gone through our EIS process and assessed the various alternatives that we will
17 18 19 20 21	then have a revised master plan, a revised table for the various phases in this project?  MS. SWARTMAN: I think the answer is yes.  I mean, we would have gone through our EIS process and assessed the various alternatives that we will have in that process, and then who knows what comes
17 18 19 20 21 22	then have a revised master plan, a revised table for the various phases in this project?  MS. SWARTMAN: I think the answer is yes.  I mean, we would have gone through our EIS process and assessed the various alternatives that we will have in that process, and then who knows what comes out of that? And who knows what kind of feedback

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if they will accept what we've already proposed.
 1
   really is up to the community and what their
 2
 3
   feedback is, based on the alternatives that we put
   out there.
 5
             MR. YEE: Well, the master plan you
   created was in 2019. I guess what I'm trying to say
 7
   is when you get to the EIS and draft the EIS, you
   will have in that drafted EIS a proposal, obviously,
   that has to be analyzed, and that would presumably
 9
10
   be the master plan, whatever master plan you're
11
   proposing at that time; correct?
12
             MS. SWARTMAN: That is correct.
13
             MR. YEE: And do you think that probably
14
   at that point, whatever that master plan is -- we
15
   don't know what the details are and we have to be
16
   open to the alternatives -- whatever that master
17
   plan is, there will be some revision of what you've
18
   -- than the 2019 plan.
19
             MS. SWARTMAN:
                           Correct.
20
             MR. YEE:
                        Okay.
21
             MS. SWARTMAN: I mean, very little.
22
             MR. YEE:
                        It might contain, for example,
23
   earlier constructions of housing in Phase A;
24
   correct?
25
             MS. SWARTMAN: Well, the construction of
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Phase A is going to be based on how quickly we can
 1
   get our EIS and the district boundary amendment and
 2
 3
   then the motion to amend and then zoning completed.
             I mean, that order of entitlements, it is
 4
   what it is, and so if we can get through those
 5
   entitlements quicker, then yes.
 7
             MR. YEE: Those are all the questions I
 8
          Thank you.
   have.
 9
             CHAIR SCHEUER: Thank you, Mr. Yee.
10
             Commissioners? We have a few who want to
11
          I'm going to start with Commissioner Cabral.
12
   We will try and end in a few minutes, and a 30-
13
   minute break.
14
             COMMISSIONER CABRAL: Thank you.
15
   Hopefully, my questions are really for
16
   clarification. So two sets of glasses to read all
17
   this. And thanks to Mr. Yee for some clarification
18
   your answers provided with his questions.
19
             So your land is divided by phases A
20
   through E, but your projects are phases 1 and 2 at
21
   this point.
22
             MS. LIM: For clarification, when we speak
23
   to our Solar Phase 1 and Solar Phase 2, that just
24
   refers to solar.
25
             COMMISSIONER CABRAL: Okay. And Solar
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1 Phase 2 is already under construction and permitted, 2 so you put 2 before 1? 3 MS. SWARTMAN: And the reason -- yes, that's correct. 5 COMMISSIONER CABRAL: Okay. No, I'm okay with that. I just want to make sure it was clear. 7 I'm just a simple-minded country girl. Okay. 8 MS. SWARTMAN: Me, too. 9 COMMISSIONER CABRAL: You're not as 10 country as I. 11 So the next thing is right now, though, in 12 all of this talk, I mean, and so much of these 13 wonderful plans and stuff really are talking about 14 all these future houses. But the petition you have 15 before us right now is only really obligating you 16 and allowing us to work with the details about Phase 17 1 of your solar; correct? 18 MS. SWARTMAN: That is correct. 19 COMMISSIONER CABRAL: Okay. So nothing 20 that we're really considering has anything to do 21 with building a house. 22 MS. SWARTMAN: Not at all. 23 COMMISSIONER CABRAL: Okay. My concern is 24 that -- and I've seen all your plans, and God knows 25 you're honorable, et cetera, but so was the people

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that sat in my chair 34 years ago when we thought by
 1
   now there'd be 8,000 houses on that land or more by
 3
   now. And so I got the -- and I might not to have to
   worry about 2070. By then you'll have 11,100
 5
   planned homes.
 6
             But that's our concern, is that we have no
 7
   ability to obligate Kamehameha Schools to even one
   house with what you're moving forward with under
   this petition for the additional solar. And so
10
   that's the only question I have or concern I have.
11
   Okay. Thank you.
12
             MS. SWARTMAN:
                            Thank you.
13
             CHAIR SCHEUER: Commissioners, you're not
14
   obligated now, but there's a sense of who has
15
   questions. Commissioner Ohigashi? Commissioner
   Chang? You all have some? Commissioner Okuda?
16
17
             COMMISSIONER OKUDA: Yes. I do.
18
             CHAIR SCHEUER: Okay. Commissioner Wong
19
   as well?
20
             COMMISSIONER WONG:
                                 Yes, chair.
21
             CHAIR SCHEUER: Commissioner Giovanni as
22
   well.
23
             So okay. So did you want to try and
24
   squeeze one in before the bell, Commissioner
   Ohigashi?
25
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1 **COMMISSIONER OHIGASHI:** Yeah, because I just want to make sure I get this one out of my 2 3 mind. 4 CHAIR SCHEUER: That should be amazing, if 5 that's going to happen, but okay. COMMISSIONER OHIGASHI: The backbone 7 infrastructure that you're planning for Phase A, is that -- and you're estimating it taking two years for you to build, according to this. Is that based 9 10 upon the existing lines or what you project to be 11 the total Phase A? 12 In other words, you need a boundary amendment to expand here to take all of Phase A. 13 So 14 the backbone infrastructure you're planning to 15 finish by 2030, the projected two years, is that for 16 the entire Phase A, or is that for that portion? 17 MS. SWARTMAN: I think I get your 18 question. The answer is, yes, the backbone 19 infrastructure that we plan to complete for Phase A 20 by 2030 includes the lands within the area that we 21 would need to reclassify -- or, excuse me, to 22 reclassify as well. So it is based on the 23 assumption that we would need to complete all the 24 backbone infrastructure for the entire Phase A, 25 including the lands that we need to reclassify as

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urban.
 1
 2
             COMMISSIONER OHIGASHI: That probably will
 3
   lead me to more questions, but I'll reserve that.
 4
             CHAIR SCHEUER: Okay. We'll continue with
 5
   questions from Commissioner Ohigashi at 12:31.
 6
             (Recess taken from 12:01 - 12:35 p.m.)
 7
             CHAIR SCHEUER:
                             It is 12:35. Sorry for
   the short delay. We are resuming cross-examination
 9
   of Kamehameha Schools' witness, Michelle Swartman,
   with continued questioning from Commissioner Lee
11
   Ohigashi.
12
             Please continue, Commissioner.
13
             COMMISSIONER OHIGASHI:
                                      Thank you. I lost
14
   all my stuff on my computer, but from memory my
15
   question is this, is that within the solar project
16
   here before us today, has there been any
17
   infrastructure development there?
18
             MS. SWARTMAN:
                            No. There has not been any
19
   type of infrastructure development within the solar
20
   boundary at all.
21
             COMMISSIONER OHIGASHI: Even for the solar
22
   items themselves, the solar panels themselves?
23
             MS. SWARTMAN:
                            Yup. Exactly. They don't
24
   rely on any wastewater.
                            They bring in their own
25
   water. We've created roadways for access.
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1	COMMISSIONER OHIGASHI: There is some,
2	then. There's roadways for access.
3	MS. SWARTMAN: They're dirt roads to
4	access their site; correct.
5	COMMISSIONER OHIGASHI: And is there any
6	infrastructure being planned for that area?
7	MS. SWARTMAN: As I mentioned in the
8	earlier part of the presentation, there is no
9	infrastructure being planned for future of the
10	master plan for the future master plan within the
11	Clearway project development, because there is no
12	contemplation for urban uses at all.
13	However, with regards to your question
14	relevant to Phase 1, there is just our existing ag
15	roads, which today they continue, as well as our own
16	KS operations folks that keeps those open and
17	maintained for fire or whatever, if we need to get
18	access to our own lands.
19	COMMISSIONER OHIGASHI: What I'm my
20	real question, I guess, what I want to get at is
21	this. Is that in the solar event that we're in
22	front of today it would be easier if I had it up
23	on my screen that I was referring to. But the ones
24	that we are concerned with today, will any of the
25	MS. SWARTMAN: Infrastructure for future

```
1
   use?
 2
             COMMISSIONER OHIGASHI: Infrastructure for
 3
   that area, for the solar panels, be utilized in --
                            I don't --
 4
             MS. SWARTMAN:
 5
             COMMISSIONER OHIGASHI: Let me finish my
   question. In the development of the total area.
 7
   The total area?
             MS. SWARTMAN: So I would say the only
   infrastructure that our Phase 1 would remain in
 9
   place for the future development of the Waiawa mster
11
   plan is the main arterial road.
12
             So we have worked with AES in identifying
   our future roads, and they are to retain that road
13
14
   through their project site.
15
             COMMISSIONER OHIGASHI: And my question,
16
   then, would be to our attorney general, whether or
17
   not developing that infrastructure, if that
18
   constitutes beginning of substantial plans?
19
             CHAIR SCHEUER: Commencement?
                                             Is that a
20
   question you're directing to Mr. Morris?
21
             COMMISSIONER OHIGASHI: Yes.
22
             MR. MORRIS: Well, it's not a question
23
   that can just be answered on a description like
24
   that, really. As you know, the courts have
   struggled with the idea of what substantial
25
```

```
commencement is. And I can certainly provide the
 1
   board, you know, more detailed advice.
 2
 3
             It's not a black and white question. And
   so, it's a nuanced question based on some of the
 5
   criteria or discussions that we have in some
   published cases -- Bridge Aina Le'a, for example.
 7
   It's a fairly low bar for substantial commencement.
 8
   I will say that.
 9
             CHAIR SCHEUER: Commissioner Ohigashi?
10
             COMMISSIONER OHIGASHI: I'm not clear what
   the answer would be, but I'm all over it.
11
12
             CHAIR SCHEUER: Commissioner? Mr. Morris?
13
             MR. MORRIS: And I apologize for referring
   to the board; I meant the commission.
14
15
             But again, it's a nuanced question, and I
16
   think I don't have enough information to answer the
17
   question completely now. I can certainly lay out
18
   the legal framework for you, or if you have a
19
   request to go into executive discussion, we can
20
   discuss it in that context. So on that limited basis
21
   of information, I can't answer that one wayor the
22
   other.
23
             CHAIR SCHEUER:
                             Thank you, Mr. Morris.
24
             Commissioner Wong?
25
             COMMISSIONER WONG: Chair, question.
                                                    This
```



is probably one for Commissioner Ohigashi. Does he 1 want us to go into executive session to talk about 2 3 this at this time? 4 CHAIR SCHEUER: Sorry. The pronoun. Who 5 are you referring to? 6 COMMISSIONER WONG: Commissioner Ohigashi. 7 COMMISSIONER OHIGASHI: I already mentioned I would like to go to, but I was just 9 thinking of some questions. 10 CHAIR SCHEUER: Okay. No further 11 questions for the witness at this time, commissioner? 12 13 COMMISSIONER OHIGASHI: Not at this time. 14 CHAIR SCHEUER: Thank you. 15 Commissioner Chang? 16 COMMISSIONER CHANG: Thank you so much, 17 Ms. Swartman. CHAIR SCHEUER: Commissioner Chang, could 18 you speak directly into the microphone, please? 20 COMMISSIONER CHANG: I really appreciated 21 your very thoughtful presentation. It helped to 22 clarify some issues, but it also raised some other 23 additional issues for me. 24 I am looking at the exhibit that you had. I think it was with the different phases. And it 25

```
showed that 476 acres Kamehameha Schools is going to
 1
   pursue a reclassification.
 2
 3
             MS. SWARTMAN: Correct.
 4
             COMMISSIONER CHANG: Seventy-one acres is
 5
   in Phase 1; is that correct?
 6
             MS. SWARTMAN: Correct. Phase A.
 7
             COMMISSIONER CHANG: I'm sorry. Phase A.
 8
   You're right. Phase A. Phase A.
 9
             MS. SWARTMAN: I know. I, too, was
10
   getting confused.
11
             COMMISSIONER CHANG: Phase A. Is the 71
12
   acres critical and necessary for the development of
   Phase A?
13
14
             MS. SWARTMAN: I would say yes.
                                               If you
1.5
   notice, between -- on that same exhibit on page 4,
16
   or slide 4, you'll see the red bold line that
17
   demarcates the boundary of the urban district area.
18
             We have two separated urban district
   areas, so connecting the boundary so it's one
20
   cohesive urban district area would make a lot more
21
   sense in that we could have a lot more congruent
22
   development.
23
             COMMISSIONER CHANG: So your Waiawa master
24
   plan that you presented, the 476 acres that has yet
  to be submitted to the LUC for a reclassification,
25 l
```

```
those acres are critical for the implementation of
 1
 2
   the master plan that you presented.
 3
                            That is correct.
             MS. SWARTMAN:
 4
             COMMISSIONER CHANG: And this master plan,
 5
   the implementation of this master plan, specifically
   Phase A infrastructure, is dependent upon the
 7
   approval of the LUC DBA for the 476 acres?
 8
             MS. SWARTMAN:
                            I wouldn't say it's
 9
   dependent on. The infrastructure is not dependent on
10
   the reclassification. They work in sync together, I
11
   would say, because what we build in infrastructure
12
   would accommodate whatever is approved within that
13
   Phase A.
14
             COMMISSIONER CHANG: Let me try to
15
   rephrase it. So according to your timeline, you are
16
   presenting -- or coming to the Land Use Commission
17
   for a DBA for the 476 acres.
18
             MS. SWARTMAN: Correct.
19
             COMMISSIONER CHANG: And that is the only
20
   -- that would be the only jurisdiction -- I
21
   shouldn't say jurisdiction, but -- and the EIS that
22
   you're preparing is for this master plan; is that
23
   correct?
24
             MS. SWARTMAN:
                             That is correct.
25
             COMMISSIONER CHANG: And this master plan
```



is -- is it dependent upon the 476 acres being reclassified? I guess that's my question.

MS. SWARTMAN: Yes. Yes. As -- you know, the master plan that we propose is dependent on the 476 acres for reclassification. However, I'd like to add that, as I mentioned earlier, in our EIS process, we could possibly be looking at a smaller land plan, or land concept plan, where we wouldn't need as much reclassification. So instead of the 476, it might be less than that. We just don't know, as we still have yet to go through and analyzing what those alternatives look like.

alternative. An alternative may be we go with the existing 1,300-plus acres that is currently zoned under -- would not require any additional LUC DBA? That could be an alternative, or the alternative to include that?

MS. SWARTMAN: Possibly. However, in order to get to implement our land plan starting from the bottom, we would need to at least connect the two urban pieces that we are now looking -- the bigger looking permitted land. The larger group. The larger piece of land.

COMMISSIONER CHANG: And that is in Phase



1 A.

**MS. SWARTMAN:** Correct.

commissioner chang: So, I mean just that
is -- that's sort of kind of critical to my overall
-- one of my fundamental concerns.

LUC's conditions of building that infrastructure by 2030 is -- that's an existing condition. But what I'm also hearing today is that the 71 acres for the DBA is also critical to Phase A. So if you do not time -- if we do not get a timely approval of at least the 71 acres for the DBA from the LUC, will you still be able to complete the infrastructure for Phase A?

MS. SWARTMAN: We would most certainly try. I mean, we would definitely -- if this commission did not grant us approval of, you know, reclassifying the lands into urban, we would then have to reassess it, take a look at what can we do.

master plan, there's a lot of assumptions in the plan, that each phase is going to move in a chronological way, that you're going to get the DBA approved for the 476 acres, that the decommissioning will occur.

So a lot of this is -- it seems to be a



1 great plan, but it also seems to be sort of conditioned upon certain things happening that you 2 3 may or may not have any control over. Do you kind of agree with me? 5 MS. SWARTMAN: I would agree with you. 6 COMMISSIONER CHANG: I quess we're looking 7 at this was originally approved in 1987. And I know you said Kamehameha Schools regained control of the 9 Waiawa land in 2012. And that appears to be the 10 time when Kamehameha Schools had a lot of commitment 11 and adopted this master plan. Prior to that, you 12 were leaving it up to the previous developer? 13 Yes. That's correct. MS. SWARTMAN: 14 COMMISSIONER CHANG: So the first housing 15 may or may not -- well, the first housing, based 16 upon your plans, is not anticipated to be built 17 until after 2030. 18 MS. SWARTMAN: Yes. Shortly after we 19 complete the 2030 infrastructure or meet that 20 deadline, we anticipate starting vertical 21 construction in 2031 and anticipate delivery of 22 homes 2032 to 2034, in that area. 23 COMMISSIONER CHANG: And your master plan, 24 your EIS or your master plan, I mean, this is really 25 a plan development over the next 15 years. So where would your EIS also contemplate, for example, your traffic study? Will your traffic study include the whole buildout, or are you looking at doing updates of those traffic studies throughout the planning process?

MS. SWARTMAN: So our EIS plans to assess the impacts over the entire buildout of the master plan. So, however, that said, you know, if there are updates to be made, amendments in the later -- in the future, we would obviously have to do that as well.

But what we contemplate today is to ensure that our EIS addresses the entire master plan over the full buildout and understand what those impacts are.

COMMISSIONER CHANG: And I would just -- I would assume from a planning perspective, and that is a very difficult position to be in, because you are contemplating full buildout on your project, but you are not necessarily -- is your EIS also going to contemplate proposed buildout all along the TODs, all the composed development in that entire border ahupua'a of Kunia and beyond to Kapolei?

MS. SWARTMAN: So I think, well, Waiawa is an ahupua'a of itself, and I believe, you know, as

Central Oahu's sustainable communities plan, which was revised and approved in March, I believe, of 2021, it identified the Waiawa master plan of residential commercial uses and solar as an acceptable use and part of the long-term plan for that region.

As far as taking into account other development from surrounding neighborhoods, I think there is -- our consultants need to consider the overall impacts facing the things that are in the pipeline, if you will, when we look at traffic. And obviously, I'm not a traffic engineer, but, you know, our consultants will have to take into consideration other developments that have approvals that file as well in their assessment of the impacts.

COMMISSIONER CHANG: And I appreciate that. I think there's a whole question of whether the EIS would even be stale at the time that it's approved, given that you've got proposed development in Phase E.

So hopefully, your consultants will take this into consideration, and perhaps those could be future conditions of any kinds of approvals.

Let me move on to ask you about community

1 consultation, because I know that in previous presentations, there has been a lot of consultation. 2 3 I think there was talk with alumni, with the various stakeholder groups. 5 Could I ask you was the question ever -was the presentation to these various stakeholders 7 -- did it present the solar project as an interim project? And was the community asked whether they 9 wanted to have housing done as soon as possible, or 10 they were willing to wait for the solar projects to 11 be decommissioned? 12 MS. SWARTMAN: If I understand you 13 correctly, that's a couple of questions. 14 COMMISSIONER CHANG: Right. Sorry. 15 MS. SWARTMAN: Number one, to address the 16 first, in our presentations to our stakeholders, did 17 we share with them how solar is an interim use of the master plan? The answer is yes. 18 19 We have been transparent with our 20 community stakeholders from the very beginning. 21 think it is very aligned with all of the things that 22 Kamehameha Schools, you know, focuses on in various 23 initiatives.

So the short answer is, yes, we have

included in our outreach the use of solar as an

24

25

interim use. And --

COMMISSIONER CHANG: I'm sorry. Go ahead and please answer.

MS. SWARTMAN: And then can you repeat?

**COMMISSIONER CHANG:** It was kind of an evolving question, so I think the best way is let me ask you another question based upon your response.

Based upon the presentations to the stakeholders and the transparency, was the question asked if the community had a choice of whether -- a choice -- in other words, is it to them reasonable to have a solar project as an interim use or, no, we'd rather have housing done?

MS. SWARTMAN: So I guess, if I may, we have -- obviously, we've been transparent, and there was never any kind of feedback from the community that we presented to that we shouldn't do solar because we want the houses first. Because in reality, we have the housing going on as solar is already being built at the same time. So they're coming on board concurrently. So this Phase A and B are moving forward; right?

And then we -- and then, so the answer is, no, there has not been any feedback from any of the outreach that instead of solar, we want housing

first, because they understood the long-term vision 1 for Kamehameha Schools was to have both. 2 3 COMMISSIONER CHANG: Let me ask you this question. Is Kamehameha -- the implementation of 5 the master plan, specifically the housing, and even in Phase A, is that dependent upon the approval of 7 -- is that dependent upon the revenue produced by 8 the two solar projects? 9 MS. SWARTMAN: No, not necessarily. 10 COMMISSIONER CHANG: What do you mean by 11 not necessarily? 12 MS. SWARTMAN: So we are not dependent on 13 the revenue from the two solar projects to, in 14 effect, be able to financially build the master 15 plan. The master plan will be in partnership with a 16 number of partners. I mean, we consider the LUC as 17 a partner. 18 You know, in order for the KS to complete 19 this master plan, we need to work with the 20 community, we need to work with the LUC and the 21 various agencies that are sitting here, and we also 22 need to work with a development partner and 23 homebuilders. So we see this as an opportunity for

**COMMISSIONER CHANG:** And I appreciate

a lot of partnerships to make this happen.

24

25



that, and I realize that there are numerous entities that will be working with you.

But the estimated cost I think you said was about \$665 million for infrastructure. And I also recognize that Kamehameha Schools has got -- and you're looking at perpetuity, and so you weren't -- you don't have -- you don't have a blank check. Somebody has got to pay for this. And I know you also mentioned that some of your considerations are economic.

But I am wondering, because, well, if the Land Use Commission has approved the two solar projects -- I think this kind of goes back to the question by Commissioner Ohigashi.

If there hasn't been substantial commencement, could the property be reverted to rezone? I don't think anybody wants rezoning. I shouldn't speak on behalf of anyone else. I don't think it's my desire to revert, but I am looking at the realities of how critical is this solar project to the implementation of the master plan, specifically Phase A, the housing, and the backbone infrastructure?

MS. SWARTMAN: So again, to restate, the solar projects don't dictate what the master plan

does, or the timing of our master plan. I mean, the delivery of homes is going to run concurrently with Clearway.

So we have Phase A coming up along with our Clearway development projects, and then as we -- and then, of course, granted you folks reauthorize the use of those lands in Phase 1 today, based on this motion in front of you, as they roll off, once they have decommissioned, the future additional homes.

By then we would have already about, you know, 4,500 to 5,000 homes in place. So just between Phase A and B, we're looking at 4,000 to 5,000 homes. And that's a chunk of demand that we sure could use.

So do I think that this commission has a right to revert the lands back to ag? I think you do. I think that's your kuleana. I just don't understand how that affects or how that helps our housing demand in Hawaii.

commissioner chang: I think we understand. I guess we just -- it's just we're also bound by legal precedent and how we've treated other landowners, and this was approved in 1987. But it is not -- what you presented to this date is an

extremely appealing and necessary project for the future, so I'm not going to try to stand in -- but I'm also trying to balance those other issues that come before us.

Let me ask you a question about the estimate. You have said the estimated cost of infrastructure was about \$665 million.

MS. SWARTMAN: That's correct.

-- this has been sort of a mission for me, obviously, and you don't have to answer that question today, but at some point in time, if I still sit on the commission and this matter comes up, I will ask if Kamehameha Schools is willing to put up a bond that reflects that infrastructure cost. Because too often we have representations, and they aren't necessarily full.

Now, I know where Kamehameha Schools
lives. I know where you live, so, I mean, we will
go back and we will haunt you. So I know you guys
are good for it. I do. But I also -- I mean, I have
-- that's been a point I've consistently made with
other developers about its performance bonds to
ensure that those commitments are either met by the
applicant or by somebody else.

```
So again, you don't have to answer that
 1
   now, but that is something I will ask about.
 2
 3
             Those are my questions. I do greatly
   appreciate your presentation. It really helped me
 5
   understand and clarified some of the questions we
   had from the last hearing.
 7
             MS. SWARTMAN:
                             Thank you.
 8
             COMMISSIONER CHANG: Thank you very much.
 9
             CHAIR SCHEUER: Thank you, Commissioner
10
   Chanq.
             Commissioner Giovanni?
11
12
             COMMISSIONER GIOVANNI: No questions,
13
   chair.
14
             CHAIR SCHEUER:
                              Thank you.
15
             Commissioner Okuda?
16
             COMMISSIONER OKUDA: Thank you, Mr. Chair.
17
   I can't help myself, but a follow-up question to the
18
   lines of questions that Commissioner Chang and
19
   Commissioner Ohigashi raised.
20
             And, you know, I do recognize, and we all
21
   recognize, that there's no issue or petition
22
   regarding reversion or anything of that sort pending
23
   in front of us right now, but that's, like, the
24
   proverbial elephant or rat in the room that seems to
25 l
  be scurrying around.
```

So let me ask you this; okay? And this question -- and let me preface it by saying this; okay? I don't want this question to be taken that I'm an automatic friend of the Bishop Estate or anything like that. I think the record would show that one of your trustees was a consultant in a case where I was the lone vote against what he was advocating. So, you know, the fact -- and I know one of the counsel in the audience can verify that fact.

So, you know, this question is not intended to reflect any type of bias or inclination one way or the other. It's just to clarify what the standard is.

And so, you know, we all know that the reversion standard comes from a number of cases.

One of them is DW 'Aina Le'a Development versus

Bridge 'Aina Le'a. And for people who were really interested, the Pacific 3rd citation is 339 P.3d

685. The Hawaii report citation I can give you, but I've had -- oh, I'm sorry. I believe it's 134

Hawaii.

And where I'm going to quote to you is from 187, just so that we can see what the Hawaii Supreme Court was concerned about. And so, after I

read this section, I'm going to ask you whether or not -- if you have just one or two-sentence comment on whether or not that's really the situation that is being faced here with this specific request, this specific applicant, this specific landowner, and this specific situation.

And I'll ask the same question of the community watchdogs, meaning the DPP and the Office of Planning.

But this is what the Hawaii Supreme Court said, quoting the Senate Committee on Energy and Natural Resources about the danger of having land which is given entitlement and nobody does anything to go and, you know, make sure infrastructure or housing is really built.

It says here the senate committee -- I

quote -- specifically noted that, quote, vacant land
with the appropriate state and county land use

designation is often subjected to undesirable

private land speculation and uncertain development

schedules and that such speculation and untimely

development inflates the value of land, increases

development cost, and frustrates federal, state,

county, and private coordination of planning

efforts, adequate funding, public services, and

```
facilities.
 1
 2
             Okay. That's the admonition or warning
 3
   the Hawaii Supreme Court has given. So along that
   line, can I ask you this? Has there -- have you
 5
   heard, during your entire career at the Bishop
   Estate, any discussion, no matter how small or
   manini that discussion might be, that the intention
 7
   of the Bishop Estate is to flip or sell or, for lack
   of a better term, speculate on the value of this
10
   land?
11
             MS. SWARTMAN:
                            That's an easy answer for
12
        Absolutely not.
   me.
13
             COMMISSIONER OKUDA: Okay. And you
14
   already talked about the long-range planning that
15
   you folks intend to do; correct?
16
             MS. SWARTMAN:
                            Yes.
17
             COMMISSIONER OKUDA: As far as the master
   plan, I'm sorry, for that question.
18
19
             MS. SWARTMAN:
                            Yes.
20
             COMMISSIONER OKUDA: So I won't go over
21
   that. Okay. I just wanted to make sure that it
22
   wasn't something which, you know, we might have
23
   overlooked as far as some type of tension, you know,
24
   speculate on the land -- although I might say this.
   And this is a question I will ask also to the
25
```

```
community guardians, the DPP and city Office of
 1
 2
   Planning.
 3
             Does the Bishop Estate, because it serves
   disadvantaged communities, does it somehow -- or do
 5
   we take that into account when applying the
   standards that are laid out in the Bridge 'Aina Le'a
   case? But I'll leave that for them.
 7
 8
             Thank you very much, Mr. Chair. No
 9
   further questions.
10
             CHAIR SCHEUER: Thank you, commissioner.
             Commissioners?
11
12
             Commissioner Wong?
13
             COMMISSIONER WONG:
                                  Thank you.
14
             CHAIR SCHEUER: So easy to see you in
15
   person.
            It's great. I'm not looking for a waving
16
   hand trying to speak.
17
             COMMISSIONER WONG: Thank you, chair.
18
             Several questions. First off, good
19
   afternoon.
20
                           Hello.
             MS. SWARTMAN:
21
             COMMISSIONER WONG: Okay. So going back
22
   to your Exhibit 47 -- the one with the phases and A,
23
   B, C, D and solar?
24
             MS. SWARTMAN: The GANTT chart?
25
             COMMISSIONER WONG: Yeah, the -- no, not
```



```
the GANTT chart; the one after that.
 1
 2
                            The PowerPoint outline?
             MS. SWARTMAN:
 3
             COMMISSIONER WONG: So there are some
   questions I have.
 5
             CHAIR SCHEUER: Would you like to have it
 6
   put on the screen?
 7
             COMMISSIONER WONG: Yes, please. Let's go
   to page 3 for now. I'm going to use that one for a
   couple of questions, so if you don't mind showing
10
   slide 3?
11
                           Slide 3.
             MS. SWARTMAN:
12
             COMMISSIONER WONG: That starts with the
13
   2,010 acres. Okay.
14
             So one of the first questions I have is I
15
   know you talked about , after the EIS you'll be
16
   coming back for a DBA; correct? For those things
17
   not in red. Like, first off, Phase A, and then also
18
   Phase C; correct?
19
             MS. SWARTMAN: Correct. I think there's a
20
   slide that speaks directly to that one.
21
             COMMISSIONER WONG: Oh, no, it's one of --
22
   it's going to --
23
             MS. SWARTMAN:
                            Okay. Okay.
24
             COMMISSIONER WONG: So the question I have
25
  on this issue is two parts. The first question I
```

```
1
   have is we have two connections to H2 and I guess
 2
   down on the bottom by the TOD there; correct?
 3
             MS. SWARTMAN:
                           Two connections meaning
   access points to the --
 5
             COMMISSIONER WONG: No, just access points
 6
   to the --
 7
             MS. SWARTMAN: -- community?
 8
             COMMISSIONER WONG:
 9
             MS. SWARTMAN: Yes. We actually have
   three access points for the entire project. And
10
11
   they're demarcated in the blue kind of stars or
12
   asterisk.
             COMMISSIONER WONG: Okay. You're not in
13
14
   the Koa Ridge. You're on the side of Koa Ridge.
15
             MS. SWARTMAN: That is the Ka Uka
16
   Boulevard, and that is planned for the latter phases
17
   of -- actually, it's in the early phase of Phase C.
18
             COMMISSIONER WONG: Okay. The reason I
   have that is I'm looking at this, just thinking out
20
   loud, for 2,000 something homes in Phase A and 2,338
21
   homes in Phase B. Is that enough access points?
22
                                  That is correct.
             MS. SWARTMAN: Yes.
23
   -- yes.
            So we have engaged a number of consultants,
24
   traffic consultants, to help us analyze what are the
25
   capacities of those different access points. And in
```

1 you're saying we're not going to do any housing in 2 there. 3 That is correct. MS. SWARTMAN: 4 COMMISSIONER WONG: Don't you think we 5 should look into the future, as you say, and say we still need alternative energies, and there's going 7 to be more houses here. Have you ever thought about looking into the future for what's next to help, you 9 know, charge up or keep the electricity going for 10 these houses instead of looking at -- was that ever 11 thought about? 12 MS. SWARTMAN: So if I understand correctly, the Phase 2 project or solar development 13 14 which is being done by Clearway today, they have a 15 decommission date of 2059, and I think your question 16 is what about extending that beyond? 17 So they have a PPA that expires in -- I 18 believe it's 2049, and they're looking -- and this 19 commission approved up to 2059 if they were able to 20 get an extension from the PUC on their PPA. 21 I think Clearway would be happy if we were 22 to extend that area for continued use of solar. 23 do think, though, however, today in 2022 and in

2059, the technology for solar I think would have

made huge leaps and bounds. And if at some point

24

```
1
   later down the road, that land would be appropriate
   for continued use of solar given the new
 2
 3
   technologies, that could be contemplated.
             But we really haven't thought of that, and
 4
 5
   that -- we really haven't thought of continued use.
   Who knows? I mean, we may have reached our goals by
 7
   2050, and the entire island is -- or state is on
 8
   renewable energy 100 percent by then.
 9
             COMMISSIONER WONG: We hope so.
10
             MS. SWARTMAN:
                             Right.
11
             COMMISSIONER WONG: I mean, just thinking
12
   ahead, you know. Right now it's gas crisis and
13
   everything that -- we do need alternative energy.
14
             MS. SWARTMAN:
                           Correct.
15
             COMMISSIONER WONG: To reach that goal.
16
   So I'm just thinking about it, you know.
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             All this thing I'm going to ask, then, is,
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   you know, I know Phase 2 solar and Phase B of the
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   housing -- Phase B housing; right? -- is --
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             MS. SWARTMAN:
                            So --
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             COMMISSIONER WONG: So Phase A is going to
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   be housing first, and Phase B is the next set of
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   housing. Phase C is the next set of housing.
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             MS. SWARTMAN:
                            Correct.
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             COMMISSIONER WONG: Okay. So is there a
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reason or rationale not to use Phase C instead of 1 Phase B, or that's --2 3 MS. SWARTMAN: Well, the reason why we identified those lands for AES, also known as Waiawa 5 Solar Phase 2 LLC, is because it's based upon the approvals of the boundaries that the commission 7 approved in 2014. So instead of going before the commission 8 9 and asking for a whole new area to approve, we 10 thought that because the commission has already 11 approved this area for solar use, it makes more --12 it makes sense to use the boundaries for solar. 13 **COMMISSIONER WONG:** Yeah. So what I'm 14 saying is Phase A, you still have to come back to 15 the LUC for a DBA; correct? 16 MS. SWARTMAN: For the entire project; 17 correct. 18 COMMISSIONER WONG: And then Phase 1 of AES solar finishes in 2044; correct? And the start 20 of the homes for Phase C starts in 2048. 21 MS. SWARTMAN: Correct. 22 COMMISSIONER WONG: I guess I was thinking 23 out loud why we cannot switch the Phase B and Phase 24 C homes if you're going to --25 MS. SWARTMAN: Because it actually -- it

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aligns with our road network.
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             COMMISSIONER WONG: Okay.
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             MS. SWARTMAN: And knowing the topography
   of that area makes all the difference as well. And
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   so, you know, there -- it just makes more sense
   based on how our roadways occur and the phasing of
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   our development, that they would use their Phase A
   within that portion that we have identified here
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   instead of switching them out.
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             COMMISSIONER WONG: Okay. That's all the
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   questions. I just wanted to share that. Thank you.
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             Thank you, chair.
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             CHAIR SCHEUER: Thank you, Commissioner
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   Wong.
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             Commissioners, further questions for the
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   witness?
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             Commissioner Giovanni, you good still?
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   Okay.
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             The chair has a few. Because you have the
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   PowerPoint up, I guess I'm going to just jump into
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   -- there was one, at least, where I want to refer to
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   the PowerPoint. So if you go to slide 9,
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   particularly the third row with content and then
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   having water.
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             Back on the update and outcome cells,
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1 please. This update is "worked with CWRM to test 2 3 and monitor for existing potable water wells approved for the Waiawa Master Plan." And the 5 outcome was "confirmed existing water use permits." 6 Can you explain specifically when 7 Kamehameha Schools did that in that regard? 8 MS. SWARTMAN: Yes. So we have an 9 existing -- four existing potable well permits. And 10 to be compliant with those permits, we've been 11 working with state CWRM, state Commission of Water 12 Resource Management, on testing of those wells. And so, we've been working quite closely with them and 13 14 have capped them as well. 15 So they confirmed that indeed we are in compliance with their standards for their -- of 16 17 those four water use permits. 18 CHAIR SCHEUER: Okay. So to what use were 19 those water use permits issued? 20 MS. SWARTMAN: So if I understand 21 correctly, the four wells were intended for the use 22 of our Waiawa water master plan. 23 CHAIR SCHEUER: So I believe, having 24 commented on those permits, they were for golf 25 course use.

1 MS. SWARTMAN: I don't believe so. But I 2 could be wrong. 3 CHAIR SCHEUER: This is a factual matter that would be great to have. Your master plan did 5 not get permitted -- or presented to us until 2020; correct? 7 MS. SWARTMAN: There were a number of wells along -- within the Waiawa area. But I 9 believe those four wells --10 CHAIR SCHEUER: To repeat my question, 11 your master plan that you're referring to did not 12 get in front of this commission until 2020; correct? 13 MS. SWARTMAN: Oh, that is correct. Yes. 14 CHAIR SCHEUER: Okay. When were your 15 wells permitted? 16 MS. SWARTMAN: They were permitted with 17 the Gentry plan. 18 CHAIR SCHEUER: Okay. So it's actually 19 for a different proposed use. 20 MS. SWARTMAN: Yes. And as we retained 21 the lands back and regained control of the lands, 22 everything, including those well permits, then came 23 back to Kamehameha Schools. 24 CHAIR SCHEUER: Are you familiar with the provisions of the state law code that allowed the

Water Commission to revoke water use permits if the 1 water is not used within four years? 2 3 MS. SWARTMAN: I would have to confer with my counsel, but I believe you. 5 CHAIR SCHEUER: Okay. And are you familiar with the requirement that if you are 7 proposing a change in use, you actually have to get 8 a modification to your water use permit? 9 MS. SWARTMAN: Yes. 10 CHAIR SCHEUER: Okay. So I'm confused by 11 -- what the slide seems to be suggesting is that 12 you're all good; you have four confirmed water use 13 permits for the uses that you're preparing in front 14 But that's not actually the case; is it? 15 MS. SWARTMAN: We actually have a number 16 of other wells that we need to drill for. We have, 17 you know, at different water elevations, we have a 18 -- which will serve the various areas within that 19 elevation. 20 So right now we're working with the BWS on 21 a 228 well to help with their own water master plan, 22 which won't serve our -- any of our required usage. 23 And then we have another well site that we have yet 24 to drill and get permitted.

So I'm not implying that those are the

only wells that we need for the entire master plan, but those are some of the wells that we need for the water master plan.

CHAIR SCHEUER: But you actually -- my point is you don't actually have the permits in place that would allow you to any the less modify to use those for this master plan.

MS. SWARTMAN: You know, I would have to go back. I don't have the answer for that. I would have to go back and double-check, but I was -- I had the understanding that those wells, if not all, were allowed for use of potable uses.

CHAIR SCHEUER: I can assure you the state water code, if you were proposing a change in use, some of the proposed uses of those wells were for the proposed golf courses that -- at least I would advise you that action from the commission is going to be necessary, so that I'm not actually convinced that you have necessarily any permits in place that would fully allow you to do what you're planning to do, or even partially allow you to do what you want to do.

Can you go to slide -- the slide with the vision on it? I think it's slide 2 or slide 3.

That's the one.

And really, if I had one set of questions for you really around this, it's a beautifully stated vision, but I don't see the connection between the vision and what has been presented and reiterated as the master plan. So can -- broadly, can you help me understand that?

MS. SWARTMAN: Yes. So our vision for Waiawa, obviously, aside from the granular uses that we've been talking about today of housing and commercial uses and solar, this is really about how Kamehameha Schools looks at our lands from a much more holistic view.

In Waiawa we have a total of almost 9,000 acres along which a significant part of it falls within the preservation area and is a part of the very important watershed.

So in our land span from Pu'uloa all the way up to the Koolau mountain range and within -- if you can imagine within this ahupua'a of Waiawa, we have approximately, you know, these lands that we have visions for use of inhabitants and for life and for studying and for education and for cultural celebration and educational opportunities.

Our vision, while it's difficult to see how it extrapolates into the master planning of

things, it's where we start with. It's our approach of how we manage our lands and how smart we are with our lands.

So we know there are opportunities within the Waiawa ahupua'a, and so our vision is based on using all those opportunities to deliver a community for residents and shoppers and people to recreate and folks to jump on the transit station, attend schools, and other aina opportunities.

And, of course, what we're here today for is for the solar uses. So, you know, I'm not sure if that helps. I guess it's hard to envision what we envision. But we do think that Waiawa has a huge opportunity to meet the demands of many needs of our community.

**CHAIR SCHEUER:** I guess I have a couple of responses. And we could stop the screenshare.

One is that the solar uses are not the only reason why you're here, at least according to the petition that you filed with us. You also asked for the waiver of a number of conditions; is that correct?

MS. SWARTMAN: That is correct.

CHAIR SCHEUER: Okay. So second is, I
guess -- again, it's a beautiful vision. It's a

vision that I think is appropriate for Kamehameha Schools. But what's in front of us is -- while it's certainly distinguishable from what Gentry proposed, I'm not seeing how it's particularly distinguishable from Koa Ridge across the gulch.

MS. SWARTMAN: And we do have to do considerably a lot more studies. I mean, I don't have any of those glossy photos or renderings for you folks, because we just haven't gotten there yet. You know, we have a vision. We have some entitlements that we want to modify. We have an interim use for those lands.

And really, the trigger for us to start getting into the weeds of things and how we expect to deliver on our vision is getting to our EIS process.

CHAIR SCHEUER: So then, I guess that's a great transition for my next question. Since you're a real estate professional, can you describe for me what you understand, the difference between a master plan and an EIS?

MS. SWARTMAN: Yes. So the EIS is an environmental impact statement, and it is part of the HRS 343 process. And that process evaluates the proposed uses and the impact of those proposed uses

based on community feedback and public comments.

And so, there are a number of different milestones within the EIS process from the scoping to the prep notice to the draft EIS to the final EIS. And so that's what that EIS is about.

The actual master plan is a concept plan of proposed uses. It's not the study of the impacts of proposed uses. That's the defining difference, I think, between a master plan and an EIS.

**CHAIR SCHEUER:** How do they differ in terms of community engagement?

MS. SWARTMAN: Well, the EIS is a requirement based on our discretionary permitting process. The master plan is just a plan, and a master plan is a just concept plan that hasn't been vetted through the requirements of an EIS.

where we either differ or just don't understand, but in my experience, the kind of engagement you can get with the community in the EIS process, because it's structured under 343 deadlines, tends not to be the deep level of engagement that you would try and get when you say, hey, here's our vision for this entire ahupua'a; how are we going to see that play out on this parcel?

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             MS. SWARTMAN: So actually, before we even
   presented in 2020, we did exactly that with the
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   master plan without a pretense of needing an EIS.
   We actually went to our own stakeholders and
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   submitted to -- I guess it's not, you know, a much
   broader community.
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             We did go and seek some comments and
   feedback of our overall vision of Waiawa for
   Kamehameha Schools. You know, that's part of our
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   responsibility is understanding, you know, we want
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   to know that, you know, we understand what these
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   lands mean to us, and what are the opportunities
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   that we can see for the benefit of not just our own
   beneficiaries, but for the community at large?
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             So I guess that's your question, is
   whether or not we've used exhaustive measures for
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   outreach for just our vision versus being able to do
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   that for our EIS. I think --
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             CHAIR SCHEUER: Are you referring to the
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   list of people consulted on Exhibit 43?
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             MS. SWARTMAN: Some of those, and then
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   some.
23
             CHAIR SCHEUER:
                              Who are the "and then
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   some"?
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                             I think I mentioned earlier
             MS. SWARTMAN:
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that Commissioner Dawn for sure had mentioned or 1 stated back to us. So we've met with a number of 2 3 stakeholders, which include the alumni association, our representative group. We've met with cultural 5 We have -- Kamehameha Schools has a number of stakeholders that we have identified as the, you know, young generation of leaders, that we've 7 8 presented to them as well. 9 So -- and then we've also presented to our 10 'Aina Ulu partners in Waiawa down along the Pearl

'Aina Ulu partners in Waiawa down along the Pearl
Harbor shoreline. So those are just some of the
folks that, outside of, you know, department
agencies and state agencies, that we've presented
to.

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CHAIR SCHEUER: That was helpful. Was there was a reason I wasn't included as part of the outreach which you described in your materials?

MS. SWARTMAN: No, no specific reason why you weren't included in our written materials.

CHAIR SCHEUER: Were they -- did they tend to be supportive of --

MS. SWARTMAN: Yes. Yes. And we've actually -- I think I also mentioned this earlier in the presentation or in my testimony that we also presented to, you know, various University of Hawaii

state chancellors as well. 1 2 You know, we plan to partner with even 3 education facilities or systems that are in the ahupua'a, like Leeward Community College, and we 5 have done that with the chancellor already. And, in fact, we have other plans that we'd like to share 7 with the various educational leaders from the 8 university system as well. 9 CHAIR SCHEUER: But other than your own 10 testimony on that, that's just information for us, I 11 quess. 12 MS. SWARTMAN: Yes. 13 CHAIR SCHEUER: Okay. This is a small 14 point, but I just wanted to clarify a statement, 15 because I think if you read the record and just read 16 your statement, it may appear unusual. 17 You referenced the Gentry EIS. You said 18 we're not relying on the Gentry EIS. We're doing a 19 new EIS. Were you trying to suggest that the Gentry 20 EIS is deficient and you couldn't rely on it if you 21 wanted to? 22 MS. SWARTMAN: No. 23 CHAIR SCHEUER: Okay. Then are you -- I 24 guess, could you clarify why you referenced the

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Gentry EIS?

1 MS. SWARTMAN: I think it was in the context of, I think, the entitlements. I can't 2 3 recall why we were talking -- what we were talking about at the time, but I believe we were talking 5 about the various entitlements that are currently in place with the 1,395 urban classified lands and 7 zoning. I think it was in the context of that. 8 CHAIR SCHEUER: Okay. You made a couple 9 of references during your oral direct testimony, and 10 then on cross-examination, to your duties to 11 beneficiaries. But I believe -- correct me if I'm 12 wrong -- what I only heard you refer to was 13 financial commitments, the duty to derive revenue 14 from your lands.

Perhaps the strategic direction of Kamehameha Schools has changed since I worked there, but are there other returns that you seek from your lands?

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MS. SWARTMAN: Yes. Absolutely. And my apologies if it implied in any way that that was the only obligations that we have for our beneficiaries. I mean -- and I stand corrected if you folks don't already understand that our mission is education for Kamehameha Schools. That is our primary business at Kamehameha Schools.

FINAL HI State Land Commission Meeting April 14, 2022 NDT Assgn # 57012 However, we are very fortunate to have the 1 ability to expand our reach within the extent of our 2 3 community to provide other benefits to our beneficiaries and use our lands for agricultural 5 purposes, for renewable energy, for housing, and even for commercial. 7 I mean, I work for the Commercial Real Estate Division, and we are charged with 9 understanding not just that we have a fiscal 10 responsibility, but we have a responsibility for all 11 the other things.

It's not like, in this case, not solar or the master plan. It's we have a financial responsibility, we have an educational responsibility, we have a cultural responsibility to our beneficiaries. It's not one or the other. It's how they coexist together so that we do the best job we can.

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CHAIR SCHEUER: Okay. Thank you. That's very helpful.

To get at how you manage to do these things simultaneously, you briefly referenced an absorption rate and an absorption study for housing. Could you expand on what that study was and how, if at all, it informed the phases that you have in your current master plan?

MS. SWARTMAN: Sure. So we did a market demand study in, I believe, 2018. And in 2021, we updated the residential demand study. And what that told us is that the demand for housing is even greater. The type of housing -- in that study we considered the impacts of the existing Koa Ridge and D.R. Horton's Hoopili developments and how that impacts the demand.

What we have learned and understand is that we cannot keep up with the pace. In fact, we need to try even harder to keep up with the pace. Even though we may never meet the total demand of housing in Hawaii, at least we know that through Waiawa, we certainly can take a chunk off of that. You know, we can --

So we've also learned that within the Waiawa proposed master plan, there is a dire need for an intense increase in density. We've also learned that segmentation is important to what we deliver. And by segmentation, I mean that there are different types of houses or homes that are needed across our lands and in Hawaii in general — anything from rental to single-family, multi-family.

There are a number of different types of

products that is in demand. And what our market 1 demand studies told us is that we need to bring on a 2 3 multitude of housing and different types of housing. 4 CHAIR SCHEUER: So I quess this is the 5 part where I continue to be confused about the phases and other questions from my fellow commissioner, Commissioner Chang, about whether or 7 not there's competition between solar and the delivery of housing. Because certainly, like, one 9 10 of the cudgels that is used to beat the LUC every 11 year is the quota, like, we need 10,000 homes, we 12 need 50,000 times a year. 13 Nothing I'm hearing in your direct 14 testimony suggests that there is a limit to the 15 absorption rate that's very meaningful. You could 16 produce all 11,000 of these homes in the next three 17 years, if you could, and they'd get absorbed into the market. 18 19 MS. SWARTMAN: Actually, as far as 20 absorption rate, absorption rate, you know, what 21 we've looked at is anywhere from 300 to 400 units a 22 year. So 23 CHAIR SCHEUER: So that's actually very

Than?

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different.

MS. SWARTMAN:

CHAIR SCHEUER: If really all you're 1 targeting and willing to deliver into the market is 2 3 300 to 400 units per year --4 MS. SWARTMAN: I think a large part of it 5 has to do with the amount of regulation that developers and landowners have to go through. Do I 7 think that -- what we have heard from D.R. Horton is that they can't build them fast enough in order to 9 meet the demand. 10 So because there's -- the entitlements are 11 what they are and we -- there's no way for us to, 12 you know, obviously, not shirk our responsibilities 13 or permits or entitlements, we just -- there are a 14 lot of buyers out there that are willing to buy 15 homes, but we can't build them fast enough. 16 CHAIR SCHEUER: That's what I'm getting 17 It's right. I mean, one of the number one reasons why people say that you can't build enough 18 19 homes is there's not a lot of land in the urban 20 district. 21 This is all an urban district. That 22 barrier is overcome. But you're saying you still 23 can't deliver more than 300 to 400 homes per year. 24 MS. SWARTMAN: Well, what we've seen

through our market study is that, based on the

trends today, that's what they're seeing, is 300 to 1 400 because based on how fast they build it. 2 3 CHAIR SCHEUER: Sorry. I'm not following what you're trying to convey to me. 5 MS. SWARTMAN: So I quess, you know, so the construction rate is anywhere from 300 to 400, 7 and that's what we've been using as our absorption 8 rate for our projected timeline in the master plan. 9 What we're hearing in the market today is 10 that other builders or other developers continue to 11 build, but they have long lists of folks that are on 12 a list to buy a home. So while we have, you know, urban lands today, that doesn't mean we can build 13 14 without any of our permits. I mean, we still have 15 to go through our EIS process and our DBA and all the different entitlements and milestones that I 16 17 outlined today. CHAIR SCHEUER: 18 I understand. But that GANTT chart could be considerably compressed, not 20 over decades, if you wanted to deliver more than 300 21 to 400 homes per year. 22 MS. SWARTMAN: If we could, we would. 23 We'd want to.

Correct.

CHAIR SCHEUER: If you could.

MS. SWARTMAN:

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CHAIR SCHEUER: So what's the -- what's 1 2 the constraint? 3 MS. SWARTMAN: The constraint is that we're not using the plan that was represented by 5 Gentry. We instead have a whole different plan, which triggers the need to come before you folks in the next five to six years a couple more times for 7 8 your approval. 9 So if we can, you know, work together to 10 accelerate that approval process based on all these 11 things that we've presented, that would be 12 wonderful. We would -- I mean, like I mentioned, 13 you know, we need you folks as partners to make it 14 happen. So I guess --15 CHAIR SCHEUER: But what you're proposing 16 for us right now conceptually is still not -- it's 17 still stretched out over decades. 18 MS. SWARTMAN: Correct. 19 CHAIR SCHEUER: It's still stretched out 20 over 300 to 400 units per year, not actually on a 21 level of production that would start to impact the 22 market in a sort of tangible way. 23 MS. SWARTMAN: That is absolutely correct. 24 Right now, we have to still go through this process 25 of the EIS to understand what the impacts are before

1 we even land on a single master plan. 2 CHAIR SCHEUER: Okay. Couple more. And 3 this goes back to my questions to you about the difference between a master plan and EIS. And you 5 described it as really two different kinds of 6 documents. 7 But the proposed stipulated agreement says that we could accept it either -- we can take your 9 EIS in lieu of accepting a master plan? 10 MS. SWARTMAN: I'm sorry. Can you repeat 11 that? 12 CHAIR SCHEUER: So I will -- let me pull 13 up petitioner's Exhibit 40 -- or perhaps, Ms. Thoene 14 can pull up Exhibit 40. And that's your proposed 15 stipulation with the Office of Planning and 16 Sustainable Development, proposed condition 1. 17 "Revised Master Plan. Petitioner shall submit to 18 the commission a revised master plan and schedule 19 for development for the approximately 1,395-acre 20 Petition Area by February 11, 2025; provided, 21 however, that this condition may be satisfied by the 22 publication of a Draft Environmental Impact 23 Statement." 24 So this, when I read it, seems to say 25 you're thinking that, oh, a master plan or an EIS is interchangeable, but your earlier testimony seemed to draw a distinction between the two.

MS. SWARTMAN: Yes. So I guess my reading on this is that if we were -- we're proposing to keep you folks apprised of our progress of our master plan. But, however, if the EIS happens sooner than 2025, then that would satisfy this condition.

CHAIR SCHEUER: Okay. I guess I'm curious

-- maybe we're moving towards opining, but I don't

see them as the same. I agree with your earlier

testimony. And this would also only work for -- you

referenced in your earlier testimony that you're not

sure about who the accepting authority would be.

MS. SWARTMAN: Correct.

CHAIR SCHEUER: I don't see a meaning or a power of this condition if there's another body whOs the accepting authority on the EIS and it's simply handed over to us and saying here's what we came up with. I only think this works if the LUC is the accepting authority. But you haven't made that commitment yet?

MS. SWARTMAN: Well, no. We have not identified who -- I mean, right now, I think my best guess on who the accepting agency would be, it would

approval, condition number 1, a little bit of context for that.

The original 2014 condition 1 required us to come back within five years with a revised master plan. Therefore, we came back to you folks in 2019. And that condition we wanted to remove because we satisfied it.

However, I believe another -- OP wanted us to come back to the LUC with a revised master plan, but instead of just saying the revised master plan within another five years, we instead proposed to add language that we could come back to you folks with the draft EIS by that as well. So that's kind of, I guess, how that condition was formed.

As far as the accepting agency or authority, I don't think that, after conferring with counsel, that it is up to us as far as who is the accepting authority. I believe, if I understand correctly, that is something to be discussed and, I guess, agreed to between DPP and the State Land Use Commission. I don't believe we can make that call as the petitioner.

CHAIR SCHEUER: I believe your earlier testimony was that you were working on determining the proper accepting authority. I might be

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thank you again for giving us the GANTT chart.

helps to -- I don't know. Can we -- If you can adjust it a little bit.

So on the top portion, you have the EIS process that will be done in 2022, approximately, through 2025, depending on all these issues that may arise; right? So I'm not --

But looking at the whole project itself -and by the way, this is Commissioner Chang's, but
she really helped me think about. Looking at Phase
E, that will be done in around -- approximately for
a start of approximately in 2060, approximately. Do
you -- tell me when you're ready.

You know, again, I'm worried about things can change, as you said, even with solar. So I'm wondering about the staleness of the EIS. You know, just because things change in our lifetime, you know, from rotary dial phones to push phones to iPhones, you know, and actually, I should say the party lines for me. Sorry. I'm showing my age.

But anyway, what I'm just saying is EIS can get stale. Things does change. You know, your whole master plan can change, you know, like that. So don't you think maybe you should look at maybe doing phased EIS with a phase development instead? Would that be a possibility?

MS. SWARTMAN: So we have not contemplated it to date, but I guess we could take a look at that as a consideration.

worried just because of the Turtle Bay issue with the EIS and others, that eventually things does change. And, you know, let's say we find out, hey, you need more roadways because Koa Ridge is going to have all these projects, all these cars coming in from a TIAR, and you may need more roadways or something that you have to do in, you know, more TIAR or, you know, more infrastructure or, as chair said, you may have to do more wells for water. But he didn't say that, but I was thinking about that.

But, you know, those things may come up -or more sewer lines because -- so I was just
thinking that you may want to think about that, that
you may have to do a phase EIS that's phased with,
let's say, first one is Phase A and B, second one
is, you know, C and D. And I forgot what letters
after that, but that's what I'm just saying. So
thank you.

MS. SWARTMAN: Thank you.

COMMISSIONER WONG: Thank you, chair.

CHAIR SCHEUER: Thank you, Commissioner

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   Wong.
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             Commissioners?
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             Commissioner Chang?
             Ms. Thoene, will you stop screensharing,
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   please?
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             COMMISSIONER CHANG: Thank you. The chair
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   raised some questions that I wanted to just follow
   up on. You know, with all due respect to
   Commissioner Wong -- I really love Commissioner
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   Wong, but I do hope that you're not going to do a
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   phased EIS.
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             I mean, I'm hoping that we would be able
   to do, like we have considered this, is within the
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   conditions of any approval, you could come in for a
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   DBA, that it contemplates that there will be -- that
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   there will be updates.
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             But I think there should be full
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   disclosure, as you say, on your entire development.
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   I think the Kamehameha Schools are being -- to
   comment on them. But I think we all appreciate the
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   concern about a stale EIS.
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             But let me just follow up. I think -- I
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   read this morning's paper. I had a chance to take a
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   look at it. Hawaii has the highest number of
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   regulations. So I appreciate the sort of comment
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that you had, your comment to the chair's questions about the regulatory challenges.

I'd like to ask you, based upon your own schedule or timing, by 2027, if all goes as

Kamehameha Schools envisions and hopes, by 2027, all entitlements should be obtained.

What would be the constraint at that point in time to expedite the development of housing rather than spanning out over 40 years to build another 1,000 homes, that you were accelerating the development of homes? Because I would suspect there is going to be a next generation of young beneficiaries who need homes.

So what would be the constraint to keep this to 40 years for 11,000 homes?

MS. SWARTMAN: And, you know, I think I don't want to speculate on -- I don't know the answer to that question directly. But there are a number of things that could happen that could impact -- you know, everything from a natural disaster could occur or timely delivery of, you know, the rising cost of fuel and building materials to the extent where it's out of control and it will have a severe negative impact on not just the homebuilders, but the homeowners and the purchasers or the buyers

of those different communities.

Those are just a few. We can have a huge
-- another economic downturn. We anticipate another
economic cycle between now and then. However, based
on the plans and the cost estimates that we've had,
that's our timeline. That's our projected timeline.

As far as speculating what could happen between now and then to deliver, who knew COVID would hit and impact us in a way that was so drastically changing? No one could have predicted COVID and its impact on us.

COMMISSIONER CHANG: I totally appreciate that. I think many people got squandered two years during COVID, so a much better plan. So I think that there are opportunities notwithstanding extraordinary catastrophes.

But I'm going to share with you my concern is -- and I'm going to ask this to the Office of Planning -- how do we as the Land Use Commission evaluate competing state interests, competing state policies?

We have an affordable housing crisis. We are short 40,000 homes. We have sustainable ag. We are shipping in 95 percent of our goods. We have a renewable energy goal. All of these interests on a

limited amount of resources. And I think our time 1 is accelerating, given climate change. 2 3 So it concerns me that this very ambitious project from 1987 to 2070 -- that is 83 years, 83 5 years from the time that the DBA was approved to the time that 11,000 homes were built. 7 I understand that there are -- there were 8 circumstances beyond Kamehameha Schools' control. 9 But there were -- not all of those could have -- I 10 think there were some that could have happened. 11 This was always your land. Gentry was --12 they were the developer, but it was always 13 Kamehameha Schools' lands. So it does -- I am very 14 troubled by the length of time, and I am --15 Forty years to build 11,000 homes, all the 16 entitlements that you made and assuming that the 17 backbone infrastructure should be built, seems to be 18 an extraordinary amount of time. I would hope that 19 by the time that this goes out for public review and 20 stakeholder review, that you are considering 21 accelerating that schedule. 22 So that's probably more of a comment than 23

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that we have.

My second question is do you believe that Kamehameha Schools has a different kuleana, responsibility of other developers?

MS. SWARTMAN: Yes. I do.

**COMMISSIONER CHANG:** Could you explain to me what that difference consists of?

MS. SWARTMAN: I don't believe that the builders that we have today are a whole lot different in that they want to deliver communities to our island. There are a lot of good developers out there that have a lot of history in Hawaii and on Oahu, and they have done a great job so far in delivering communities that you and I both -- all of us live in today.

However, as a Hawaiian trust and Native

Hawaiian education organization, I think we -- I

don't think we are any better per se, but I do think

that we have a much bigger impact in terms of all of

the different values that I mentioned before as far

as culture, education, energy, and agriculture.

I mean, Kamehameha Schools is charged with a lot of responsibility, and I appreciate your statement about the LUC navigating through competing interests, state interests. We, to, at Kamehameha

1 Schools go through that as well, and it's not an 2 easy job. And we try the best that we can. 3 And at this point in the life of the Waiawa community under the direction of Kamehameha 5 Schools since 2020, that's what we're trying to do, is just do the best that we can and do what needs to be done to set up our development partners who are 7 8 going to actually build the communities for success. 9 **COMMISSIONER CHANG:** I appreciate that. 10 think there is a heightened expectation, in 11 particular by the Hawaiian community, for 12 Kamehameha. But it is the competing interest that you talked about when you were asked what is your 13 14 kuleana. It is education. It's culture. It's all 15 of these things, and the trust that you made to 16 beneficiaries that continues in perpetuity. 17 So I understand the very difficult 18 challenges that you face. But I do believe that you 19 have the opportunity -- not only kuleana; 20 opportunity -- to be different from other 21 developers, to be more than just putting up a sign 22 with a Hawaiian name. 23 So this is, I believe, a harder question. 24 How do you ensure that these homes that you are 25 proposing to build will be built to length and use

1 of your beneficiaries? 2 MS. SWARTMAN: That's a good question. 3 And my apologies, so. 4 COMMISSIONER CHANG: No. This is fine. 5 MS. SWARTMAN: Those two explain Waiawa. You know, one of the things that we strive for or 7 aspire to, and one of our goals at Kamehameha Schools, is to really -- it's about having a Native 9 Hawaiian identity. 10 And in so many ways that plays out in our 11 community, in our everyday life, from the moment we 12 wake up to how we wake up our children in Hawaii, 13 whether it's the way we say, you know, rise, rise, 14 ala, rise today, because right now I have to get up 15 and go to school, to how we address our kupuna and our treatment of Hawaii's own --16 17 **COMMISSIONER CHANG:** Are you okay? 18 MS. SWARTMAN: Yeah. It's like, you know, but in Waiawa there's an opportunity, as you 20 mentioned, for the Native Hawaiian identity to 21 flourish. 22 And while we may not be doing the greatest 23 job of translating how we envision that happening, I 24 mean, there's different ways of honoring a sense of

place and doing the research and understanding the

historical context that all of our olelo that Jason and his team understand, that preserving all our cultural places that are important and, you know, kind of bringing that to life in a built urban development.

And you'll see that in places that we've done in Kamehameha Schools, like Kaka'ako, you know

done in Kamehameha Schools, like Kaka'ako, you know.

Even when you get out of the car, you know what

floor you are in Hawaiian. And that has some

meaning to us, because everywhere you see in a

community that has the olelo Hawaii is a way or a

small measure of perpetuating our culture.

And even in our approach that we deliver our homes or even in the way we negotiate contracts or easements, in every aspect that we do business at Kamehameha Schools -- I'm not even a graduate, but I feel that deep, deep kuleana in all that we do. And so -- I'm sorry.

COMMISSIONER CHANG: Do not apologize.

Don't apologize. And I greatly appreciate that. I appreciate your passion and that it is a personal kuleana that you've accepted. So don't ever apologize.

You know, I think Kamehameha Schools is in a very difficult position. You are viewed as the

synergy for all Hawaiians. They see you as a deep 1 pocket, and you should be doing and -- but you also, 2 3 you know, and I recognize that you have other responsibilities, you know, other considerations. 5 Make sure that the trust continues. But I look around, and it is very -- it's 6 7 painful, because our local kids, they cannot stay. They are living in multi-generations. And so, I will -- frankly, I do have a higher expectation of 9 10 Kamehameha Schools. 11 I expect Kamehameha Schools to find a way 12 to prioritize our beneficiaries, not only for 13 education, but to sustain us as a people. And that 14 means housing. And that means finding ways that 15 you're not just building so that people from around 16 the world can buy some place in Kaka'ako. I mean, 17 that's not kuleana. 18 In Waiawa, you have that opportunity. So 19 I know you would take my heart there, but I -- we do 20 look to Kamehameha to find a way. We have a housing 21 problem, especially of our -- I will say young 22 people. And that this master plan that's going to

When the chair asked you what's different about this, and I know you said you're still in the

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be designed the day --

1 planning stages, but I'd like to see from your community engagement that you are taking to heart 2 3 those considerations that make us unique, that you're incorporating them. 5 And I didn't get a sense of that, but I know you're in the planning stage. That to me is 7 community engagement when you're doing a master plan. What are you hearing? What are we listening? 9 And how are you integrating that within your plan? 10 But so I apologize. I am just -- mine is 11 just so much more -- less of a question and more of 12 an appeal to you, that you do have -- this is me 13 personally. I feel that you have an obligation to 14 be different. So, you know, with that in 15 consideration, accelerating these homes. 16 Forty years to build 11,000 homes, finding 17 a way to make this so that it is -- so that our 18 local people can stay here to live and that --19 defining a way to reconciling your own kapili just 20 as we try to navigate our own. It's on a larger 21 scale. But I understand the challenges that you 22 have, and I greatly appreciate how serious, and I know how generally you would be. 23

So I'm sorry for just going on and on and on. I apologize. Thank you very much.

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1 CHAIR SCHEUER: Thank you very much, 2 commissioner. 3 Commissioners? Commissioner Okuda? 4 5 COMMISSIONER OKUDA: Thank you, Mr. Chair. 6 And I really do appreciate your testimony. 7 If I can just slightly disagree with my dear friend 8 Dawn Chang here. 9 COMMISSIONER CHANG: Of course. 10 COMMISSIONER OKUDA: Kamehameha Schools is 11 a trust, which means the trust controls the duties of the trustees. And I think I know a little bit 12 about Kamehameha Schools, because I teach -- to 13 14 graduate students, I'm teaching this year higher 15 education law. And one of the cases that I, you know, sent to our doctoral and master students was 16 17 the John Doe case out of the Ninth Circuit Court. 18 As far as I can tell, there's nothing in 19 the will of Princess Bernice Pauahi Bishop which 20 charged the trustees with providing affordable 21 housing to the community. 22 Now, that's a really good goal, and if the 23 KSBE can work it into their plans, that's fine. 24 we should not forget the fact that it's a trust, and 25 it's a charitable trust with specific duties and

obligations with identified beneficiaries.

And as much as maybe I might be criticized for saying this, yeah, you know, when development stretches out over time, it cuts against what many of us have a goal as providing additional supply of housing which, hopefully, might not drive down prices, but might moderate the increase in prices so that maybe our kids can stay in Hawaii and not have to feel like they move to the mainland.

But frankly speaking, if the trustees in their discretion -- not being bribed or anything like that -- in their discretion come to the conclusion that stretching out the development timetable maximizes the assets to provide education to the designated beneficiaries of the alii trust, I don't see that contrary to the law. And, in fact, if the trustees did anything other than that, they might themselves be breaching their fiduciary duties to the beneficiaries.

Now, if for some reason, the federal courts overturn the Ninth Circuit Court controlling case which upheld the admissions policy of the Kamehameha Schools, I might have a different view of that.

And by the way, my statements aren't based



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on the fact that there's any racial or ethnic
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   purpose or anything like that. You know, my
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   statements aren't based on the fact that there might
   be a so-called constitutional suspect classification
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   involved.
             It's based on the fact that the record
 6
 7
   shows that there's at least a recent history of KSBE
   looking out for disadvantaged individuals,
 9
   disadvantaged families and things like that.
10
             So again, I don't disagree with what my
11
   dear friend Dawn Chang had to say, but I would just
12
   like to point out that the primary fiduciary
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   obligations of the trustees, as far as I can tell,
14
   does not include providing affordable housing to the
15
   community.
16
             That job rests with us at the Land Use
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   Commission, with -- what's it -- 301-H housing
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   projects, whatever else we can do.
19
             And if the trustees can help out, that's
20
   fine, but that's not their obligation, and I don't
21
   look to them as being, you know, taking that on,
22
   where that's not stated as a part of the trust.
23
             CHAIR SCHEUER: Commissioner?
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             COMMISSIONER OKUDA: Okay. Thank you, Mr.
25
   Chair.
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1 CHAIR SCHEUER: Thank you, commissioner. Commissioners, questions for the witness? 2 3 With the deepest of affection for my fellow commissioners, these aren't, according to public policy, considerations for Hawaii. But questions 5 for the witness at this time? 7 Redirect, Ms. Lim? Thank you, chair. 8 MS. LIM: 9 Just a couple of quick questions, 10 Michelle. I know it's been a long afternoon. 11 just want to clear up a couple of things, because I think I might have heard a few different answers. 12 13 I understand that the master plan, as 14 currently envisioned, contemplates a district 15 boundary amendment for a portion of it. But it also 16 contemplates a motion to amend; is that correct? 17 MS. SWARTMAN: That's correct. 18 MS. LIM: And I also heard you say that 19 through the EIS process, it may -- you may come to 20 the conclusion that the most appropriate land plan 21 to actually pursue to entitlement would not involve 22 400-some odd acres of reclassification. 23 MS. SWARTMAN: That is correct. 24 MS. LIM: It may include no acres for 25 reclassification. It may include some number

1 between 0 and 476. 2 MS. SWARTMAN: Correct. 3 MS. LIM: So but no matter what, does Kamehameha Schools understand that it will need to 5 come back to this commission with a motion to amend, to request whatever the significance differences are 7 between your ultimate plan and what was approved as 8 the Gentry plan? 9 MS. SWARTMAN: Yes. That is correct. 10 Even if we decided not to go to the State Land Use 11 Commission for a district boundary amendment, we 12 would still have to go before the commission to 13 motion to amend. 14 MS. LIM: And is it your understanding 15 that at the point in time when this commission is 16 considering that motion to amend and they have all 17 of the information from the EIS plus all the witness 18 testimony at that point, that the commission would 19 have the ability to weigh in on timeframes for 20 development of that master plan? 21 I would imagine everything MS. SWARTMAN: 22 they would have a chance to speak or make comments 23 to.

last question for you, and I just -- this is more I

Thanks, Michelle. And then my

MS. LIM:

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1 don't want it to get lost. We were talking about Exhibit 40 of the stipulated proposed conditions of 2 3 approval -- and I take that back; I have two questions. 4 5 First question is with respect to condition 1 on the revised master plan, is it your 7 position that no matter who the ultimate EIS accepting authority is, that pursuant to this 9 condition, Kamehameha Schools' representation and 10 commitment is that a draft EIS or revised master 11 plan, but hopefully a draft EIS, would be submitted 12 no later than February 11, 2025? 13 MS. SWARTMAN: Yes. That is correct. MS. LIM: So it doesn't matter who the 14 accepting authority is. That's your representation. 15 16 MS. SWARTMAN: Yes. 17 MS. LIM: Thank you, Michelle. And now 18 this is truly my last question. With respect to 19 condition 9 in that stipulated proposed -- the 20 conditions of approval, I just want to hear you 21

affirm or deny that Kamehameha Schools has committed, pursuant to this condition, that the master plan Phase A infrastructure would be in place by the end of 2030.

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MS. SWARTMAN: Yes. That is correct.



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             MS. LIM: And so this would be -- if the
   commission were to accept these conditions, this
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   would now be a condition that would be imposed on
   this solar farm.
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             MS. SWARTMAN:
                           Correct.
 6
             MS. LIM: Whereas, the existing condition
7
   is really only imposed on the other solar farm.
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             MS. SWARTMAN: The first one. Yes.
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             MS. LIM: Okay. Thank you. I don't have
10
   any further questions.
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             CHAIR SCHEUER:
                             Thank you, Ms. Lim.
12
             Thank you for your testimony.
             It is 2:29. I want to confirm with
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14
   Commissioner Giovanni. Are you good until -- for
15
   the next half hour, and then you're not available?
16
             COMMISSIONER GIOVANNI: I'm good until the
17
   top of the hour. And then I have to go.
18
             CHAIR SCHEUER: Okay. Yeah, 30 minutes.
19
   So with the forbearance of my fellow commissioners,
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   we will plow through without a break.
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             Commissioner Ohigashi?
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             COMMISSIONER OHIGASHI: Thank you.
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   old and infirm, you know, pushing the button. I was
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   wondering. I would like to see if we could go into
   executive session to discuss the issue that remains
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1 about substantial commencement and take it as our decision today. I believe that that kind of 2 3 discussion should take place in executive session. If there isn't time today, then I would probably 5 move that we move forward at the beginning of the 6 next session. 7 CHAIR SCHEUER: Thank you, commissioner. We could do it one of two ways. We could do that now, knowing that we would go until 3 and no longer. 10 Or what I would suggest we might do, not knowing how 11 long we might need for that discussion, we move it 12 to the next time we take up this agenda item, which 13 I believe is going to be -- Mr. Orodenker? -- on May 14 25th. Which would also give our deputy attorney 15 general additional time to prepare for that 16 discussion. Is that acceptable, commissioner? 17 COMMISSIONER OHIGASHI: Fine with me. CHAIR SCHEUER: Ms. Lim, are we done? Are 18 19 we moving on to DPP? 20 MS. LIM: I'm done with witness 21 examination. I have some closing remarks that I'll 22 keep very brief, but I'm done with the witnesses. 23 CHAIR SCHEUER: Okay. So let's use if the 24 next 29 minutes together to see how far we get 25 through the Department of Planning and Permitting

and the Office of Planning and Sustainable 1 Development. 2 3 **COMMISSIONER WONG: Mr. Chair?** 4 CHAIR SCHEUER: Commissioner Wong? 5 COMMISSIONER WONG: I know at the last meeting we requested that if any witnesses can come 7 -- if Ms. Lim's witnesses can come back if we have any questions after the presentation. I just want to confirm that. 9 10 CHAIR SCHEUER: Ms. Lim? 11 MS. LIM: The witnesses who are present 12 today, Ms. Swartman is here. Mr. Jeremiah has 13 stayed, and Ms. Sato as well as Mr. Nick Molinari, so all of the witnesses. Are you referring to the 14 15 ones that you've heard as live witness testimony or 16 the consultants who we've had sitting in the waiting 17 room in Zoom? 18 COMMISSIONER WONG: That was, I guess, the 19 one we had in Zoom the last time we had a Zoom. 20 CHAIR SCHEUER: Ms. Sato, I believe. 21 COMMISSIONER WONG: Ms. Sato. 22 MS. LIM: Ms. Sato is here in the room, 23 and she would be available for questions today. 24 COMMISSIONER WONG: I don't think it would be -- it may be after I hear from DPP and OPSD, if I 25

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1
   have any, yeah.
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             CHAIR SCHEUER: And what I understood the
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   commissioner to ask is after we are done with
   hearing from DPP and OPSD, would the commissioners
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   -- would you make your witnesses available to
   commissioners if we can?
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             MS. LIM: Of course.
 8
             CHAIR SCHEUER:
                              Thank you.
 9
             Is that it, commissioner?
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             COMMISSIONER WONG: Yes, chair.
                                               Thank
11
   you.
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             CHAIR SCHEUER: Any further matters on our
   proceedings for the next half-hour, commissioners?
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14
             Seeing none, Department of Permitting for
15
   the City and County of Honolulu?
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             MS. WEAVER: Good afternoon.
                                            The
17
   Department of Planning and Permitting, DPP, would
18
   just like to clarify the letter that it sent in
19
   response to KS' 2021 motion.
20
             All right. So in a February 3rd letter to
21
   the State Land Use Commission, DPP objected to the
22
   proposed modification of condition 10, because it
23
   believes that the petitioner did not want to provide
24
   a supplemental environmental impact statement, the
25
   EIS. And so, condition 10 in the stip says that the
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petition area would be subject to Hawaii Revised
 1
   Statutes Chapter 343.
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 3
             And the DPP would also like the condition
   to state that it would be subject to HAR, which is
 5
   Hawaii Annotated -- no, sorry, Hawaii Administrative
   Rules Chapter 11-200.1 as applicable, because
   especially in 200.1-30, it talks about the
 7
   supplemental EIS. So we would just want to make
   sure that that's followed.
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10
             And then also for condition 11, if
   landscaping is involved, condition 11 talks about
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12
   wildlife protection. We would like -- or DPP would
13
   like the petitioner to submit a landscape plan to
14
   DPP for review and approval.
15
             CHAIR SCHEUER:
                             It's a lengthy condition.
16
   Do you have a particular area that you wanted that
17
   included in?
18
             MS. WEAVER: Yes. "8.
                                      If landscaping is
19
   installed as part of the solar farm project, non-
20
   invasive plant species and native plant species."
21
   So if that happens, then DPP would like the plan
22
   submitted to them.
23
             CHAIR SCHEUER:
                             Okay. You have
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   (indiscernible) ready?
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             MS. WEAVER: We can provide that.
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it.
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 2
             CHAIR SCHEUER:
                              Okay.
 3
             MS. WEAVER:
                           Thank you.
 4
             CHAIR SCHEUER:
                              Commissioners, questions
 5
   for the Department of Planning and Permitting?
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             Commissioner Chang?
 7
             COMMISSIONER CHANG: Thank you.
 8
             Ms. Weaver, I just have one question.
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   Have you had an opportunity to review Kamehameha
10
   Schools' proposed master plan?
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             MS. WEAVER:
                          Yes.
12
             COMMISSIONER CHANG: Is it consistent with
   the county's general plan and community sustainable?
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14
             MS. WEAVER:
                           It is.
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             COMMISSIONER CHANG: Thank you very much.
             CHAIR SCHEUER: Further questions for Ms.
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17
   Weaver?
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             Commissioner Wong?
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             COMMISSIONER WONG: You heard my question
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   about the EIS. What is your opinion about, you
21
   know, their phasing and that length of EIS? What is
22
   DPP's thoughts on that? Do you think the EIS will
23
   be stale or would it be just enough to -- for that
24
   whole four phases to 2060? What is DPP's idea or
   knowledge of that?
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             MS. WEAVER: HAR requires a new
   environmental impact statement if the effect of the
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 3
   project is substantial. So as long as petitioner
   complies with that.
 5
             So at the moment, we haven't received
 6
   anything, so we do not know.
 7
             COMMISSIONER WONG: Okay. Yeah, I just
   was wondering about that just because I understand
 9
   HRS and HAR, but what is -- if there are any city
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   ordinances, ROH, dealing with that, or DPP's rules
11
   on that, because of the Supreme Court decision on
12
   Turtle Bay?
13
             MS. WONG: For the record, this is Dina
14
   Wong with Department of Planning and Permitting.
15
   I'm the chief planner with the Planning Division.
   There is no -- oh.
16
17
             CHAIR SCHEUER: Do you swear or affirm the
18
   testimony you're about to give is the truth?
19
             MS. WONG:
                       Yes.
20
             CHAIR SCHEUER:
                             Thank you. Please
21
   continue, Dina.
22
             MS. WONG: Yes. I am not aware of any
23
   city ordinance or administrative rules. We follow
24
   Chapter 343 and the related administrative rules on
25
   that.
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COMMISSIONER WONG: So the second question 1 I have on -- you know, I guess, because of Red Hill, 2 3 and Board of Water Supply is under the purview of the city, what is the feeling of the city regarding this whole project and the water wells? Do you have 5 any ideas or any knowledge of anything about that? 7 MS. WONG: This project is consistent with our Central Oahu sustainable communities plan. petition area is all within the community growth 10 boundary. And as Michelle pointed out, the plan 11 does recognize the Waiawa master plan and the solar 12 farms. With respect to the long-term water supply 13 14 for the island, it's hard to answer that, because 15 there are so many unknowns on, you know, what the 16 Board of Water Supply can do in terms of increasing 17 supply of water, what conservation measures can do. 18 It's hard to answer. 19 This area is not part of urban Honolulu, 20 where the shortage of water is, but it could be 21 affected if water is diverted from other regions, 22 but I can't answer that. 23 COMMISSIONER WONG: Okay. That's all.

Thank you.

Thank you, chair.

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CHAIR SCHEUER: 1 Thank you, Commissioner 2 Wong. 3 Commissioners? Commissioner Okuda? 4 5 COMMISSIONER OKUDA: Thank you, Mr. Chair. 6 A question for DPP. Even though it's not 7 the kuleana or the duty of the trustees of KSBE to provide affordable housing or housing in general, 9 does the DPP have any concern with the fact that if 10 you look at the master plan and the schedule, a lot 11 of this housing seems to be -- or going to be 12 delayed to a point where many of us are not going to 13 be alive when the last house is built? Is that a 14 concern? 15 MS. WONG: Well, I think we all like to 16 see housing built sooner rather than later, but I 17 understand that these are really long-term projects, 18 and if you looked at Koa Ridge and Hoopili and the 19 length of time it took to get those started, it just 20 seems to be the nature of these master plan 21 developments. 22 You know, the city has other efforts 23 underway to get more housing built. We're focusing 24 growth more in the primary urban center, secondary city in Kapolei. So it's not all putting everything 25

in Waiawa or Hoopili or Koa Ridge, but throughout the island.

COMMISSIONER OKUDA: Because housing is such a concern, are there things that the DPP could do within the bounds of the law -- not asking for special treatment or anything like that, but are there things that DPP could do within the existing framework to assist developers such as KSBE to move forward with their development?

In other words, to cut the red tape, if there is red tape, or to find out where the tape is that nobody can figure out where the tape is.

MS. WONG: One thing that the department could do, and we are looking at, is expediting building permit processing. But that will be further down the line when they come in for actual permits.

COMMISSIONER OKUDA: Okay. Last question. The state at great expense once sent me -periodically sends me off to learn new things, and I actually try to pay attention. There was this one city in -- on the San Francisco Bay that actually designated somebody to be, like, the concierge to cut through the red tape.

Just so that we don't have an amorphous

1 question here, would the DPP commit itself today to have somebody work with KSBE to expedite, where 2 3 possible, this development? In other words, so there's a commitment on 4 5 the record here that the DPP will have a designated person to work with KSBE and its planners who, I 7 think we can make a finding, seem to have the community interest at heart, to try to move this development forward in an expeditious manner? Can 9

we get that commitment from the DPP? MS. WONG: I think we can give a commitment that, you know, everybody at the department, and if it comes -- it will touch many divisions within the department. When they come in for the zone change, it will be in the Planning

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COMMISSIONER OKUDA: Yeah, I don't mean to interrupt, because time's getting short, but so let me just ask a more pointed question.

Division. When it comes in for the building permit,

it will go through Building Division.

Would it be okay if you state on the record that you would be the person that -- yeah, I'll ask about this -- that you would be the person that KSBE can call if there seems to be a problem, just so that we don't have unnecessary bureaucracy

Okay.

CHAIR SCHEUER:

MR. YEE: The Office of Planning has no objections to this motion to amend in order to allow a solar farm to be developed. The impact reviews we think were well done. The requested accommodations for more time is reasonable for a solar project that has already been approved by this commission under somewhat different circumstances. And we also think the impacts from this solar farm were adequately addressed.

So in the particular motion before you, the Office of Planning has no objection that that motion be granted.

I do have -- I want to address probably A larger question of what's going to happen with the housing development. Before I go there, though, I do want to address some particular questions that I think the commissioners had asked or indicated they were going to ask me. So let me just assume they're going to ask me this and try to address it now.

The first was how do we evaluate conflicting or competing state interests? This is a particularly difficult question, because there are really two different issues that are going on, because no one single piece of property can satisfy all of the different conflicting needs of the state

to both sustain and develop.

The problem is you need to look at a particular piece of property in a larger context, but you are doing so in a contested case hearing that looks at the facts of one particular piece of property.

There is a much, much longer discussion on this, but let me give you the 30-second reply, which is the City & County of Honolulu has done a larger review of the various uses of all of its lands in the county, and they have determined the various uses that would best be able to meet those balancing and -- that would best balance those conflicting purposes.

What area should be reserved for agriculture? How do you keep the country country?

What areas should be preserved and what areas should be developed? Because development is important.

You can't keep the country country if you don't have a strong urban core. You need a place for that demand to go. And that is done at the county level through their sustainable communities plan.

And this particular project, including the solar, is part of the community -- part of the sustainable community development plan for this

area.

That still means you need to look at the particular facts of any particular request and the timing, because the sustainable community plan does not mean every single piece of property that's designated for urban use should be developed all at once.

So you do still need to do a case-by-case analysis of the particular request before you as to whether that particular urban use in that particular way would be appropriate and should be granted.

So there's a much longer discussion, but that's sort of my best 30-second reply.

You also asked how do we evaluate motions. Do we look at matters differently if petitioner is a charitable organization or does good for the world?

In its basic element, the answer is no.

Every petition is evaluated on its merits, not who brings it, with some exceptions with respect to if you have to evaluate petitioner themselves -- for example, financial capacity.

You do, however, evaluate different uses. So one use is for luxury condos, and another use is

for single and multi-family housing. You might look at those uses -- or you would look at those uses differently, because they fulfill different uses in the community.

You also asked about I think what you referred to as a phasing, EIS phasing. And I think maybe I would reframe that to ask how do you account for the need for supplemental EIS as time moves on? And that's an interesting question in this project because of the length. And I think it does need to get addressed.

The Office of Planning, I think, believes that needs to be addressed in the motion to amend the conditions and the potential district boundary amendment that will come before you. That and many, many, many, frankly, other questions.

When you asked about do you have concerns about the length of time, this plays into the exact same question, which is we do have -- it does make things very complicated when you come to the Land Use Commission on a particular case-by-case analysis for something that's going to take so long to develop, because our ability to predict the needs of the state, or the ability to predict what the conditions will be over that length of time is very,

very difficult. Which doesn't mean we will say no, but it means the analysis does become more difficult to do and, frankly, a little more tricky.

It may need to account for the need for updated studies. It may be we approve it as a -- not phase, interim --

MS. LIM: Incremental.

MR. YEE: Incremental. Incremental redistricting. And I'm not saying we will -- I'm not saying this is what we should do here. What I'm saying is these are some of the difficult questions we're going to have to face when this comes back to the commission.

I've actually made a list of several other issues that will have to be addressed, so I'm just going to take the opportunity to let everyone know at Kamehameha that these things are going to have to be addressed when you come back, particularly the water permits, the adequate traffic analysis, issues involving substantial commencement, issues involving compliance with your representations, future solar uses, the absorption rate of housing, and, frankly, many other things.

So these are relevant questions. They are vital to the larger project. But for the Office of

Planning, we believe these are issues that should be addressed -- not today -- which we think should be approved, because it's just for the solar part, but in that larger question.

Let me, as quickly as I can, because I know I'm running out of time, try to address the questions that have been raised regarding the dilemma that occurs involving housing and what is the extent of the Land Use Commission's power to require development. This came up, as you may recall, many months ago involving an affordable housing project.

How do you force a developer to develop, rather than allow the developer to revert back? And it's tricky. It's hard. There are limits to the Land Use Commission's power. There just are. And if a private landowner doesn't want to spend the money to develop a project, what other choice do you have other than revert the property back to agriculture?

I want to let -- and so when we look at this particular case, what we have to remember is this was approved in 1988. If you look back at that decision, there was no condition for compliance with their representations. None whatsoever.

There was no condition for substantial commencement of backbone infrastructure or substantial commencement of the project within any period of time. None. That's simply what the LUC decided in 1988.

Subsequent to that, they came back in 2014. Actually, let me take a moment just -- and what's important about that is if you look -- because this will come up in your discussions with your attorney -- is if you look at HAR Section 205-4, one of the first thing it says the Land Use Commission may -- not a condition -- require substantial commencement of the property. And if they do not, then you may revert.

And the question is what happens if you don't have a condition, if they -- whether they substantially commence or not? You know, so whether or not this does or doesn't constitute substantial commencement, the more important question might be what can you do even if they do substantially commence, when there is no condition to do so?

Subsequent to that, although this will --

Subsequent to that, although this will -- as I indicated, will be an issue we will need to address when they come back. The subsequent issues have come in. In 2014, they came for an amendment,

as you know. And there was a fight back then. I'm not sure if everyone remembers here, but there was a fight over the requirement to submit a revised master plan and their development for that.

It was something OP held very firm about, that, you know, without it, OP was not going to support solar, a solar permit, which in and of itself was something that was good to do.

We did require that they substantially comply with the representations of the development and operation of the solar farm, because at the time that's all we could get, you remember, because it's only with relation to the solar farm. But we thought for that, at least, we could link it there.

As you may recall, conditions have to be both roughly proportional to the impact as well as connected to the impacts of a project in order to be constitutional and not constitute a taking. So we got that from that.

Subsequently, they did submit a revised master plan, but it's just submittal of a revised master plan. It's not a house. It's just a piece of paper. An important piece of paper, and a piece of paper that involves consultation with many people. That's an important thing to do, but it's

still a piece of paper, not a house.

And then in 2020, they came in again, because stuff again happened. And at that point, what was -- one of the important parts of that, and there was a big fight, you may remember, or a big discussion about the backbone infrastructure requirement. And you specifically required, and they agreed -- at least they didn't appeal -- the requirement to complete construction of the backbone infrastructure for Phase A by 12/31/30.

And that was important, because we knew that they were going to have to come back to the Land Use Commission at some point, because based upon the uses in 1988, we knew it was not going to be the same as it was going to be in certainly 2030.

So much of what we have looked at in this particular motion has been what can we do to require them to come back to the Land Use Commission as soon as possible? Because that's what's going to have to happen in order for those houses to be built.

So we knew they had a sort of a general idea. They were looking at a district boundary amendment for a certain piece of property on the southern or the makai section, because that was important to -- let me try to finish this and then

1 summarize.

That was important, because that was their connection to other infrastructure and the houses. We thought they were going to have come back to you for something, and the question was how do we force them to come back.

And so, condition 1 was part of that.

That is, the environmental impact statement was not put in there as a replacement because we thought that was a way to connect with the public. It was a way to make sure they came back to the Land Use Commission, because in order to do a draft EIS, you have to hire consultants, and you have to pay a lot of money, which you will never get any money back from until you proceed with development and the sale.

So the reason we wanted -- and because in order to do an EIS, you have to know what you're planning. So it might not have maybe the same consultation process with the public, but it gets them back to the LUC. It puts a deadline by which it will encourage them to come to the LUC, because the EIS is such an important and expensive element which would have to be completed for that process. So it put a time deadline on that important

provision.

I know I'm running out of time, so let me just conclude by saying this particular matter before you, we think, is not a difficult question, because it's involving solar.

The second issue before you is going to be much more complicated. All we're asking is you not conflate those two things. Approve this, and then let's move on to the next step as soon as possible. Thank you.

CHAIR SCHEUER: Thank you, Mr. Yee. We will reserve our opportunity to ask you questions at our next meeting on this matter.

It is 2:58 p.m. I thank everybody for your forbearance as we went through our first hybrid meeting.

Ms. Lim?

MS. LIM: Chair, commissioners, in light of the request to your AG to provide some kind of analysis on substantial commencement, petitioner Kamehameha Schools would ask for the opportunity to provide a simple brief to be filed to provide our analysis for the substantial commencement issue if, in fact, that's still an issue.

CHAIR SCHEUER: We certainly wouldn't



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   object to any briefs that you want to file with us
   on that matter.
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             MS. LIM:
                        Thank you very much.
             CHAIR SCHEUER:
                              Same goes for DPP and OP,
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   if you chose to.
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             Thanks for everybody's forbearance in the
   virtual and physical worlds. For this, what I
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   wanted to make sure to make space for is that,
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   including a very long and successful career as the
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   administrator of the State Land Use Division of the
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   Office of Planning and Sustainable Development,
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   Rodney Funakoshi is no longer going to grace us with
   his presence. This is his last meeting before his
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   incredibly well-deserved retirement.
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             And I will say as somebody who -- it would
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   be no secret -- while I've not always agreed with
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   Mr. Funakoshi on every stance he has taken before
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   the commission, I have no question about his
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   commitment to do what he believes is right for the
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   state, and I know everybody would join me in
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   thanking Rodney for his service to us, and wish him
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   the best.
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             At this point, do you want to say
24
   something?
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             MR. FUNAKOSHI:
                              Yeah. I appreciate your
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   statement.
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              CHAIR SCHEUER: Okay. Thank you very
 3
   much.
              With that, I believe there's no further
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   business to attend to, and our meeting is adjourned.
   Mahalo.
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              (Meeting adjourned at 3:00 p.m.)
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CERTIFICATE I, Davilyn Payne, do hereby certify that the proceeding named herein was professionally transcribed on the date set forth in the certificate herein; that I transcribed all testimony adduced and other oral proceedings had in the foregoing matter; and that the foregoing transcript pages constitute a full, true, and correct record of such testimony adduced and oral proceeding had and of the whole thereof. IN WITNESS HEREOF, I have hereunto set my hand this 3rd day of May, 2022. Davilyn Payne Davilyn Payne