

Not more than 25% of Petitioner's total job-generation requirement may be satisfied in this manner.

b. Jobs Generated - - - - - ects

New facilities provide the means and opportunity for the establishment and/or growth of businesses and the generation of new, non-tourism related jobs. Petitioner, therefore, may receive credit for the development of new non-tourism related projects or facilities, either within or outside the Petition Area. Credit for jobs created by such new facilities will be calculated on the basis of the degree of integration of the intended use of the facility with the tourist industry. Credit for one (1) non-tourism related job shall be given for the specified amount of floor space in the following types of facilities:

<u>Type of Facility</u>	<u>Floor Space (square feet)</u>	<u>Credit</u>
Office	200	100d%
Warehousing/Storage	1,000	100d%
Manufacturing	300	100d%
Research Facility (e.g. High-Tech)	150	100e%
Recreation and Other Activity Centers	1,000	100 %
Private Schools and Day-Care Centers	300	100e%
Agricultural Facility (e.g. Greenhouses and Processing Plants)	1,000	100e%
Retailing	300	60%

Credit for other types of facilities will be determined on a case-by-case basis.

Business Incentives Training

Receive one (1) job credit for (i) each \$50,000 invested by start-up of a non-tourism related business (by way of equity or a loan fund for such business), (ii) each \$25,000 invested in a new non-tourism related business, and/or (iii) contributed in training programs for non-tourism related jobs. Petitioner shall consult with OSP to identify investments, incentives and training programs which qualify for credits under this category.

A minimum of 10% of Petitioner's job-generation requirement shall be satisfied in this manner.

d. Earning Job Credits

Credits for jobs generated under subparagraphs a. through c., above, shall not be eligible for satisfaction of this condition unless, within two years after they accrue, they are reported to the LUC in Petitioner's annual report. Job credits shall be considered to have accrued under subparagraph a. when the Developer pays for the labor; under subparagraph b. when the certificate of occupancy is issued or such earlier date as may be approved by the LUC; and under subparagraph c. when the investment is made, the incentive is given, or the job training program is funded.

Petitioner's annual report to the LUC shall discuss in detail its progress in earning job credits. Additionally, Petitioner shall provide OSP with information concerning the manner in which Petitioner's claim for job credits is calculated as well as written certification by the Developer that all information provided is correct.

Job credits shall be considered earned only upon approval by the LUC. Petitioner may file a motion for approval of job credits with the LUC at such time as may be mutually agreeable between Petitioner and OSP, provided that said motion shall be filed prior to the Petitioner obtaining a building permit for the construction of hotel or hotel/condominium units to which the job credits will be applied.

At the time Petitioner obtains a building permit, Petitioner shall satisfy this condition by depositing cash or posting a bond or a letter of credit, in a form satisfactory to OSP, in an amount equal to the product of \$25,000 multiplied by the number of hotel or hotel/condominium units for which a building permit is issued, less any job credits previously earned. As job credits are earned and applied in satisfaction of this condition, Petitioner may submit a motion to the LUC for the refund of the funds paid to OSP or a reduction of the bond or letter of credit issued in favor of OSP. Five (5) years after the date the building permit is issued, OSP shall have the right to retain cash or make claim on the bond or letter of credit in an amount equal to the product of \$25,000 multiplied by the number of hotel or hotel/condominium units for which the building permit is issued, less any job credits previously earned.

Prior to the expiration of the five-year period, Petitioner may seek an extension of time to satisfy its job-generation requirement. An extension may be granted upon such additional terms as may be appropriate, provided that Petitioner establishes substantial compliance with this condition and specifies the methods, means and time in which it intends to satisfy this condition.

Except for the limitations regarding subparagraphs a. and b. and the 10% minimum required by subparagraph c. Petitioner shall determine the manner in which the remainder of its job-generation requirement may be allocated.

All funds obtained by OSP under this condition shall be applied to any one or more of the programs specified in subparagraph c. above.

**Status:** By the Order Granting Motion for Approval of Job Credits and Motion for Clarification and/or Modification of Condition entered in this docket on February 8, 1994, the Commission approved 2.47 job credits earned pursuant to subparagraph a. and subparagraph c.(iii) and to be counted towards satisfaction of this Condition 1. These job credits were earned for payments and disbursements made prior to 1992.

Job credit activities during calendar year 1992 was reported by HASEKO in its 1993 annual progress report in this docket dated October 18, 1993. HASEKO reported activity which may earn an additional 6.22 job credits. Another 3.50 possible job credits for

disbursements made during calendar year 1993 were reported to the Commission in HASEKO'S 1994 annual progress report (dated October 17, 1994) and a supplemental report dated January 5, 1995.

For disbursements made during calendar year 1994, HASEKO will be seeking approval of up to 2.41 job credits. These credits sought fall within subparagraph a. and subparagraph c.(iii) of Condition 1.

Job Credits Pursuant to Subparagraph Condition 1. The jobs upon which these job credits are based were generated by the Ewa Marina Community Development and also by several non-tourism related projects being developed by local affiliates of HASEKO. The non-tourism related projects being developed by HASEKO's local affiliates which have been included in these motions for job credits include:

a. Keeaumoku Office/Retail Project. This is a leasehold office/retail project being developed at Makaloa, Keeaumoku, and Rycroft Streets in Honolulu. It is anticipated that this project will contain at least 400,000 square feet of retail space and at least 135,000 square feet of office space. Structurally connected to the Keeaumoku Project and included, for purposes of reporting job credits earned, in the account of the Keeaumoku Project is the Sheridan Residential Condominium Project. In 1991, the land lease for the Keeaumoku Project and fee simple title for the Sheridan Project were obtained. Conceptual design work for the buildings and preliminary marketing has begun.

Under consultation with the State Department of Health (DOH), 23 underground storage tanks were removed from the site as well as approximately 2,300 cubic yards of contaminated soil surrounding those tanks. Approval of completion of soil clean-up was issued by DOH in February, 1994.

b. Beretania Condominium Project. This fee simple residential condominium project located on South Beretania Street in Honolulu includes 34 residential units. A certificate of occupancy has been issued by the City Building Department.

c. Pu'uhonua Project. Located in North Kona on the Island of Hawaii, this residential development project encompasses approximately 143 acres. Phase I of the project was completed and sold in 1990. In 1991, a request for zone change to facilitate Phase II of the development was approved by the Hawaii County Council. A new well for this project, Keopu Well (State Well No. 3957-01) was drilled and is being maintained by the developer.

Exhibit IIa indicates in detail the number of hours paid for by HASEKO and its affiliates to the various vendors. A total of 75,062 hours of construction related labor was paid for in calendar year 1994, which translates into 39 man-years or 1.56 job credits.

Job Credits Pursuant to Subparagraph c.(iii) of Condition 1. Cash contributions amounting to \$5,825 were made to six organizations to fund scholarships and other educational endeavors. Detailed information regarding these contributions are provided in the attached Exhibit IIb. Additionally, HASEKO in 1994 provided rent-free office space to West Oahu Employment Corporation (WOEC). This in-kind contribution, valued at \$15,300 (see Exhibit IIc), enables WOEC to maintain a presence in Ewa Beach. WOEC facilitates a program to provide educational and basic skills instruction to prepare Ewa residents for job opportunities, including opportunities which will be created with the development of the Ewa Marina's maritime commercial complex. Contributions qualifying under subparagraph c.(iii) total \$21,125, which translates into 0.85 job credits.

In summary, HASEKO will be seeking approval of up to 2.41 job credits for disbursements made in calendar year 1994. Pursuant to subparagraph d. of this Condition 1, HASEKO will file a motion for approval of these job credits, as well as job credits earned previously but not yet approved, at a later time to be mutually agreeable to HASEKO and OSP.

## Condition 2<sup>3</sup>

As Petitioner has volunteered to ameliorate the anticipated social impacts of the project by the conveyance of its 9.4-acre beachfront land to the City and County of Honolulu pursuant to the terms of the Unilateral Agreement and Declaration for Conditional Zoning dated November 29, 1993, Petitioner may convey such property in lieu of the golf course play provision as set forth hereinafter.

If Petitioner does not convey its 9.4-acre beachfront land to the City and County of Honolulu pursuant to the Unilateral Agreement and Declaration for Conditional Zoning dated November 29, 1993, Petitioner shall make available adequate golf tee times (no less than 40 percent of the total tee times) at affordable rates for public play by Hawaii residents based on prevailing rates for public play at privately owned golf courses. This condition may be fully satisfied by the development by Petitioner of an 18-hole public play course within and/or outside the Petition Area acceptable to the Office of State Planning.

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<sup>3</sup> As amended by the May 3, 1994 Order Granting Motion for Relief From and/or Modification of Condition No. 2 of the Decision and Order Entered on October 17, 1990.