

STATE OF HAWAII
LAND USE COMMISSION
Meeting held on May 7, 2025
Commencing at 9:30 a.m.

Held at
AC Hotel by Marriott Honolulu Alakea Room
1111 Bishop Street
Honolulu, Hawaii 96813

I. CALL TO ORDER

II. INFORMATIONAL BRIEFING ON DOCKET NO. A87-610 TOM
GENTRY AND GENTRY PACIFIC, LTD. - KAMEHAMEHA SCHOOLS
REVISED WAIAWA MASTER PLAN AND PROJECTED SCHEDULE

Briefing from Kamehameha Schools on their Revised
Waiawa Master Plan and Schedule that was submitted
to the Land Use Commission on February 10, 2025.

Files pertaining to this docket are available at:
<https://luc.hawaii.gov/a87-610>

Parcel information: TMK No. 9-4-06: Portion of 26;
9-6-04: Portion of 1 and Portion of 16; and 9-6-05:
Portion of 1, Portion of 7 and Portion of 14
approximately 1,395 acres located in Waiawa, 'Ewa,
O'ahu, Hawai'i.

III. DISCUSSION AND ACTION: ELECTION OF COMMISSION
OFFICERS FOR FISCAL YEAR 2025(JULY 2025 - JUNE 2026

Pursuant to Section 92-4 & 92-5, HRS, the Commission
may go into Executive Session in order to consult
with its attorney(s) on questions and issues
pertaining to the Commission's powers, duties,
privileges, immunities, and liabilities.

IV. DISCUSSION: PROTOCOL FOR EXECUTIVE OFFICER'S
PERFORMANCE EVALUATION FOR FISCAL YEAR 2025
(JULY 2024 - JUNE 2025)

Pursuant to Section 92-4 & 92-5, HRS, the Commission
may go into Executive Session in order to consult
with its attorney(s) on questions and issues
pertaining to the Commission's powers, duties,
privileges, immunities, and liabilities.

V. APPROVAL OF MEETING MINUTES FOR APRIL 23, 2025

Meeting Minutes are available at:
<https://luc.hawaii.gov/meetings/2020s>

VI. TENTATIVE MEETING SCHEDULE

VII. ADJOURNMENT

BEFORE :

PARTICIPANTS

LUC COMMISSIONERS:

Dan Giovanni, Chairman

Michael Yamane

Mel Kahele

Brian Lee

Ken Hayashida

Ku'ike Kamakea-'Ohelo

Myles Miyasato

Nancy Carr Smith (via Zoom)

Bruce U'u (via Zoom)

LUC STAFF:

Daniel Orodener, Executive Officer

Scott Derrickson, Chief Planner

Ariana Kwan, Chief Clerk

John Dubiel, Esq. Deputy Attorney General

OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT

("OPSD"):

Alison Kato, Esq., Deputy Attorney General

Ruby Edwards, Planner

Aaron Setogawa, Planner

PARTICIPANTS CONTINUED

CITY & COUNTY OF HONOLULU, PLANNING DEPARTMENT ("C&C
HNL")

Brad Saito, Esq., Corporation Counsel

Pono Arias, Esq., Corporation Counsel

KAMEHAMEHA SCHOOLS ("KS")

Jennifer Lim, Esq., Outside Counsel

Walter Thoemmes, Managing Director

Alan Arakawa, Castle & Cookie

HAWAII LUC MEETING

HELD ON

MAY 12, 2025

9:30 A.M.

CHAIR GIOVANNI: It's 9:36, according to my clock. And this is the LUC meeting, May 7th, 2025. So aloha mai kakou. Good morning, everyone. This is the May 7th, 2025 Land Use Commission meeting. This is a hybrid meeting in -- which is being held at the AC Hotel by Marriott at 1111 Bishop Street, Honolulu, Hawaii 96813. The meeting is open to the public.

Court reporting transcriptions are being done from this Zoom recording of the meeting. Ms. Kwan, can you confirm that the Zoom recording is being -- in progress?

MS. KWAN: Yes, Mr. Chair.

CHAIR GIOVANNI: Thank you.

For all meeting participants, I'd like to stress the importance of speaking slowly, clearly, and directly into your microphone. And before speaking each time, please state your name and identify yourself for the record. I'd also like to inform that I recently had some eye surgery, and my

1 eyes are still adjusting.

2 So, from time to time, I may ask for a
3 little assistance to see any visuals in the room.
4 So I appreciate your indulgence with that. This is
5 a hybrid meeting, and please be aware that all
6 meeting participants are being recorded on the
7 digital Zoom record, which will be posted on
8 YouTube, and it's also being used for court
9 reporting purposes.

10 And your continued participation is your
11 implied consent to be part of the public record of
12 this event. If you do not wish to be part of the
13 public record, you should exit the meeting now.
14 I'll also share with all participants that we will
15 be taking breaks from time to time, nominally five
16 to 10 minutes every hour or so. And we will also
17 take a lunch break, assuming the meeting proceeds
18 through the lunch hour. And that will be a longer
19 duration break.

20 My name is Dan Giovanni, and I have the
21 pleasure to serve as the LUC Chair. And we
22 currently have nine seated commissioners. Along
23 with me today and in person are Commissioner Yamane
24 from Kauai, Commissioner Brian Lee, Commissioner Mel
25 Kahele, and Commissioner Ken Hayashida, and

Commissioner Kamakea-'Ohelo from O'ahu.

Commissioner Bruce U'u, from Maui, is going to be joining us a little later in the meeting today. So he will be joining us by Zoom. And Commissioner Carr Smith from Hawaii Island is also joining us by Zoom. And in the room today is Commissioner Miyasato from Hawaii Island.

For commissioners participating by Zoom, please indicate where you are attending this meeting, and if there is anyone else over the age of 18 present in the room with you. And I think that applies uniquely, at this time, to Commissioner Carr Smith.

COMMISSIONER CARR SMITH: Thank you, Chair. No one else in the room with me. Thank you.

CHAIR GIOVANNI: Thank you very much.

Also in attendance are LUC Executive Officer Daniel Orodenker, LUC Chief Planner Scott Derrickson, LUC Chief Clerk Ariana Kwan, and LUC Attorney General John Dubiel. Again, court reporting transcriptions are being done from a Zoom recording.

Our next order of business -- our first order of business is Docket A87-810 (sic), Kamehameha Schools Successor Petition. It's an

1 informal briefing on this docket from Kamehameha
2 School petitioner to Tom Gentry and Gentry Pacific.
3 This will be an informational briefing from the
4 petitioner on their revised Waiawa master plan and
5 schedule. And it was submitted to Land Use
6 Commission on February 10th, 2025.

7 At this time, I'd like all the parties to
8 identify themselves, and we'll start with the
9 petitioner.

10 MS. LIM: Good morning, Chair and
11 Commissioners. I'm Jennifer Lim, and I am outside
12 counsel representing Kamehameha Schools.

13 MR. THOEMMES: Aloha kakou, Commissioners,
14 Staff, Participants. I'm Walter Thoemmes, Managing
15 Director of Kamehameha Schools 'Aina Pauahi team.

16 CHAIR GIOVANNI: Mr. Thoemmes, may I swear
17 you in? I'm assuming you're going to be giving some
18 testimony, is that correct?

19 MR. THOEMMES: Yeah.

20 CHAIR GIOVANNI: I'll just swear you in
21 now and it's good for the day. So do you swear that
22 your testimony today before the Commission will be
23 the truth?

24 MR. THOEMMES: Yes.

25 CHAIR GIOVANNI: Thank you very much.

1 From the county?

2 MR. SAITO: Aloha mai kakou. Brad Saito,
3 Deputy Corporation Counsel. With me is Deputy
4 Corporation Counsel Pono Arias. Here for the
5 Department of Planning and Permitting.

6 CHAIR GIOVANNI: Mr. Arias, are you an
7 attorney?

8 MR. ARIAS: Yes.

9 CHAIR GIOVANNI: So I don't need to swear
10 either of you in.

11 MR. SAITO: That's correct. Thank you.

12 CHAIR GIOVANNI: So from OPSD.

13 MS. KATO: Good morning. Alison Kato,
14 Deputy Attorney General for the Office of Planning
15 and Sustainable Development. Also here with me is
16 Aaron Setogawa from OPSD, and Ruby Edwards is
17 somewhere that way.

18 CHAIR GIOVANNI: Let me swear in Mr.
19 Setogawa.

20 Mr. Setogawa, do you agree that if you
21 provide testimony today, it will be the truth?

22 MR. SETOGAWA: I do.

23 CHAIR GIOVANNI: Thank you very much.

24 This time we'd like to ask the
25 commissioners themselves if they have any

1 disclosures of conflicts of interest to present.

2 So, in accordance with HRS 84-14, commissioners are
3 not allowed to take any official action affecting
4 any business in which they are, or a member of their
5 family has a financial interest.

6 They must, therefore, recuse themselves
7 from this matter if there's any benefit, monetary or
8 otherwise, to themselves or members of their family.
9 Also, in accordance with legal ethical standards,
10 commissioners should disclose any relationship --
11 business, social, or otherwise -- that they may have
12 with the petitioner or its representatives, or any
13 other parties to this proceeding that may give rise
14 to an -- an allegation or -- of bias or impropriety.

15 Do any of the commissioners have any
16 conflicts of interest or disclosures to make at this
17 time?

18 COMMISSIONER MIYASATO: Chair?

19 CHAIR GIOVANNI: Who's that?

20 COMMISSIONER MIYASATO: Yeah, I just have
21 a son that attends KS on the Big Island, but I'm
22 able to be fair and impartial. So no financial
23 obligations or connections except his tuition.

24 CHAIR GIOVANNI: Thank you.

25 That was Commissioner Miyasato. So,

Commissioners, does anybody have any objection to the continual participation of Commissioner Miyasato?

Parties, any objection?

MS. LIM: No objection from Kamehameha Schools.

CHAIR GIOVANNI: Thank you.
County?

MR. SAITO: No objection.

CHAIR GIOVANNI: Thank you.
State?

MS. KATO: No objection. Thank you.

CHAIR GIOVANNI: Thank you.

And thank you, Mr. Miyasato.

Anybody else?

COMMISSIONER HAYASHIDA: Commissioner Hayashida. I'm a personal friend of Walter Thoemmes. And I do -- as my company does do some work for Kamehameha Schools.

CHAIR GIOVANNI: Do you think that would influence any decision you might make in this regard?

COMMISSIONER HAYASHIDA: No, not -- this is -- not in this regard.

CHAIR GIOVANNI: Thank you.

Commissioners, do you have any objections or concerns about Commissioner Hayashida? Seeing none.

Petitioner?

MS. LIM: No concerns. Thank you.

CHAIR GIOVANNI: Thank you.

County?

MR. SAITO: No objections.

CHAIR GIOVANNI: And State?

MS. KATO: None. Thank you.

CHAIR GIOVANNI: Thank you.

Commissioner Hayashida, thank you very much. Please continue with us.

Anybody else?

Okay. So let me briefly outline today's procedure. I will begin by acknowledging the written public testimony submitted on this matter. I will then invite members of the public who wish to provide oral testimony. Following public testimony, the Staff Planner will present a briefing on the staff report that has been posted for this docket.

After the staff briefing, the Petitioner will be invited to give their informal presentation. Upon conclusion of the Petitioner's presentation, I will ask the County and then the State Office of

1 Planning for any questions or comments they will
2 have. And then Commissioners will have the
3 opportunity to ask questions of the parties --
4 excuse me -- ask party questions for each of their
5 presentations.

6 I will then reopen the floor to public
7 testimony for any new or additional oral testimony.
8 As a reminder, this is an informational briefing
9 only. No -- no deliberations or actions will be
10 taken on this matter. And public testimony may be
11 in person or it may be by Zoom.

12 The Chair would also like to remind you
13 that I will be calling for short breaks today from
14 time to time, nominally five to 10 minutes every
15 hour. As stated on today's agenda, please be
16 informed that the relevant records and documents
17 pertaining to this matter can be accessed for your
18 review on the LUC website at
19 <https://luc.hawaii.gov/a87-610>.

20 At this time, I will ask if there's
21 anybody that would like to give public testimony.
22 Ms. Kwan, has anyone signed up to give public
23 testimony?

24 MS. KWAN: We've received no written
25 testimony and nobody in the room or on Zoom has

1 indicated they wanted to submit testimony on this
2 matter.

3 CHAIR GIOVANNI: Okay. So we have no
4 written testimony and no public testimony in person.
5 No one's registered?

6 MS. KWAN: Not at this time, Chair.

7 CHAIR GIOVANNI: Very good.

8 So now we'll proceed to the presentations.
9 First, I'd like to call on Mr. Scott Derrickson.
10 Please summarize the staff report for us and any
11 staff concerns.

12 MR. DERRICKSON: Aloha kakou. Scott
13 Derrickson, Chief Planner. I'm going to do a
14 summary of the staff report, which was submitted on
15 May 2nd, 2025, and posted to the LUC website at that
16 time. This is for Docket A87-610, now known as the
17 Kamehameha Schools Waiawa Project.

18 This is an informational briefing that was
19 requested by the Petitioner to update the Commission
20 on its revised master plan and development schedule
21 pursuant to Condition 1 of Land Use Commission's
22 2022 Decision and Order.

23 The A87-610 docket originally involved
24 reclassification of approximately 1,395 acres of
25 land from the State Land Use Agricultural District

1 to the State Urban District at Waiawa, O'ahu.

2 That's in Central O'ahu on the leeward side of the
3 Ko'olau Range adjacent to the H2 freeway.

4 The original district boundary amendment
5 was granted on May 17th, 1988, and it was subject to
6 10 conditions at that time. The project was
7 anticipated to be completed in three phases over the
8 course of the -- of 12 years, or by the year 2000.
9 In 2021, there was a motion to amend to extend time
10 and release conditions.

11 On June 30th, 2022, the Commission
12 submitted a --finalized an order which included
13 Condition 1, which is the subject condition that
14 we're here today to address. And that Condition 1
15 of the 2022 order reads, "Revised master plan:
16 Petitioner shall submit to the Commission a revised
17 master plan and schedule for development for the
18 approximately 1,395-acre petition area by February
19 11th, 2025. Provided, however, that this condition
20 may be satisfied by publication of a draft
21 environmental impact statement that addresses the
22 petition area prior to February 11th, 2025."

23 In 2024, the -- the Petitioner submitted
24 its annual report, and the Commission has received
25 annual reports from 1998 through 2024 and years 2009

1 through 2024, which are available on the LUC's
2 website. The Petitioner also provided a PowerPoint
3 presentation, which they're going to use today. We
4 got that late yesterday, and it has now been posted
5 to the LUC website.

6 And the staff also did a analysis, and we
7 just note that Castle & Cooke Homes has been
8 selected as a -- a developer by the Petitioner.
9 They are also a developer of the All-793 Koa Ridge
10 Project, which includes a portion of undeveloped
11 lands that are subject to incremental approval by
12 the Commission, which are actually adjacent to the
13 KS Waiawa property. The development of Koa Ridge
14 Mauka, which is that incremental section, has
15 previously been described as being interconnected
16 with the development of the KS Waiawa Project.

17 Some of the differences that I think are
18 in this revised master plan from the originally
19 approved master plan from the Gentry time was a
20 removal of two golf courses, a refocusing of the
21 housing from a leisure development -- leisure
22 retirement projects to kama'aina housing, a
23 potential increase in the number of homes -- which
24 were 7,900 under the Gentry plan, and which could be
25 up to 12,400 under the new sustainable -- Central

1 O'ahu Sustainable Communities plan -- and the
2 inclusion of potentially some 530 additional acres
3 of land that might require reclassification into the
4 urban district.

5 Also, of note, the revised master plan
6 indicates that the first residential unit might be
7 delivered by first quarter 2036. Staff notes that
8 that is 36 years after the initial project was
9 supposed to be completed in the year 2000, and 48
10 years after the LUC originally approved the
11 petition.

12 Some of the questions that the staff
13 raised in its report were: "Does the -- does KS
14 plan on filing a motion to amend to extend deadlines
15 in Condition 11 of the 2022 order regarding the
16 master plan infrastructure deadlines?" And if
17 Petitioner knows what is the agency that they are
18 intending to be the accepting authority for their
19 EIS.

20 At this time, the staff has no
21 recommendations as this is just an informational
22 briefing and no action is necessary.

23 CHAIR GIOVANNI: Thank you, Mr.
24 Derrickson.

25 Commissioners, do you have any questions

1 for Mr. Derrickson?

2 COMMISSIONER YAMANE: Mr. Chair?

3 CHAIR GIOVANNI: Commissioner Yamane.

4 COMMISSIONER YAMANE: Just a quick
5 question, Scott, was this an unsolicited proposal
6 for the briefing or is this something staff had to
7 kind of reach out for -- to get this briefing?

8 MR. DERRICKSON: I think that in
9 discussions with the Petitioner, that -- that it was
10 determined this would be a good opportunity for them
11 to brief us on both the revised master plan, which
12 they did meet the deadline on supplying under that
13 Condition 1, but there's also this draft EIS that's
14 out there as well, and they'll be able to talk about
15 -- about how that fits in and the timing of it.

16 COMMISSIONER YAMANE: Thank you.

17 No more questions, Mr. Chair.

18 CHAIR GIOVANNI: Thank you.

19 Anybody else have questions on staff
20 report?

21 Mr. Derrickson, do you have access to
22 Condition 11 before you?

23 MR. DERRICKSON: Yes, I do.

24 CHAIR GIOVANNI: Could you read that for
25 the record?

1 MR. DERRICKSON: Okay. Condition 11 of
2 the 2022 order reads, "Petitioner shall complete
3 construction of the backbone infrastructure for the
4 proposed Waiawa master plan phase A, consisting of
5 the primary roadways and access points, internal
6 roadways, on and offsite water and electrical system
7 improvements, and stormwater drainage, and other
8 utility improvements by December 31st, 2030.

9 In addition, Petitioner shall complete
10 construction of similar backbone infrastructure for
11 the proposed Waiawa master plan phase B by December
12 31st, 2038."

13 CHAIR GIOVANNI: Thank you.

14 So we'll now proceed with Petitioner's
15 presentation, Ms. Lim.

16 MS. LIM: Thank you, Chair.

17 So, as Mr. Derrickson correctly noted,
18 today, what we would like to do is just provide the
19 Commissioners an update now for two reasons. One
20 is, there's a condition that said that we had to
21 submit an updated master plan by this last February,
22 and that's been done. And then as Mr. Derrickson
23 correctly reported, we -- we did get together,
24 informally, with staff, to talk about, you know,
25 "We're going to be submitting this; would it be

1 appropriate to provide a presentation? Or is it
2 premature to do that?"

3 And, ultimately, as he -- as he noted, it
4 was acknowledged that it seemed best to just
5 proactively request the opportunity to come before
6 you, share the current conceptual master plan, maybe
7 solicit some feedback, some ideas that you folks may
8 have.

9 I mean, although this project has been
10 approved or urbanized for a long time, Kamehameha
11 Schools hasn't had it for a very long time because
12 it used to be under a development agreement with
13 Gentry. So -- and then when Kamehameha Schools
14 received the land back -- when the development that
15 Gentry proposed was not able to go forward --
16 Kamehameha Schools all of a sudden received, you
17 know, almost 1400 acres of land and started to
18 pursue solar development as sort of an interim use.

19 And Mr. Thoemmes will get into this in
20 more detail. But my point in bringing it up now is,
21 although there's been an urban approval, frankly,
22 for decades -- as Mr. Derrickson noted -- Kamehameha
23 Schools hasn't been in charge of developing this
24 urban land for decades. It was initially going to
25 be pursued by Gentry.

1 So now that the land returned to KS, the
2 solar farm developments have been approved by this
3 Commission, the solar farm developments have been
4 developed as -- as you'll see through Mr. Thoemmes'
5 presentation, KS, in the background, has been doing
6 a lot of work and has a lot more work to do, to be
7 honest.

8 But a lot of work investigating what are
9 the complexities of developing this land, what are
10 the challenges -- specifically infrastructure
11 challenges -- and what is the right development
12 partner. Because -- perhaps Chair Giovanni recalls
13 a -- and -- and perhaps Commissioner Kamakea-'Ohelo
14 also recalls from prior hearings -- when I say
15 "recall" -- KS has always been clear KS is not the
16 developer.

17 I mean, we all know what Kamehameha
18 Schools does, right? And -- and it's a charitable
19 institution, you know, educational institution. But
20 they want to see this land developed, and they need
21 to team up the right development partner. So all
22 that's by way of background. And what I'm going to
23 do now is pretty much turn this over to Mr.
24 Thoemmes.

25 I'll sometimes be interrupting him with

1 some questions, but maybe before I fully turn it
2 over and while I start sharing screen, Walter, would
3 you please introduce yourself again to the
4 Commissioners?

5 MR. THOEMMES: Yes. Aloha, Commissioners.
6 Walter Thoemmes. As I mentioned, I'm a managing
7 director at Kamehameha Schools, part of our land
8 team 'Aina Pauahi. I've actually been with the
9 organization 29 years now. And I have spent most of
10 that time in -- in the realm of -- of development,
11 planning, entitling our lands, first with the
12 campuses.

13 I was responsible for the building of both
14 the Maui and Hawaii campuses; pivoted into the
15 commercial sector about 15 years ago. Currently
16 oversee efforts that we have in Kapalama and
17 Kaka'ako and then Waiawa. Waiawa is kind of a
18 unique sort of project for us that, you know, I can
19 tell you 15 years ago wasn't in our plans, but
20 circumstances -- as I'll share with you -- resulted
21 in it coming back to our control.

22 So I'm also a member of the Stadium
23 Authority, newly christened, and talk about tough
24 projects. So I -- they seem to follow me around.
25 But in any event, thank you for your time and -- and

1 for indulging a little bit of my story today. So
2 far, in our agenda, we'll start today with kind of
3 restating our purpose.

4 And I want to spend a little bit of time
5 talking about who we are and kind of why this
6 project is interest to -- of interest to us, before
7 getting into the actual plan and -- and vision for
8 Waiawa, as well as talking about some of the -- the
9 technical matters of where we are, and the
10 challenges we face, and the schedule, and that sort
11 of thing.

12 So we want to present KS's updated Waiawa
13 master plan, development -- and development schedule
14 for a -- what we call a kama'aina-focused community
15 that addresses major development challenges, but
16 also aligns with -- with our mission as a private
17 educational trust that is committed to the wellbeing
18 of Native Hawaiians.

19 That might not be entirely obvious, and
20 so, hopefully, I can make that connection for you.
21 So I often find, you know, in these sort of
22 presentations people generally want to hear what
23 we're going to do, or when we're going to do it.
24 And we'll definitely get to that. But I think it's
25 important to start with who we are. And who we are

1 starts right here with Ke Ali'i Bernice Pauahi
2 Bishop.

3 I think most of us understand she was a
4 great-granddaughter of Kamehameha the Great and the
5 last lineal descendant of Kamehameha's 'ohana. So
6 why did she form the Kamehameha Schools? You know,
7 that she formed it, I think, is generally
8 understood; why she formed it, we kind of tend to
9 forget about sometimes. And it really is because of
10 what she saw every day, what she experienced in her
11 lifetime, which was the demise of her people.

12 So scholars have -- have said, you know,
13 the Hawaiian population around the time of Cook, in
14 the late 1700s, was anywhere between 600,000 and a
15 million people. Say -- let's just, for sake of
16 argument today, let's split the difference, call it
17 800,000.

18 When Pauahi was born in 1831, the
19 population was 124,000. When she died in 1884, that
20 population was 44,000. So she witnessed the decline
21 of her people. A lot of it was due to health, but
22 -- but with that decline also came a loss of
23 culture, loss of language. In fact, government
24 schools, during her lifetime, went to English, away
25 from the 'olelo that her people understood.

1 And, you know, and then their identity
2 gets lost. So she, like a lot of the Ali'i, at that
3 time, said, "Hey, what are we going to do about it?"
4 Right? And so Pauahi chose education. Emma chose
5 health. Lili'uokalani chose orphans and indigents.
6 Lunalilo, the elderly.

7 And -- and that's what kind of formed the
8 mission we have still to today. And so it's
9 important that we -- I state that only because when
10 people want to understand kind of our motivations in
11 doing things, it is about -- it is about restoring
12 people through education. That's our core mission,
13 right?

14 She still charges us with that today. And
15 what did she give us? What did she enable us?
16 'Aina, land. She -- she left behind tremendous land
17 resources, her significant land portfolio, which
18 today is 370,000 acres of land. And -- and this --
19 much of that traces back to her legacy, including
20 the Waiawa lands that we're talking about today.

21 This is actually a picture -- it's not
22 that great. I hope you can see it better online --
23 this is actually the -- the O'ahu holdings. And our
24 lands in -- in Waiawa are essentially a large
25 ahupua'a that starts near Pearl Harbor and goes all

1 the way up to -- to the summit or the peaks of the
2 Ko'olau Range.

3 Lands have, for a long time, been the
4 primary source of financial revenue for the trust,
5 and we continue to rely on it 'till today. So for
6 140 years, the organization has -- the Kamehameha
7 Schools has been around and been doing things --
8 doing good things. Sometimes it was good at the
9 time. And we look back now, maybe not so good in
10 today's context.

11 But we're constantly asking ourselves,
12 what are we doing today to fulfill the perpetuity of
13 her vision? How do we plan? How do we measure? A
14 big step we took in -- in 2015 was the creation of
15 this 2040 vision. And simply put, it's -- it's a
16 generational vision. For the first time, we're
17 looking generationally and we're essentially saying,
18 you know, within 25 years, we want to see this
19 thriving lahui where our learners achieve post-
20 secondary success.

21 So we're actually tying it to their
22 ability to matriculate through post-secondary
23 success. That could be college, that could be
24 trade-type education, whatever that is. What's
25 interesting here, though, is -- if you'll note

1 what's missing -- it doesn't say, "The kids
2 fortunate enough to go to our campuses." It -- it
3 is meant to imply all Native Hawaiian kids.

4 So we know what we can do at our campuses
5 for those fortunate enough to get in. But how do we
6 like expand our support? We can't build campuses
7 all over the place, but really it has caused us to
8 look to partnerships and ways to fund our mission
9 outside of the doors of our campus.

10 And -- and all of that takes capital; it
11 -- it takes resources; it takes partnering with
12 others from government to -- to other private sector
13 players. So here's a snapshot infographic of -- of
14 the organization today. This is actually as of June
15 30th, our fiscal year close of 2024.

16 And so maybe I'll start on the left side.
17 Educationally, we spend about 523 million. That was
18 our -- our budget for last year. You can see a lot
19 of that spend is on campuses, preschools,
20 scholarships, community partnerships, a lot of
21 CapEx. Three campuses take a lot to upkeep and --
22 and administrative.

23 Learners reach, currently, we have 7,200
24 at our campuses and preschools, and another close to
25 87,000 or 88,000 through partnerships with the DOE,

1 with other nonprofit education providers, through
2 other schools -- other private schools we -- that we
3 also support, as well as scholarships to many to
4 advance their -- their post-secondary careers.

5 This is all funded by our endowment. So
6 on the bottom right there, the collar leaf
7 represents our endowment. It was 15.2. I'm not
8 sure exactly what it is today with the markets being
9 the way they've been. But 98 percent of -- of what
10 -- what's expended comes from the endowment.

11 So that is a pretty heavy reliance on us
12 being able to generate resources. Now, 'aina, land,
13 you can see on the right side of that collar leaf is
14 31 percent. So 31 percent of that endowment is
15 land. And so if you look above the collar leaf, the
16 land is broken up by its current use.

17 67 percent of it is conservation. That's
18 not generating any resources. Agriculture does in
19 -- limited, but it does. And it's super important
20 to us. We have a lot of strategies around
21 agriculture and -- and -- and improving the food
22 system. Real estate -- Hawaii commercial real
23 estate's about 4 percent. So the -- the lands we're
24 actually talking about now in Waiawa, it's part of
25 that.

1 It's actually classified it's intended to
2 generate resources for the trust. So that kind of
3 gives you an overall update of kind of how we're set
4 up funding-wise. But, you know, "Why -- why are you
5 here talking about real estate, Walter? Why is
6 Kamehameha Schools even -- even interested in -- in
7 pushing a project like that? Shouldn't you just be
8 running a school?"

9 You know -- you know, as I mentioned, we
10 depend on our real estate to provide resources for
11 our mission. If you had asked me 29 years ago when
12 I -- when I came to Kamehameha, I would've -- that
13 would've been the only answer I gave you: "We just
14 need to make money so we can run the school."

15 Today, it's not -- not quite that simple.
16 Yes, we still need to make money to run the school,
17 but how we run it, how we run our real estate, how
18 we seek to create value, how we develop has to have
19 a greater purpose than making money, because the way
20 we've held land for the past a hundred years has
21 been very passive.

22 We've been a -- we've chosen a very low-
23 risk profile, largely ground lease our properties,
24 let other developers take all the risk. We sit back
25 and collect rent, right? It's great deal. Problem

1 with that is all the developers then decide what to
2 do with the land.

3 They own it; they control it. Hell,
4 Gentry had this for 30 years, right? What -- what
5 -- we're missing the opportunity to use those
6 activities to address the deficits in the community
7 that we have, our Native Hawaiian people have when
8 we are so passive. So about 15 years ago, we said,
9 "How do we take back control and better plan, better
10 direct the use of our lands, the projects that come
11 out of it?"

12 You know, a developer might just say,
13 "Okay. Let's put a warehouse there that -- maybe
14 that was -- maybe that's the right thing, but maybe
15 there's other -- other ways that we can create
16 impact along with our need to generate resources.
17 And -- and I think, you know, why is that?

18 I -- I don't want to, you know, I don't
19 want to restate the obvious, but we're losing so
20 many of our young people, our graduates who've come
21 out of our schools, who we believe we're educating
22 to be future leaders of Hawaii. And they're going
23 away to college on our scholarships and not coming
24 back. They're not coming back because they can't
25 afford to live here. They can't afford the housing.

1 They can't afford -- the jobs don't pay enough,
2 right? So how can we be successful, as an
3 organization, when that's the outcome?

4 We, you know, are educating the future
5 leaders of, you know, Las Vegas or, you know, LA, or
6 wherever it is they're going. So, you know, we look
7 at things like housing and we study kind of -- this
8 is a -- this is a busy slide, and -- and I won't
9 kind of go through it all, but -- but, basically,
10 what I'm showing here is since statehood -- at the
11 time of statehood, the cost of a home was about
12 three times the median income of a family of four.

13 It was actually 21,000 and a family made
14 about 7,000 at the time. Fast forward to 2022, it
15 says it right there, I mean, median income, 113,000,
16 and the cost of a home, 1.1 million. 10 times. Now
17 we can say there's a lot of reasons. You know, we
18 got foreign investment, short-term rentals. We got
19 second home market. We've got regulation. Hell,
20 land oligarchies. Throw us in there too.

21 The reality is the outcome is what it is,
22 and it -- it's going to take a collective effort to
23 produce more housing. What's in the background --
24 it's really hard to see -- is actually we went and
25 plotted the relative permits issued by the City and

1 County of Honolulu over time. And you can see up
2 until about the mid-'70s, we were -- we were -- as a
3 community, we were cranking up housing.

4 A lot of that was actually happening on KS
5 land in the old lease -- leasehold land development
6 of the time. And it really came crashing down in
7 the mid-'70s for a lot of reasons: inflation got
8 real high, you know, much more environmental
9 concerns, and we -- we were trying to do things in a
10 better way.

11 But it is what it is, right? And so here
12 we are, salaries have not climbed, costs have
13 climbed, and there are many solutions out there.
14 Producing more housing is a solution, we believe.
15 And -- and I think Waiawa, as well as some of our
16 other properties, which I'll share with you,
17 provides part of that promise.

18 We've been dealing with costs like
19 everybody else. Again, this is not anything you
20 folks don't know. It is expensive in Hawaii. It is
21 even more expensive to build housing in Hawaii. So
22 we've actually plotted here, since 2000, the
23 compound annual growth rate of CPI versus this is
24 vertical housing costs.

25 This is -- forget land and infrastructure,

1 this is just the cost to build a house, right? The
2 walls, the floor, the fixtures. The CAGR is 4.1
3 percent cost to build a house versus a -- a -- a
4 broader CPI index of 2.8. So it's about 50 percent
5 more. Our cost to build homes are accelerating
6 against the general cost structure of -- of
7 Honolulu.

8 So, you know, part of this is -- just to
9 share, like this is hard stuff. And there's a lot
10 of things that need to be solved to make this
11 project -- as well as other housing projects --
12 feasible. Okay. So I'll jump into -- so thank you
13 for -- for your patience with that. I'll jump kind
14 of into or get into kind of KS at a -- a lower level
15 around our 'aina and our vision for Waiawa.

16 So I'll start with this 'olelo no'eau, I
17 Hawai'i No Na Hawai'i I Ka Aina, right? So our
18 belief that 'aina is core to Hawaiian identity,
19 wellbeing, and it frames our -- our history,
20 traditions, and relationships. We have to keep this
21 at the forefront with anything we do, including
22 urban development, including reforestation or
23 watershed development.

24 It's just a way for us to keep connected
25 to the fact that 'aina is so important to our people

1 and our culture. Now we take a regional approach.
2 When you have the amount of land we have in so many
3 places that we have it, we realize everywhere is
4 different. So, as stewards, we cannot think that we
5 have one solution for everything. We -- we think by
6 moku or region.

7 And our approach is to assess the needs of
8 -- of each moku or each region and come up with
9 solutions that are -- are needed in that area. So
10 -- but we do categorize it around these six elements
11 of education, housing, infrastructure -- which
12 includes transportation equity -- business and jobs,
13 health and -- and just the healthiness and care of
14 the 'aina.

15 So every region is different. I would be
16 sitting here, you know, if I were doing something in
17 Kahala, our approach there would be very different
18 than here in Waiawa or in Waipahu, just in terms the
19 -- the need of that community is different, the
20 opportunities are different. And so KS strategies
21 will be very different.

22 I actually have kind of been writing this
23 -- this journey the last 15 years. This is a slide
24 that -- I think we all know what this slide depicts.
25 It depicts our transit system, not all of it.

1 Basically from Waipahu because we -- we don't
2 control any land west of that station. But we
3 recognized -- and -- and -- and this is not
4 something that informed the Gentry plan -- but we
5 recognized that we got back control of Waiawa, 10 or
6 so years ago, that rail was coming.

7 And like we did with all our other lands,
8 we started to identify the -- the opportunity that
9 KS could participate in making the most out of this
10 -- what I call our collective investment into
11 transit -- because we're all paying for this, right?
12 And we identified lands in five areas along the
13 transit line: Waipahu, these lands in Waiawa,
14 Ka'onohi, which is the 'Aiea area, Kapalama, and
15 Kaka'ako.

16 Now we started in Kaka'ako. Maybe you've
17 been down to the SALT area, but that development is
18 ongoing. We're actually in the middle of it. We've
19 produced almost 1400 homes there. We have 3000
20 under contract. One project just broke ground.

21 Kapalama, we have -- we -- we're working
22 on our first retail project and negotiating a deal
23 with the first housing project there now with
24 potentially 5,000 homes.

25 Ka'onohi is the furthest behind, probably

1 a couple thousand homes there. But we have to work
2 with a lessee that owns Pearl Ridge.

3 Waiawa is in -- oh, I'm sorry -- Waipahu
4 is in for actually LIHTC funding for a -- an
5 affordable project in Waipahu right now. Go to
6 Waiawa. Waiawa is the biggest opportunity across
7 this -- this landscape for Kamehameha and for the
8 community.

9 So it -- it -- it is a significant as --
10 as you see 12,400, potentially, homes. Across this
11 strategy, we could -- we could get to 25,000.

12 MS. LIM: Walter, I have a question for
13 clarification. You're talking really good numbers
14 about housing getting developed, and housing that's
15 in the pipeline. For the Commissioners'
16 clarification, is that housing that Kamehameha
17 Schools is actually developing or is there some
18 other arrangement?

19 MR. THOEMMES: Yes, thank you, Jennifer.

20 So we're not a housing developer. So we
21 -- we take back control of our lands. We come up
22 with the assessment of what a community or region
23 needs, and we develop master plans. Our goal then
24 is working with government, right? Working with
25 other developers, community organizations, how to

1 best execute that master plan.

2 As a -- a nonprofit charitable trust, we
3 cannot actually do a real estate dealer activity.
4 So, you know, developing a tower and selling 400
5 condo units, we just simply could not do that in our
6 -- in our tax world, nor could we develop 12,000
7 homes in -- in Waiawa. We can own and passively be
8 a landlord of retail or industrial, and that sort of
9 thing, which is why we -- we tend to do a lot of
10 leasing.

11 But yeah, we're not a developer. But I
12 think, you know, our role, as we see it, is to kind
13 of create the most optimum environment for
14 development to happen, and to create the most
15 optimum plan. Because most developers will come in
16 -- if you -- if you take a block in Kaka'ako,
17 they'll just try to do the best thing on that block.
18 And it may not relate to what's happening to
19 anything around it.

20 So we're able to like curate and
21 orchestrate that and between multiple blocks. In an
22 urban master plan, and very similarly, in a suburban
23 master plan, a greenfield project like this, you
24 know, our intention is not to build a single house,
25 but it is to drive a plan that meets the needs:

1 housing, retail and commercial, and amenities, kind
2 of the live/work experience that we all think this
3 island needs to head to.

4 And the connection to transit is key. So
5 that's -- that's kind of our role in it. And it's
6 why -- and I'll get to this in a minute and
7 introduce them more formally -- by getting a
8 development partner that we can see eye to eye with
9 is super important. So here's our kind of
10 axonometric view of Waiawa. And the purpose here is
11 that, you know, as excited I get about building
12 housing, I, you know, a housing has to be part of a
13 community. A community has to be part of an area
14 and a region, and ahupua'a.

15 And in ahupua'a, everything has to work
16 together. And we have to have a -- that mindset in
17 our planning and -- and management of -- of our
18 lands. And so you can see the area highlighted in
19 yellow is -- can you hear still -- okay. Still hear
20 me -- is the area that we're talking about for our
21 Waiawa plan, but it's part of a larger ahupua'a for
22 Kamehameha that includes watershed and conservation
23 lands going all the way up mauka.

24 It includes shoreline, agriculture, and
25 other educational activities down makai, right near

1 Pearl Harbor. So that is a key part of how we think
2 about this plan that probably most developers would
3 -- would not be. So for Waiawa, you know, I -- a
4 few slides ago, I did share kind of how we think
5 about things regionally and the -- the different
6 buckets.

7 So when we -- we sit back and we look at
8 Waiawa on -- on total, you know, we see the
9 opportunity for education to happen here. We see
10 housing opportunities for kama'aina for -- for
11 Native Hawaiians. You know, we'd love to see DHHL
12 have a -- a -- a -- a part in this. We see
13 connection to infrastructure super important.
14 Solar.

15 We see business needs to thrive here,
16 retail services, the things you need in your living
17 every day. You know, we see health, walkability,
18 ala hele. We see just preservation of 'aina and --
19 and pursuing ag where -- where it makes sense.

20 The colors represent kind of where. The
21 -- the yellow colors are things we -- we would see
22 in what would be this Waiawa development. Blue
23 would be mauka, and -- and -- and makai green -- I'm
24 sorry -- Green would be mauka and blue would be
25 makai.

1 Okay. So our plan. This is a slide
2 mainly the intent of which is to kind of orient us.
3 This is that yellow area that we had shown
4 previously. So the red line -- maybe if we look at
5 the slide on the right -- the picture on the right
6 -- the red line represents the current urban area,
7 the 1,395-acre urban area.

8 Can see it's -- it's, you know, it's --
9 it's within what we're now identifying as our plan
10 area. The blue hatched area are the solar projects
11 -- the interim use solar projects that are actually
12 built now. And then the plan on the left kind of
13 overlays the current plan.

14 So you can see there are expansions beyond
15 the current urban area of about -- right now about
16 530 acres. And we believe, at this point, that
17 would help us maximize the housing, as planned, to
18 -- to -- to 12,400. The colors represent the uses.
19 The yellow is residential and blue would be schools.
20 The green -- the -- the dark green would be open
21 parks.

22 The commercial would be red. And then the
23 lighter green is more of the open space. It's hard
24 to tell on that -- that map, but trust me, there's
25 some lighter green that's open space and ravines and

1 that sort of thing.

2 MS. LIM: If I could, Walter, I want to
3 just, again, another clarification question. On the
4 Waiawa impact return slide -- this is one example --
5 one of the items was conservation and watershed
6 management over about 1,050 acres. So is that
7 within the master plan footprint that we have
8 depicted on this slide?

9 MR. THOEMMES: No, that would be mauka.
10 That would be above -- in the area above the plan.
11 So that scorecard is an ahupua'a scorecard. So it's
12 not defined only by the 2,000 acres of the master
13 plan.

14 MS. LIM: Thanks for that. And,
15 similarly, the Kai Kipuka tenants that -- that was
16 noted on that slide right here, is that within the
17 master plan footprint?

18 MR. THOEMMES: No, that would be in the
19 makai area near the Pearl Harbor.

20 MS. LIM: Okay. Great.

21 MR. THOEMMES: Yeah.

22 MS. LIM: Thanks. I just wanted to make
23 sure we were clear on that.

24 MR. THOEMMES: Yeah. Yeah. So if there's
25 any questions on that, I think the -- the areas that

1 are intended to be within -- the impact areas
2 intended to be within the plant would be the yellow
3 colored -- the yellow colored boxes.

4 Okay. So we talked a little bit about the
5 history. Our records with Gentry actually go back
6 to discussions as early as 1985. I was almost still
7 a student at Kamehameha at the time. It's kind of
8 scary. But as you can see, you know, and as has
9 been covered, since 1988, 1395 acres of urban land
10 -- land was designated as urban.

11 The Gentry team did take that through
12 county and received zoning two separate times for
13 about 1,000 acres or over -- over 1,000 acres, and
14 seemed ready to go. 2008, what happened? Well, a
15 lot of things happened in 2008. Not good. And
16 project, you know, was impacted and -- and was not
17 feasible. And the agreement was terminated.

18 It took us a few years to -- to work that
19 out and -- and settle that. So Kamehameha got
20 control sometime in 2012. And so, you know, not
21 really having a -- a plan or really being set up to
22 deal with greenfield development at the time. We
23 felt let's -- let's get some interim use. You know,
24 we know there are statewide energy goals in play.

25 Let's see how we can contribute to that

1 for now, and give us some -- some productivity out
2 of these lands while we figure out the path forward,
3 while we try to create a vision that we're happy
4 with, but that would also interest a developer to
5 come and join us. So, 2012, we -- we started
6 working on the solar uses and, in parallel, began
7 working on a plan for a new vision.

8 And -- and some of it was covered -- and
9 I'll cover it, again, in a few slides -- the
10 difference between what we're proposing today and
11 what Gentry proposed previously. This did include
12 visits with the Land Use Commission in 2014. For
13 solar, we -- we had a presentation in 2020 right
14 before everything shut down for COVID. Came back in
15 2022.

16 Our engagement with Castle & Cooke started
17 almost two years ago. Part of a very long process
18 to try to identify a development partner. And
19 they've brought a lot to our understanding of what
20 this development will take, because as -- as I've
21 mentioned, we -- we will not be the developer for
22 homes at Waiawa.

23 So the Gentry plan, I thought it was an
24 appropriate plan for 1985. I -- I think if you
25 think about, you know, developments at the time:

1 golf course center, leisure, retirement communities,
2 kind of made sense. You know, 2014, we're like,
3 "That makes no sense. That's not meeting the needs
4 of our community, of our people."

5 Certainly was not meeting Kamehameha
6 Schools' needs as an organization. So we -- we
7 wanted to reorient that plan away from a golf
8 course-centered community. And that meant major
9 changes to the plan, to the footprint. You know, we
10 want to offer Waiawa as a -- a kamaa'ina community.
11 And -- and we -- we use that word because there's a
12 lot of descriptors out there for housing.

13 I just like to think of it as all that --
14 that local people want and can afford at all levels.
15 And that's why we use kamaa'ina housing as a kind of
16 a goal for -- for Waiawa. We also think we need a
17 lot more of it. And so a push to really, like, how
18 much can we do and how much -- how big does this
19 site need to be given all of its challenges and
20 topographies? You know, can we get to 12,400? And
21 -- and that is our hope.

22 MS. LIM: And, Walter, would you let the
23 Commissioners know where did that 12,400 number come
24 from? Did KS just dream that up one day?

25 MR. THOEMMES: I would've dreamt bigger,

1 actually. But this is from the Central O'ahu
2 Sustainable Communities plan, and it's identified as
3 an urban growth area. So these lands have been held
4 for a long time with an idea, the idea that this
5 would be urban.

6 MS. LIM: And maybe since this is the Land
7 Use Commission, let's make it, or can you help us
8 make it real clear to the Commissioners what land is
9 entitled and therefore subject to the Land Use
10 Commission jurisdiction, and then what are those
11 blue areas? Just -- just so there's no confusion.

12 MR. THOEMMES: Yeah. So the -- the
13 picture on the right shows in red the current urban
14 lands that Gentry had planned to, you know, develop
15 ultimately about 7,900 homes. So that's been
16 rethought and expanded. So the areas in blue are
17 what we currently envision as needed additional
18 lands to get to this goal of 12,400 homes.

19 MS. LIM: And as best you -- as best you
20 know, is this proposed urban footprint consistent
21 with what's in the Central O'ahu Sustainable
22 Communities plan?

23 MR. THOEMMES: Yes, that's my
24 understanding.

25 Okay. So, solar, just wanted to show some

1 progress. We -- the systems, one is actually
2 activated, the other is about to be, but they're
3 both built. So the two solar farms are -- will be
4 producing 66 megawatts. And, you know, our
5 partnerships with ClearWay and AES were done in
6 consideration of a -- a housing plan long term.

7 So the leases were set up with, you know,
8 how we envisioned the development of Waiawa to
9 start, which is makai, which is south, which is
10 nearest to transit and work its way up. So these
11 solar lands, the current schedule would accommodate
12 that use until we were able to convert it to housing
13 in the future phases of the project.

14 So the next three slides we've, you know,
15 kind of shared maybe for the record, the existing
16 LUC conditions. I -- I was thinking of reading them
17 all, but I -- I decided that would not be the most
18 enjoyable thing for this meeting.

19 But I do want to say, you know, we have
20 met or are planning to meet all of the LUC
21 conditions, except -- as best we can tell today --
22 the infrastructure-related condition, which is third
23 from the bottom, and has -- has already been
24 described in -- in the record today.

25 And that's a -- a function of time and

1 where we are, and as best we could foresee in the
2 plan going forward, given the fact, you know, we
3 need to go get an EIS, and we need to get zoning,
4 and -- and we need to come up with a -- a lot of
5 solutions to infrastructure challenges that are not
6 apparent yet.

7 MS. LIM: I think there's another
8 condition that Commissioners might be interested in
9 -- and it's unfortunate that the -- the slide isn't
10 terribly clear on the screen -- but I'm talking
11 about the condition that requires Kamehameha Schools
12 to file an amendment to the existing Waiawa orders.
13 Could you let the Commissioners know what the
14 deadline is for that filing?

15 MR. THOEMMES: Yeah. So that -- that --
16 that deadline is 2030, and we have every intention
17 of being back before you before that.

18 MS. LIM: So would it be fair to say that
19 at -- at this point, while we don't believe that
20 Kamehameha Schools is going to meet the
21 infrastructure completion deadline, Kamehameha
22 Schools will be meeting the deadline to file a
23 motion to amend for a variety of requested
24 amendments to get approval of the new master plan to
25 actually approve the building of it, and also to

1 seek some kind of informed relief from that
2 infrastructure deadline?

3 MR. THOEMMES: Yes, that is correct.

4 MS. LIM: Thank you.

5 MR. THOEMMES: Okay. So one might ask --

6 CHAIR GIOVANNI: One second.

7 So, Ms. Lim, we've been going about an
8 hour. I'm going to let you tell me the right time
9 to take a five-minute break. Should we continue for
10 another five, 10 minutes or do we -- should we take
11 a break now?

12 MS. LIM: Let me turn to my clients. We
13 only have about six more slides, but they may be
14 slides that are of great interest and we don't want
15 people getting uncomfortable.

16 MR. THOEMMES: Take a break.

17 CHAIR GIOVANNI: Okay. So it's 10:37.
18 We'll be back at 10:45.

19 (WHEREUPON, a recess was taken.)

20 CHAIR GIOVANNI: Okay. It's 10:46. We're
21 back on the record.

22 And, Ms. Lim, please continue.

23 MS. LIM: And, actually, I'll ask Mr.
24 Thoemmes to please continue. We're on slide 31,
25 "Process -- Progress Through Volatility."

1 MR. THOEMMES: Okay. So, since 2020, and
2 the last time that I was here sharing an update, I
3 did want to give a sense of, you know, what we've
4 been working on and maybe what we haven't worked on.
5 You know, I think, I mentioned earlier right after
6 we came in to present the Land Use Commission in
7 January of 2020, COVID hit. And -- and I can tell
8 you as a real estate company that has, you know,
9 close to over 800 tenants, the better part of the
10 next year was really just trying to navigate our way
11 and our -- our tenants' way through that.

12 We nonetheless, you know, kind of picked
13 Waiawa back up very soon thereafter, and began to
14 refine our plan with an intent at -- at the time of
15 they should go in and get an EIS process started. I
16 know enough to know we -- we sometimes fall in love
17 with our ideas and our plans and, you know, it -- it
18 -- it did kind of hit us that, you know, that's
19 going to set us down a path that at the end of it,
20 we got to know we have a partner willing to -- to do
21 this project with us.

22 And we -- because we can only make so many
23 representations as the non-developer landowner. And
24 so we -- we kind of pivoted a couple years ago and
25 we said, "We need to get a developer first." We

1 need to have someone that can come in and understand
2 our vision and what we're trying to do, the risks,
3 the -- the skills to overcome the challenges.

4 And they got to be bought in all the way
5 through the process. The worst thing in the world
6 for Kamehameha would be to -- to run through an --
7 an entitlement process, like an environmental impact
8 statement, and then be sitting there and the market
9 says, "Oh, we don't want to do that, Walter." It's
10 not like we're going to do it.

11 So that became, really, in the last two
12 years, the number one priority. And so that process
13 has concluded, and we've begun to really bring on
14 the consulting team and to dig into the challenges
15 that the project presents, but also the promise that
16 it delivers.

17 And our development partner who is here
18 and represented today -- should there be any
19 questions for them -- is Castle & Cooke. And what
20 were we looking for besides kind of someone that
21 would be willing to ride with us and buy into our
22 vision? Well, first and foremost, experience --
23 direct experience getting master plan communities
24 built -- like that was criteria one.

25 I think we are all here -- sit here

1 familiar with their work in Mililani and Mililani
2 Mauka, Royal Kunia, and what they're currently doing
3 in, Koa Ridge, which is right across H2 from this
4 project, and has future dependencies on this
5 project. That's not lost on us either.

6 The ability to navigate through the
7 development challenges and the infrastructure
8 challenges, work with agencies, to take projects out
9 to the markets to get financing, this was the -- the
10 type of partner we needed. The topography makes for
11 great views, but it also makes it more challenging
12 in development.

13 Experience in Central O'ahu, in the
14 communities that this project will serve -- perhaps
15 even impact -- is important to be standing side by
16 side with us through those engagement processes to
17 come. You know, their willingness to collaborate
18 and not just be, "Hey, we're Castle & Cooke, we're
19 going to do it this way." But to really kind of sit
20 and understand what -- what it is we're trying to do
21 and the community we -- we see.

22 And then, you know, lastly, this is a
23 long-term deal. You know, this is a long-term
24 partnership needed. What's interesting, you know,
25 along the way, they had kind of shared with me that

1 the history of Castle & Cooke, the -- the Cookes
2 were actually involved in the -- in the Royal School
3 and -- and teaching Ali'i like Pauahi and her
4 'ohana.

5 So there's this -- this almost neat
6 connection that goes back to the 1800s between our
7 organizations. And so we feel pretty confident that
8 we have a partner that can actually help us deliver
9 this project today. Now, infrastructure is a major
10 challenge. There's four primary items that we got
11 to explore and that we are exploring:
12 transportation, wastewater, water, and -- and the
13 mass grading.

14 It's a complex puzzle. You know, our --
15 our plan to come from -- from the Pearl Harbor side,
16 the makai side does depend on existing
17 intersections, which the levels of service are --
18 are bad. There are assumptions that we had made
19 some years ago around, you know, transit investments
20 at Pearl Highlands that are right now fallen out of
21 the plan.

22 And so we need to kind of consider how
23 we're going to accommodate the connectivity to that
24 station, or at least work with heart to ensure those
25 plans are brought back. Regional wastewater, the

1 city has plans. Those plans have changed, but
2 they're -- they've been delayed. The regional sewer
3 tunnel that we'd envisioned servicing the project
4 won't be complete 'till 2035.

5 So as we kind of even begin our project,
6 we're going to need to come up with some incremental
7 solutions working with the county because, I mean,
8 wastewater has to go somewhere. Yeah? Portable and
9 non-portable water, you know, these are other
10 challenges we have. There are water sources, wells
11 on site now. But the facilities for their storage
12 transmission, you know, delivery to projects are all
13 not there.

14 But we have been -- begun work with Board
15 of Water Supply and conversations with CWRM as well.
16 And then, you know, grading, you know, creating a
17 community of homes and businesses in a -- in a
18 largely sloping site will take a bunch of work, and
19 -- and involve a lot of costs that ultimately need
20 to be accommodated.

21 So these are just some of -- when we talk
22 about due diligence, that -- it is this sort of due
23 diligence that's probably most critical for a
24 project like this right now. You know, even -- even
25 starting small, you know, you -- you got to make

1 sure that the -- the infrastructure is sized for
2 starting small.

3 Because if you go big with infrastructure
4 upfront and you start small, it's just economically
5 not going to work. So that's -- it's a big part of
6 the challenge that we have.

7 MS. LIM: Walter, I have a question.
8 Excuse me. Walter, I have a question, because you
9 and I spoke to this Commission in the past, and I
10 know at that time, Kamehameha Schools was engaging
11 in due diligence and had retained consultants to
12 assist with that process, but that's what's
13 happening now too. So could you explain to the
14 Commissioners what's different?

15 MR. THOEMMES: Yeah. You know, it's just
16 a different level. You know, a -- a -- a -- a plan
17 is two-dimensional; a project is three-dimensional,
18 right? And you possess information at a certain
19 point, and part of due diligence, you uncover new
20 information, and you go deeper.

21 And you -- you -- to the point where this
22 will end in engineering schematics, like that
23 process is one that it just gets better and more
24 refined and more detailed and more figured out along
25 the way.

1 So it -- it doesn't mean that what we had
2 a few years back was worthless. It was the level of
3 information that gave us confidence at the time.
4 We're sitting here today knowing that to really
5 effectuate this development, it has to be much more
6 detailed.

7 It had to be -- it has to be informed by
8 the agencies and the plans they have, and we're
9 working with them and with the economics of today
10 too. So it's just the -- it just takes us to a
11 greater level of detail and refinement to give us
12 confidence that this project is feasible.

13 MS. LIM: And would you say that the
14 involvement of a development partner enriches that
15 process that you're in right now?

16 MR. THOEMMES: Absolutely. You know, if
17 we're doing a high rise in Kaka'ako, I'd feel much
18 more comfortable myself. But, you know, this is
19 horizontal development, and it's why we targeted a
20 developer like Castle & Cooke, because that is their
21 kind of core competency for their organization.

22 Okay. So next steps. We do have a slide
23 that has a very detailed schedule with, you know, a
24 lot more lines on it. But at -- at the highest
25 level, you know, we are in the stage of -- of

1 refining plan and feasibility. We're bringing on a
2 land planner as well to help -- to define, at a much
3 greater detail than what you see today, what this
4 community is going to be like, you know, interior
5 roads, lots, you know, that sort of thing.

6 Community engagement. We know that
7 communities -- you got to -- you got to win
8 community over. And we have a -- a pretty well-
9 defined practice that -- at Kamehameha for a lot of
10 different types of community engagement. This is
11 one that needs to happen because this project will
12 have, you know, impact.

13 Engaging government officials in -- in
14 much more formal ways all gearing up to we -- we
15 foresee, as of today, publishing the EIS prep notice
16 next year. Obtaining that final approval in 2027,
17 returning to the LUC in 2029, and getting zoning in
18 2030. All of that, hopefully, would lead to us
19 being able to start our infrastructure in 2034, and
20 as mentioned, first home deliveries in 2036.

21 Now this is what we think it is today.
22 Would we want it to go faster? Absolutely. If
23 there are ways and ideas that any of you have that
24 will help us go faster, we're all open ears.

25 COMMISSIONER LEE: Chair?

1 CHAIR GIOVANNI: Yeah. Who -- who's that?
2 Yeah. Mr. Lee.

3 COMMISSIONER LEE: Thank you, Chair.
4 Mr. Thoemmes, what is the time spent
5 between 2030 and 2034? Is that permitting and
6 engineering?

7 MR. THOEMMES: Yeah. Yeah.

8 COMMISSIONER LEE: Thank you.

9 MR. THOEMMES: And, again, so if that
10 could be accelerated, you know, we'll be -- we'll be
11 all for that. Trust me. This slide just kind of
12 depicts that in more detail. There isn't really
13 anything different, but at least the intent of
14 showing this is you can kind of see how the -- the
15 activities are dependent upon one another from a
16 timing perspective, Land Use Commission, zoning, you
17 know, design and permitting, backbone
18 infrastructure, and then, ultimately, housing
19 delivery.

20 And that will go out for -- for decades,
21 much like development of other large master plan
22 communities have -- have experienced. Okay. So,
23 you know, at a high level, we're talking about 2,000
24 acres of project area, as best as we can tell. This
25 will obviously be more exactly defined by the time

1 we come back to you for action, up to 12,400 homes.
2 We -- we'd love to see that many built.

3 We -- we -- the due diligence and the
4 engineering and the -- the capacity of
5 infrastructure is going to shape that. So it's all
6 about, you know, bringing the solutions together to
7 be -- be -- to enable a -- a project of this size.
8 You know, right now affordability is at 30 percent.
9 That's what's required by the City and County of --
10 of Honolulu.

11 It's both defined by HHFDC and HUD and the
12 current requirement. Will it mean that we don't try
13 to exceed that? No, that doesn't mean that. If
14 it's financially feasible to deliver more affordable
15 housing, we've found that it's actually a lower risk
16 housing to deliver because it goes like hotcakes.

17 In Kaka'ako, we have a 20 percent
18 affordable requirement with HCDA in our master plan.
19 We're at 37 percent right now, and we'll probably
20 complete our plan around there, 35 to 37 percent.
21 And it -- it comes down to feasibility and our
22 desire to have as much affordable as we can while
23 still achieving the community that -- that we want,
24 and the economic needs of the organization.

25 So -- but that's what the requirement is,

1 and we wouldn't do any less than that. Commercial
2 and commercial-mixed use, I think, is a big part of
3 community design now. The idea that people live
4 here, and they shop, and work here, and they, you
5 know, go to school here, it's -- it's -- it's not
6 the best. And I think we want to integrate that as
7 much as possible across this -- this plan.

8 Obviously, schools, parks, open space,
9 those amenities are critical to the community that
10 we envision. And the solar plans will be -- intent
11 is to be decommissioned to make way for housing. I
12 would point out that the -- the ClearWay solar
13 project is actually -- if you look at the drawing,
14 it's in an area of kind of water conservation.

15 We're actually not permitted to build
16 housing there. So it does open up the possibility
17 that long term, we could renew with them, or anyone
18 else, or pursue -- who knows what technology might
19 be applicable at that time. But that's just, you
20 know, this just shows that that transaction, that
21 lease ends in 2054.

22 So last slide. Promise. So key
23 takeaways: You know, we really want to see a
24 kama'aina community built here in Waiawa. And we
25 believe the -- the plan that we're working on now is

1 viable. Significant due diligence is required to
2 identify the best path forward in creating this --
3 this vibrant community we envision.

4 Developing a master plan community of this
5 size is complex and takes significant effort and
6 time to identify a feasible approach. So our -- our
7 master plan for Waiawa, you know, it has to be
8 feasible. A plan that is not feasible is not a
9 plan.

10 So that is part of the many aspects of
11 this project we need to figure out. But I'll leave
12 you with this: I mean, we would not be here if we
13 didn't believe this project was both sorely needed
14 for the issues we have of today. We wouldn't be
15 here if we didn't feel that providing communities
16 like these and housing, you know, doesn't support
17 our mission in -- in keeping our kids home, or at
18 least giving them the opportunity to be here, and --
19 and be leaders here in this community.

20 We wouldn't be here if we didn't think it
21 was feasible, given the information that we have and
22 what we know about the project. So this is a
23 presentation. We don't have any real asks of the --
24 of the -- of the Commission. But, I guess, I'll
25 leave you with one, you know, I guess if there's

1 trust we ask for, it's just trust our intent, that
2 our intention to make this happen is there.

3 And we can't make a whole lot of promises
4 about what feasibility will look like and how we'll
5 solve for water and those things, but our intent is
6 to solve for them. And so we will learn through the
7 EIS process, through community engagement.

8 We will learn from the government partners
9 that we're working with, and what their plans are.
10 Due diligence will certainly change things along the
11 way, but trust that we want to see this happen, and
12 that we are going to work incredibly hard to -- to
13 make it so. So mahalo.

14 MS. LIM: Walter, I just always have to
15 get the last word, but I -- I do want to ask one
16 question, and that's to address something that
17 doesn't really come up in the PowerPoint, but it is
18 in our written submittal and Kamehameha's written
19 submittal to the Commission of February 10th, 2025.

20 There's a mention in there of a potential
21 acceleration of a Phase A. Can you speak to that at
22 all? What -- what -- what would be the goal in
23 doing that, and how is that phase A land identified?

24 MR. THOEMMES: So a -- a kind of a
25 theoretical phase A would be utilizing the -- the

1 land use we currently benefit from. If we could
2 identify infrastructure solutions to support, you
3 know, kind of an early -- early start to just get
4 something started, things like water, sewer, right,
5 readily available road connections that wouldn't be
6 serving 12,400 homes, but could be serving a smaller
7 kind of as yet undefined phase of homes.

8 We would -- we would evaluate that
9 opportunity so long as it doesn't create additional
10 kind of unnecessary costs. Like we'd have to like
11 -- if we've got to redo infrastructure later to
12 expand it, that doesn't make any sense. So it is,
13 you know, just kind of brainstorming, you know, how
14 do we get things moving faster, and utilizing the
15 existing land use and zoning that we have. But it
16 -- it -- it is very critical that the infrastructure
17 be available too.

18 MS. LIM: So is it fair to say that's
19 something that's being explored now and, if it looks
20 feasible, maybe explored in the EIS?

21 MR. THOEMMES: Yes. Yes.

22 MS. LIM: Thank you.

23 MR. THOEMMES: Yeah. So that concludes my
24 presentation. So thank you.

25 MS. LIM: Thank you for your attention.

1 CHAIR GIOVANNI: Does that conclude
2 everything you -- Ms. Lim?

3 MS. LIM: It does. We're ready for
4 questions.

5 CHAIR GIOVANNI: Okay. Commissioners,
6 questions for the Petitioner?

7 Commissioner Lee.

8 COMMISSIONER LEE: Thank you, Chair.

9 Mr. Thoemmes, thank you for your
10 presentation. Really appreciate it, and especially
11 you're being mindful of your trust obligations is
12 not easy, but --

13 MR. THOEMMES: Yeah.

14 COMMISSIONER LEE: -- appreciate it. Two
15 questions --

16 MR. THOEMMES: Sure.

17 COMMISSIONER LEE: -- the -- the first one
18 is kind of easy: Pearl Highlands parking structure,
19 is that something you guys are supportive of?

20 MR. THOEMMES: Yes. Yes, actually, that
21 and the connection to H2 that would bring the
22 connectivity of Central O'ahu down into that area,
23 it -- it's, we think, kind of needed for rail
24 success and it's -- it's infrastructure that we
25 would try to leverage our connection to.

1 COMMISSIONER LEE: Okay. Thanks. Hope
2 you guys don't get forced to do some of that but,
3 you know, never know. The second question is, are
4 -- are you contemplating -- and, you know, this -- I
5 know this is not something you can commit to, but
6 for the residential development, is that going to be
7 a mix of fee simple and leasehold? I know the
8 commercial is usually a leasehold thing. So just
9 wondering what your thoughts are on that.

10 MR. THOEMMES: No, that's a great
11 question. I would say, you know, it's -- leasehold
12 has been done and it -- it's ended. We're not --
13 we're not planning any leasehold housing at -- at
14 this point in time. As we've thought about kind of
15 community development, whether it's urban or not,
16 we've recognized that, you know, people in Hawaii
17 want the opportunity to own their home. That's what
18 leasehold reform was.

19 So we've reconciled that -- the need to
20 produce for-sale housing and the fact that that does
21 mean at times we need to sell Kamehameha 'aina,
22 right? But we've tried to produce the commercial
23 that is supported by those homes. And -- and so
24 we've managed to maintain ownership of commercial in
25 the areas where we've done fee simple homes.

1 It doesn't mean we don't like rentals. We
2 actually like rentals too. And we think there's a
3 place -- I know in the urban core, it's probably
4 about 15 to 20 percent of a given area you can do it
5 rentals. And to the extent that we do enter into
6 rental housing projects, we tend to -- to keep the
7 land and -- and -- and execute that under a lease.
8 But we recognize the market seeks for-sale housing,
9 and -- and so our -- our -- our plans right now
10 would -- that would be featured in Waiawa.

11 COMMISSIONER LEE: Thank you, Mr.
12 Thoemmes.

13 Thank you, Chair.

14 CHAIR GIOVANNI: Thank you.

15 Commissioners? Mr. Kahele.

16 COMMISSIONER KAHELE: Chair, I got a
17 question.

18 Mr. Thoemmes -- Mr. Thoemmes, so -- so
19 your current Koa Ridge project that you're currently
20 working on, you -- you're looking at building 3,700
21 homes. That's on Ka Uka Boulevard, I believe?

22 MR. THOEMMES: Yeah. Sorry, Commissioner.
23 Kamehameha Schools is not involved in Koa Ridge.
24 That's Castle & Cooke. They would be our partner
25 here as well.

1 COMMISSIONER KAHELE: So your project is
2 going to be on the opposite end, makai or mauka of
3 Koa Ridge in --

4 MR. THOEMMES: We are across -- across H2
5 --

6 COMMISSIONER KAHELE: Right. Right.

7 MR. THOEMMES: -- from the current Koa
8 Ridge.

9 COMMISSIONER KAHELE: Right.

10 MR. THOEMMES: And my understanding is --
11 is Castle & Cooke's Koa Ridge, there -- there is a
12 piece that is on our side and adjacent to us, but
13 it's not related to our project.

14 COMMISSIONER KAHELE: Thank you.

15 MR. THOEMMES: Yeah.

16 CHAIR GIOVANNI: Commissioners? Kamakea-
17 'Ohelo.

18 COMMISSIONER KAMAKEA-'OHELO: Aloha and
19 mahalo for your presentation. Several times in, you
20 know, the slides, I see the word "kama'aina" come
21 up. So how is KS defining that when it comes to
22 this development?

23 MR. THOEMMES: Yeah, just local people --
24 targeting local people, local buyers that, you know,
25 are here that are, you know, looking for that first

1 home or looking to move up the housing ladder.

2 We're not defining it any other way at this point.

3 COMMISSIONER KAMAKEA-'OHELO: Interesting.

4 MR. THOEMMES: Yeah. So what you wouldn't
5 see is, you know, like some developers open -- start
6 a project and open a sales office in Tokyo or Hong
7 Kong. You're not going to -- you're not going to
8 see that. Yeah.

9 COMMISSIONER KAMAKEA-'OHELO: Mahalo.

10 MR. THOEMMES: Yeah.

11 CHAIR GIOVANNI: Thank you.

12 Commissioners? Mr. Yamane.

13 COMMISSIONER YAMANE: Thank you, Mr.
14 Chair.

15 And thank you for the presentation. I
16 really appreciate the historical background.

17 MR. THOEMMES: Yeah.

18 COMMISSIONER YAMANE: And I appreciate the
19 long-term vision of Kamehameha Schools. My
20 question, kind of curious -- just out of curiosity,
21 you know the land control that you guys changed from
22 the Gentry to Kamehameha Schools land control, tell
23 me, mechanically, contractually, lease-wise, how is
24 that -- what is the difference? And like can you
25 explain to me how is that different? Besides you

1 telling them what you want --

2 MR. THOEMMES: Yeah.

3 COMMISSIONER YAMANE: -- what -- what are
4 the mechanics that allow that to happen?

5 MR. THOEMMES: Yeah. So it's been done
6 many ways at Kamehameha over the years. In that
7 particular case, the agreement was structured
8 around, you know, KS essentially selling the land to
9 Gentry in a master development agreement, which gave
10 them full control of the property. There were
11 mechanisms in how KS was compensated, you know,
12 upfront and then over time as they build out.

13 But we were not a -- really a party to the
14 development. We didn't have or maintain control
15 over kind of what they did, how they did it. It was
16 their plan. It was their project. And it's the way
17 that project was negotiated. I -- I think we
18 probably wouldn't do another one like that that way.

19 More recently, master plan development
20 projects, we've taken a much more involved approach
21 where KS retains rights sometimes within the project
22 to do certain pieces of it. We're pretty
23 prescriptive into what we would require in -- in
24 terms of compliance in the agreement. It -- it does
25 make the negotiation of these agreements a lot more

1 complex.

2 Because, you know, in the end, it has to
3 be feasible for the partner as well. So it's why,
4 you know, I keep coming back to the more aligned we
5 are in the vision and the outcome, then the easier
6 those tend to be. And, you know, we're kind of in
7 the middle of that right now, but yeah, I do not see
8 a -- an agreement with Castle & Cooke or anyone that
9 we would just say, "Here, take it and go -- go do
10 what you guys like, just, you know, pay us later."

11 COMMISSIONER YAMANE: Okay. Thank you.
12 So does that mean that agreement with Gentry is no
13 longer in effect?

14 MR. THOEMMES: Yeah. So that -- that
15 agreement was terminated. So we have -- that was
16 terminated and settled in 2012. So that's why
17 Kamehameha has control of the lands again.

18 COMMISSIONER YAMANE: Thank you, Mr.
19 Chair.

20 CHAIR GIOVANNI: Okay. Commissioners?
21 Commissioner Carr Smith.

22 COMMISSIONER CARR SMITH: Thank you,
23 Chair.

24 Thank you for the presentation. I have a
25 -- a couple of questions. The staff report asked

1 about the EIS; I was wondering what area of the
2 project will the EIS cover? Is it the entire area?

3 MS. LIM: Commissioner Carr Smith, this is
4 Jennifer Lim, and I think I'm maybe better equipped
5 to respond to this in detail. Just tell me if I get
6 too excruciating with the detail.

7 So when we talk about the "what area would
8 the EIS cover," it will cover the 1,395 acres that
9 are current and the additional land that, at this
10 point, Kamehameha Schools -- as depicted on the
11 various PowerPoint slides -- the additional land
12 that Kamehameha Schools intends to have -- request
13 this Commission to reclassify.

14 So, you know, I -- I don't know what
15 prompted your question, but certainly during points
16 of Mr. Thoemmes' presentation, you were hearing
17 about the entire ahupua'a and different land areas.
18 No development is intended for those land areas.
19 That's separate and apart from this master plan
20 footprint, which is going to be somewhere between,
21 let me say, roughly, 1400 acres to approximately
22 2000 acres.

23 And the reason why that's a little bit
24 fuzzy, as Mr. Thoemmes said, is as the land planning
25 process really gets kicked off in earnest, as the

1 infrastructure analysis gets done, the community
2 engagement, the engagement with government
3 officials, and the EIS analysis, that'll inform
4 ultimately, "Okay. What is really the proposed
5 action here?"

6 And that will inform what the ultimate
7 request of the Land Use Commission is. But -- so
8 the EIS, again, as a direct action, will be the land
9 that's existing urban, which is 1,395 acres, and
10 then the additional land that KS would be asking the
11 Commission to reclassify.

12 COMMISSIONER CARR SMITH: Okay. And when
13 do you folks anticipate coming back to us for the
14 DBA on the other portions?

15 MS. LIM: Just going to pull up the
16 schedule, but I believe it's in 2029. I'm just
17 flipping through. So I -- I don't know if you can
18 see on your screen, but right now what we're
19 anticipating -- obviously, I mean, every schedule is
20 subject to slippage or change, but you've heard from
21 Mr. Thoemmes that there's a strong desire to get
22 this done, particularly now that the development
23 partner has been identified.

24 Once the EIS is completed, which again,
25 we're -- we're projecting final EIS acceptance,

1 let's say the end of 2027, we would then --
2 Kamehameha Schools would then be returning to the
3 Land Use Commission for two things. One, a motion
4 to amend. Okay? So that would be the amendment to
5 the existing 1,395 acres, formally requesting relief
6 from that particular infrastructure deadline that
7 requires infrastructure to be built by the end of
8 2030.

9 And then, at the same time, or -- or, I
10 mean, it seems like it would only be sensible to do
11 them in tandem. There would be the motion to amend
12 and a petition for a district boundary amendment for
13 whatever the delta is, whatever that -- that
14 additional land that Kamehameha Schools has decided
15 should be requested for reclassification.

16 So, again, right now, we're projecting
17 filing that sometime in, let's say 2028, knowing
18 that a district boundary amendment decision has to
19 be rendered within 365 days of when the petition is
20 deemed accepted. And so we -- we've put down
21 January 2029 for that reason.

22 COMMISSIONER CARR SMITH: Understood.
23 Thank you for that explanation. Who is the
24 projected agency for accepting authority of the EIS?

25 MS. LIM: So we're not sure. And -- and,

1 you know, to be completely transparent, it's not
2 really up to Kamehameha Schools who the accepting
3 authority is on an EIS. This property is a little
4 more complicated than, let's say, your typical
5 totally, you know, has never been entitled, never
6 been pursued with development kind of property.

7 And one of the reasons it's different is
8 because Gentry back in, I think, it was '87 -- back
9 in the late '80s, actually, prepared an EIS and
10 processed that EIS for the Gentry plan for this
11 land. And that was processed through the City,
12 Department of Planning and Permitting, although I
13 think at that time it was called the Department of
14 Land Utilization.

15 So the City was actually the accepting
16 authority on that EIS. And once that EIS was
17 accepted by the City, Gentry then came to the Land
18 Use Commission to request the reclassification of
19 the 1,395 acres.

20 Now, fast forward several years, and
21 before we -- before Kamehameha Schools came to the
22 Land Use Commission in 2014 to request approval for
23 the initial solar farms, Kamehameha Schools
24 approached the Department of Planning and
25 Permitting, the director there, to -- for

1 determination on whether that solar farm development
2 that we were proposing triggered the deed for a
3 supplemental EIS because it was DPP or, you know,
4 DPP predecessor agency that had determined that an
5 EIS was required and determined that that original
6 EIS was adequate.

7 And it was DPP at that time, in 2014, that
8 issued a written opinion saying, "No, no
9 supplemental EIS is required." So that complicates
10 the -- the matter -- and it only complicates it a
11 little bit, really, because ultimately, the EIS
12 rules that -- that I -- I could read, if anybody's
13 interested, but ultimately, from our perspective, we
14 want to do an EIS that is legally defensible, that
15 is acceptable, that checks all the boxes and is done
16 in good faith and done thoroughly and properly.

17 And we know that that means we've got to
18 have the proper EIS-accepting authority. It seems
19 to us that it's either going to be the Land Use
20 Commission or the Department of Planning and
21 Permitting. And that is because both of those
22 agencies are going to have a great deal of
23 involvement.

24 I look at the Land Use Commission's
25 involvement as being maybe more discreet in that

1 it'll, you know, either, hopefully, grant our
2 requested motion to amend in 2029 and grant the
3 petition of district boundary amendment. Whereas
4 with the City, when we are going through the City
5 process to revisit the zoning and then get all of
6 the numerous City approvals, many of which are
7 discretionary, some of which are semi-discretionary,
8 there's going to be a lot of City approvals.

9 So which of these two agencies has the
10 greater amount of jurisdiction over the ultimate
11 development of this property? And that's one of the
12 factors under the EIS rules that -- that comes into
13 consideration when identifying the appropriate
14 accepting authority. But -- and -- and I'll make
15 this my last word on it -- what that rule says is
16 that when there's more than one agency, those two
17 agencies can get together.

18 And we would like to see this happen and
19 -- and -- and also pursue feedback from the
20 Environmental Review Program on ultimately who is
21 the proper, you know, legally proper and most
22 appropriate accepting authority for an EIS. So we
23 definitely want to get that nailed down. And when I
24 say "we," I mean Kamehameha Schools.

25 We want to get that nailed down certainly

1 before we go out with a prep notice. We need to
2 ideally have something in writing confirming,
3 "Here's the right agency, here's why it's the right
4 agency. And that way we know that when we're going
5 through the door, we've done everything according to
6 law.

7 COMMISSIONER CARR SMITH: Okay. Thank you
8 for that detailed answer. I did have a question.
9 It -- it seems like you're going to be ultimately
10 dependent upon that sewer tunnel. I was wondering
11 if you had a plan B for an onsite sewage treatment
12 plant or?

13 MR. THOEMMES: You know, onsite would be
14 -- would be a plan B or C or D. We -- we have not
15 gotten to that -- the point of evaluating that. I
16 think right now it's really trying to nail down the
17 City's timing and as well as what capacity they
18 currently have in -- in the system to support at
19 least early development or earlier development than
20 2035.

21 COMMISSIONER CARR SMITH: Okay. My last
22 comment is, I guess, I was surprised to hear you
23 talk about the for-sale product. When I was
24 listening to your presentation, and I wasn't hearing
25 exactly whether this was for-sale homes or rental

1 homes or whatever, but when I heard about your, you
2 know, the -- began to understand the non-developer
3 landowner, I -- I thought that that would ultimately
4 mean that these were going to be rentals.

5 So can you just explain how I can feel
6 more comfortable that you are not a developer but
7 you're going to sell these?

8 MR. THOEMMES: Yeah, so -- yeah. No, I
9 appreciate that. So, you know, we would not be a
10 developer in the sense we're not building individual
11 homes and selling individual lots. What we would be
12 doing is, through the development agreement with the
13 developing partner, transferring blocks of land that
14 they would then develop into homes and -- and sell
15 if it's for-sale product that is, you know, targeted
16 for that site.

17 If it were a rental project, we would
18 transfer land via ground lease to a developer who
19 would produce rental housing. Similarly, commercial
20 would be transferred via ground lease. So, yeah,
21 it's really a -- a kind of a land transfer that's
22 part of the deal that would then allow the developer
23 to effectuate for-sale housing development that
24 doesn't challenge Kamehameha Schools' kind of
25 current tax status.

1 COMMISSIONER CARR SMITH: Okay. Thank you
2 very much.

3 CHAIR GIOVANNI: Commissioners?

4 COMMISSIONER MIYASATO: Chair?

5 CHAIR GIOVANNI: Commissioner Miyasato.

6 COMMISSIONER MIYASATO: Yeah. Thank you,
7 again, for the in-person presentation rather than
8 just submitting to the department. You know, I feel
9 your update was complete for something that's so
10 long term and conceptual. So, you know, I can
11 appreciate that. And also, I think it was important
12 that you mentioned the fact that the development of
13 the infrastructure component cannot be done in
14 segments.

15 And because of that, you need to have a
16 large (inaudible) to cover your upfront costs. You
17 know, it's -- it's not something you can phase in
18 the infrastructure. It's really hard. You know,
19 it's got to be complete, accepted, working, and that
20 takes a lot of costs out of your pocket up front.
21 So -- and I understand that.

22 I just wanted to follow up a little bit on
23 Commissioner Kamakea-'Ohelo's comment on your intent
24 and focus on kama'aina development. Yeah. You
25 know, I'm not sure what the county rules will be at

1 the time when you go for permitting, but, you know,
2 would be nice to see some study -- I guess intent
3 for owner-occupied, first-time buyers, maybe a one-
4 year obligation to residency, something of that, you
5 know, manner.

6 MR. THOEMMES: Yeah. Yeah. I mean, I
7 think we're, you know, if you kind of go back to
8 like why we're doing this, we -- it -- it is to
9 support the tremendous need in the local market. So
10 any and all mechanisms to support that that are --
11 are legal, we would pursue.

12 You know, it -- it would be -- it'd be a
13 shame, right, to -- to kind of just, you know, build
14 housing that outside people come in and -- and --
15 and buy up and live in, right? So -- but we can
16 only -- we -- we got to live within the kind of the
17 rules of Fair Housing Act and -- and those sort of
18 things. But so -- and -- and you're right, we -- we
19 don't know, today, what the housing -- the
20 affordable housing requirements are, and the levels
21 are.

22 And -- but what I can say is if -- if you
23 look at how Castle & Cooke, and we've studied how
24 they've kind of developed community, within their
25 projects, there is a very obvious and intentional

1 housing ladder that is created from -- that avails
2 itself to the first-time home buyer, but also
3 provides a mechanism, over time, for them to harvest
4 some of that equity that is created and move up the
5 ladder as they grow their families, and then,
6 ultimately, even into senior housing, as they kind
7 of downsize and downshift.

8 And -- and we really like that aspect of
9 what they've done in -- in places like Mililani and
10 are doing in Koa Ridge. And so it's -- the -- the
11 product is mixed, right? I mean, it's very
12 intentional.

13 COMMISSIONER MIYASATO: Okay. Thank you.

14 CHAIR GIOVANNI: Commissioners, anything
15 further?

16 Well, I have a few questions, but first
17 let me express my appreciation for you coming
18 forward.

19 MR. THOEMMES: Yeah.

20 CHAIR GIOVANNI: And let me go on record
21 saying that I do trust your intent, personally.

22 MR. THOEMMES: Thank you. Thank you.

23 CHAIR GIOVANNI: I have a few questions,
24 but before I ask them, Ms. Lim, did you say there's
25 people here from C&C today as part of your team

1 available?

2 MS. LIM: From Castle & Cooke, there are
3 -- Mr. Alan Arakawa is here.

4 CHAIR GIOVANNI: Yeah, I'd like to hear
5 from -- first of all, let me say that it is
6 refreshing to this Commission, and me, in
7 particular, when the landowner comes forward as part
8 of the presentation. Too often, we hear from a -- a
9 lessee or a developer, but we don't really see the
10 landowner.

11 And to hear directly from the landowner,
12 in terms of his vision and his intent and his
13 commitment, is really appreciated and refreshing.
14 But we also need to recognize that you're not the
15 developer, and you need to have -- as you've -- as
16 you've stated -- a common perspective with your --
17 your partner, your developer. I'd like to hear it.

18 I'd like to hear from the developer, and
19 just have him go on record, what his vision is for
20 this project, what his perspective is, and how it
21 aligns with yours. So can we have that person come
22 forward?

23 MS. LIM: Mr. Arakawa is taking a seat. I
24 also note with him is Ms. Laura Kodama, also from
25 Castle & Cooke Hawaii Homes.

1 CHAIR GIOVANNI: Mr. Arakawa, do you swear
2 your testimony today is -- will be the truth?
3 Please proceed. Introduce yourself.

4 MR. ARAKAWA: Good morning. My name is
5 Alan Arakawa, Vice President of Residential
6 Operations for Castle & Cooke Homes, Hawaii.

7 CHAIR GIOVANNI: And what is your vision
8 for this project at this point in time?

9 MR. ARAKAWA: You know, the vision is very
10 much aligned with -- oh, closer -- very much aligned
11 with the vision articulated by Mr. Thoemmes. The --
12 I think you could see from -- from the presentation
13 he mentioned kama'aina housing is very much
14 consistent with what Castle & Cooke has done for
15 over 50 years now when you look at Mililani,
16 Mililani Mauka, Royal Kunia.

17 And we take great pride in that, that the
18 vast majority of our buyers actually are Hawaii
19 residents. And many of our buyers actually, as Mr.
20 Thoemmes mentioned, move up within the communities
21 that we built. Right? We create this housing
22 ladder, and we take a lot of pride in that as well.

23 CHAIR GIOVANNI: So thank you. Why don't
24 you stand by just in case the -- some of these
25 questions are --

1 MR. ARAKAWA: Sure.

2 CHAIR GIOVANNI: -- will be steered to you
3 by Ms. Lim.

4 So I was -- I appreciate my fellow
5 Commissioners asking the questions about the
6 kama'aina housing, and I don't question your intent,
7 but there's a great expression that is attached to
8 all Kamehameha Schools advertising for your schools.
9 And I think it's to the extent permitted by law or
10 something to that effect.

11 So can you represent -- and you said --
12 said something similar here today about "to the
13 extent permitted by law, you want this housing to go
14 to local families." What are you doing to assure
15 that that is in fact the case?

16 MR. THOEMMES: You know, so a lot of it
17 it's -- it's about building up awareness for the
18 project that it's coming and how you market it, the
19 brokers that you use. You know, in Kaka'ako, we
20 don't have a -- a full list of -- of every buyer and
21 every project. But in talking with the developers,
22 you know, a lot of their marketing was driven --
23 including Castle & Cooke in a project in -- in
24 Kaka'ako -- was targeting the local buyers.

25 And it's like getting the word out and

1 having them be kind of first in line, you know, at
2 the properties. We cannot, by law -- I don't -- and
3 I don't -- we are unable to just target a person for
4 housing. That's not fair to everyone. And so it
5 takes some, you know, it takes some finesse, and it
6 takes a kind of a strategy of making the public
7 aware.

8 Castle & Cooke does a great job with their
9 friends and family program. If you're a Castle &
10 Cooke owner, you kind of get noticed ahead of time
11 when they have new projects coming out. And it's
12 those kind of strategies that you have to use so you
13 don't kind of come across and get sued because of
14 you're violating some federal, you know, Fair
15 Housing Act.

16 So those are the strategies we've used in
17 the past. You know, if there are other ideas and
18 strategies to use, we certainly want to continue it.
19 If you have any of those thoughts and mana'o, you
20 know, when you make homes available, you got to kind
21 of get the word out to the -- the people you're
22 targeting.

23 CHAIR GIOVANNI: Agreed. That you got to
24 -- you got to keep focused on it.

25 MR. THOEMMES: Yeah.

1 CHAIR GIOVANNI: And -- and -- and you got
2 to abide by the laws of the land.

3 MR. THOEMMES: Yeah.

4 CHAIR GIOVANNI: Yeah.

5 MR. THOEMMES: Yeah.

6 CHAIR GIOVANNI: I'm going to go back a
7 little bit to when we last saw you and we did the
8 D&O, which we put in place with -- that was
9 referenced earlier in 2022, et cetera, Condition 11
10 about the infrastructure, et cetera. My recall, and
11 it's a little bit fuzzy, but Ms. Lim's always more
12 accurate than mine.

13 Her recall's better than mine. But my
14 recall is that the presentation at the time was,
15 this infrastructure is expensive; it's got to be
16 done upfront; it's tough to do upfront. At the
17 time, Kamehameha Schools put up a slide that said
18 their endowment was about \$10 billion, and today
19 it's \$15 billion.

20 So somewhere in those last few years,
21 you've grown by several billion dollars, but yet,
22 hopefully, some of that money can find its way to
23 this infrastructure. And, in fact, that was the
24 intent in putting that 10-year condition on that
25 that -- that would actually happen. And, in fact,

1 revenue would be received from the solar farms
2 through lease rents, et cetera, that would help pay
3 for that infrastructure.

4 So, I guess, my question is -- and I don't
5 want to go back and rehash all that stuff -- but on
6 a looking forward basis, how are you going to pay
7 for this infrastructure? What are the source of
8 funds between you and Castle & Cooke to get this
9 infrastructure built?

10 MR. THOEMMES: I -- I would appreciate
11 Alan's mana'o on this as well, because they'll be
12 key in it. But -- but I -- let me just address the
13 endowment part of it. You know, we -- we don't
14 spend from the corpus to fund projects. The corpus
15 exists to fund our operations. Kamehameha Schools,
16 whether it's this kind of project or maybe a project
17 we do in Kaka'ako, we go and finance it like
18 everybody else.

19 So we depend on investor interest in our
20 projects. They need to see, you know, an adequate
21 risk-adjusted return to invest in it, whether
22 that's, you know, an equity partner or a lender.
23 Because we cannot divert, you know, the endowment
24 funds for, you know, to pay directly for projects
25 because it's actually a return on those projects

1 that are -- and on that endowment that's funding
2 education.

3 So that's just how it's set up at -- at
4 Kamehameha. And we have a pretty stringent spending
5 policy that's tied to our endowment value. So we
6 fund projects kind of just like everyone else. And
7 -- and so, I guess, Castle & Cooke having done this,
8 they have funding ideas in mind. But essentially,
9 you know, my view of it is if it's a financeable
10 project, there's -- there's money out there and
11 interest out there in -- in investing in these kind
12 of projects.

13 CHAIR GIOVANNI: Alan?

14 MR. ARAKAWA: Yes, first off, you are --
15 you're absolutely right; the upfront infrastructure
16 is quite substantial. But it's the nature of
17 planned communities like these. It also makes these
18 projects a little risky because of that -- that huge
19 upfront capital investment. We would be looking to
20 invest our own equity in addition to going out to
21 find other equity sources and -- and debt sources to
22 finance infrastructure and development throughout
23 the project.

24 CHAIR GIOVANNI: Fair enough.

25 So where are the proceeds from the lease

1 rents from the solar? Where do they go into the
2 organization?

3 MR. THOEMMES: So the first dollar spent
4 in the organization comes from real estate revenues.
5 So what we collect in net operating income, whether
6 it's at a solar farm, ranch lands, commercial
7 properties, go directly into paying the bills for
8 the school. So we -- we're kind of the first dollar
9 spent. Dollars that come out of the financial
10 portfolio then fill in the gap needed to fund. So
11 it goes right into our education programs.

12 CHAIR GIOVANNI: So, in other words, the
13 solar farm revenues don't stay within this project,
14 they go to the general fund --

15 MR. THOEMMES: Yup.

16 CHAIR GIOVANNI: -- and then you --
17 everything draws out of that?

18 MR. THOEMMES: Yup.

19 CHAIR GIOVANNI: Okay. My last comment or
20 question kind of goes to Ms. Lim because she's got
21 the long-term perspective on this work. Going back
22 40 plus years, the owner or the developer on this
23 project has come in front of this Commission and
24 given us a 10-year plan, a 10-year plan, a 10-year
25 plan, and a 10-year plan. And now we're looking at

1 a 10-year plan.

2 What's different this time, is my
3 question. Give me some confidence -- I'll be long
4 gone, but that -- that -- we're not going to come
5 back 10 years from now and ask for -- we're just
6 getting started and it's going to be 10 more years.

7 MS. LIM: Thank you for the question,
8 Chair. And -- and it reflects a question that, I
9 think, I posed to Mr. Thoemmes as well, which is,
10 really, what's different? Because I know it's not a
11 sense of deja vu. I know that when we were before
12 this Commission in -- in 2022, we were talking about
13 beginning to analyze infrastructure and -- and next
14 steps, and is it time to start community engagement,
15 and all of that.

16 And recall Mr. -- what -- one thing Mr.
17 Thoemmes said today is that, well, Kamehameha
18 Schools felt like, okay, that was the path we were
19 going down at that time, always with the
20 understanding -- and this understanding has been
21 articulated to the Commission for years -- that KS
22 itself could never be doing the development.

23 But, I mean, when that infrastructure
24 condition got imposed, and when we are before the
25 Commission making representations on timeframes,

1 Kamehameha Schools takes that very seriously. So,
2 at that point, Kamehameha Schools was saying, "I
3 guess, we got to roll up our sleeves and we've got
4 to start doing this EIS, and we've got to start
5 moving forward."

6 And then, I think, there was a pause -- as
7 Mr. Thoemmes brought up -- and you realize if you do
8 an EIS, and that EIS isn't actually what your
9 development partner -- who -- who at that point we
10 had not yet identified -- if that EIS study is a
11 project that's not the project that the two of you
12 have agreed to build, all you've done is wasted
13 hundreds of thousands of dollars, lots and lots of
14 time, and given the community a false sense that,
15 you know, community members get involved in an EIS,
16 and an EIS gets accepted, and then it would
17 basically all be for naught if there wasn't that
18 marriage between the developer and Kamehameha
19 Schools.

20 So, for that reason, KS said, "Wait, we
21 better pull back and let's really prioritize the
22 development partner." The development partner was
23 always understood as an essential attribute, but it
24 was that tension of what can we do without the
25 development partner without getting too far ahead.

1 So what's really different now is there is
2 an agreement between a development partner and
3 Kamehameha Schools. There has been -- even before
4 their -- their memorandum of agreement was signed,
5 Kamehameha Schools has been working with Castle &
6 Cooke, Hawaii to -- to better understand the
7 infrastructure challenges. And they're big.

8 And I know there are people on this
9 Commission who really understand the engineering and
10 the construction difficulties, but the
11 infrastructure challenges for this property are big.
12 And we can say it's a mixed blessing, but maybe
13 that's why Gentry never was able to really go
14 forward. Okay?

15 So this is different now in that there is
16 serious, expensive, heavy duty diligence happening.
17 And once that diligence hits a certain level with
18 the land planner who's been mentioned as somebody
19 who's going to help Kamehameha Schools refine the
20 plan, together with -- with Alan and Laura at Castle
21 & Cooke, then that EIS will go forward.

22 Things are -- we're not putting the cart
23 before the horse this time. What we're trying to do
24 is let's do it once and really do it right. And I
25 think that that's a big difference. Kamehameha

1 Schools always had the -- the purest intentions, but
2 it's just a matter of practicality. Why pursue an
3 EIS and entitlements for a project that, ultimately,
4 like Mr. Thoemmes said, you might not ever find a
5 developer who wants to build it.

6 So now that collaboration is happening in
7 depth, upfront so that what's brought eventually to
8 this Commission for an approval on the motion to
9 amend in the district boundary amendment is for a
10 project that experienced people are saying, "Yeah,
11 this is the project that we want to build." So I
12 would say that that's a pretty significant
13 difference, although I know maybe looking at the
14 surface level, it doesn't look quite as significant.

15 CHAIR GIOVANNI: No, I think that's a
16 great answer. And there's a difference looking back
17 40 years and looking forward 10. I didn't share a
18 very high confidence level in the 10-year forecast
19 that was put before this Commission in 2022 when you
20 didn't have a development partner, and that we were
21 speaking purely to Mr. Thoemmes and his team.

22 I feel it's different now. I -- I think
23 it's a higher confidence factor. I'd be interested
24 in what you feel the confidence factor is of
25 Kamehameha Schools and Castle & Cooke that 10 years

1 from now we're going to build -- we're going to see
2 our first house in 2036. What -- what's your
3 confidence factor? I know it's a guess, and you
4 won't be held accountable.

5 MR. THOEMMES: If you're asking me, I'm
6 very confident. You know, I think that the -- the
7 parties have really kind of come together and agreed
8 on what we're trying to do. It's now a question of
9 how skilled and influential we can be to -- to kind
10 of knock down the barriers in our -- in our way.
11 And -- and that's really what development in -- in a
12 lot of ways is, is like solving things.

13 Everybody can get excited about the vision
14 and the -- and the -- and the pretty pictures and --
15 and -- and the sales pitch. But it -- it really is
16 about getting down into the weeds and solving the
17 problems that are invariably going to come up. And
18 infrastructure -- we're talking about
19 infrastructure, but we have ideas.

20 And, you know, we know that when we sit
21 back and just look island-wide, and everybody talks
22 about this housing shortage and we need 60,000
23 homes, you know, where is that going to happen if --
24 if water is a limiting factor, if roads are a
25 limiting factor? So we are going to have to get in

1 there and convince others to be involved in this.

2 And I -- and what I'm hearing, why I have
3 confidence, is at least in my engagements,
4 Kamehameha Schools' engagements with government,
5 with city, with county, everybody's saying the same
6 thing. And I've never seen as close of an alignment
7 --

8 CHAIR GIOVANNI: What -- what is the thing
9 they're all saying?

10 MR. THOEMMES: That we need to do things
11 differently to help housing be successful, right?
12 That we need to -- government is -- we -- we --
13 maybe we got to get involved in -- in -- in
14 utilities, right? In infrastructure. And we got to
15 help because right now, we put it on the developer,
16 they just pass it on to the homeowner, which just
17 means the -- the housing.

18 We've been having conversations where
19 maybe we shouldn't be putting school impact fees on
20 every project, especially in -- in mature
21 communities, because that's just, you know, raising
22 the cost of everything. So there's kind of been --
23 that has been the conversation in our experience.
24 And so I like it.

25 We've been in conversations about new ways

1 to fund infrastructure like TIF. There's actually a
2 -- a -- a bill that's kind of moving through and the
3 government providing tax increment financing knowing
4 that they're going to get the benefit of the -- the
5 elevated property taxes and GETs that come about
6 from these projects.

7 Like these are -- these are -- the energy
8 around this, I think, is very different than it was
9 15 years ago. So, no promises, but I'm as confident
10 as I could be in a long time that we're going to,
11 you know, produce more housing and newer communities
12 going forward.

13 CHAIR GIOVANNI: I hope you're right.

14 MR. THOEMMES: I do too.

15 CHAIR GIOVANNI: I don't have anything
16 further. Commissioners, do you? Okay. Thank you
17 very much. One second. City and County.

18 MR. SAITO: Oh, you know, we appreciate
19 the informational briefing. I don't think there is
20 a matter for action that we need to take a position
21 on at this time, but, you know, we'll do our best to
22 answer any questions if the Commission has them.

23 CHAIR GIOVANNI: Thank you. City and --
24 Commissioners, any questions for the City and
25 County?

1 I heard reference to City and County
2 working with LUC and the petitioner to decide who
3 would be the appropriate accepting agency for the
4 forthcoming EIS. We look forward to cooperation
5 from City and County.

6 MR. SAITO: Likewise. Thank you.

7 CHAIR GIOVANNI: Thank you.

8 OPSD?

9 MS. KATO: Alison Kato. We appreciate the
10 informative presentation and Petitioner's efforts to
11 provide an updated conceptual master plan and
12 schedule. We don't really have any comments other
13 than we look forward to seeing this project move
14 forward and, hopefully, to receive more detailed
15 plans going forward when they're available. Thank
16 you.

17 CHAIR GIOVANNI: Thank you, Ms. Kato.

18 Commissioners, any questions for OPSD?

19 There being none, thank you. I want to
20 thank you guys for coming forward. I feel it was
21 very informative. Unless any commissioners feel
22 different, I think that you've more than fulfilled
23 our desire to learn more about what's been going on
24 and get the update. And we greatly appreciate the
25 -- the interactive, informal presentation as -- in

1 addition to any written updates that you give us.

2 So thank you very much.

3 MR. THOEMMES: You're very welcome. Thank
4 you.

5 MS. LIM: Thank you, Commissioners, for
6 your attention today and for letting us come forward
7 with the presentation.

8 CHAIR GIOVANNI: Thank you.

9 I think we can conclude that. And I'm
10 going to do -- I'm looking at the clock here. We're
11 going to take a break at 12 o'clock.

12 MS. KWAN: I think you have to open up for
13 a second round of testimony, Chair.

14 CHAIR GIOVANNI: Oh, I do. Yeah.

15 Is there anybody who wants to testify?

16 MS. KWAN: Seeing none in the room and no
17 one used the Q&A feature. Thank you.

18 CHAIR GIOVANNI: Okay. Thank you for that
19 reminder.

20 UNIDENTIFIED SPEAKER: Are we at recess?

21 CHAIR GIOVANNI: No, we're not at recess.
22 Please, please, please -- we're -- we are not at
23 recess. Attention. Quiet, please. We're not at
24 recess yet. I just want -- I'm going to make a
25 change in the procedural order of our meeting today.

1 I'm going to ask the Executive Officer to present
2 the tentative meeting schedule at this time -- it'll
3 just take a minute -- and then we'll take a break.

4 MR. ORODENKER: Thank you, Mr. Chair. We
5 do not have any other meetings agendized in May. In
6 June, we have June 4th on Maui at the MACC for the
7 Amfac status report. On June 18th, we are all going
8 to be on O'ahu for Hawaiian Memorial Park status
9 report.

10 On July 9th, we will tentatively -- we
11 tentatively have scheduled the Kona -- to be in Kona
12 for the U of N Bencorp final EIS submittal. That's
13 pending their completion, though. We -- we don't
14 have a final document yet. August 6th, we'll be on
15 Maui for the Emmanuel Lutheran status report. And
16 that takes us to the end of the schedule.

17 CHAIR GIOVANNI: Okay. Thank you.

18 Commissioners, any questions on the
19 tentative schedule? Any comments? Okay. Hearing
20 none, I'll close that agenda item. And, again,
21 thank you all for your attention. And we'll take a
22 lunch recess now. It's currently 11:57. We'll be
23 back at 12:30.

24 (WHEREUPON, a lunch recess was taken.)

25 CHAIR GIOVANNI: We're back on the record.

1 It's 12:37. This is LUC meeting on May 7th.

2 Commissioner U'u, thanks for joining us by
3 Zoom. Can you confirm that you're -- are alone in
4 your room?

5 COMMISSIONER U'U: I am alone in my office
6 in 175 North Market Street in Wailuku, Maui.

7 CHAIR GIOVANNI: Perfect. Hopefully, you
8 don't find yourself too lonely there, but --

9 COMMISSIONER U'U: Yeah.

10 CHAIR GIOVANNI: Okay. And Commissioner
11 Carr Smith, you're still the same, correct?

12 COMMISSIONER CARR SMITH: That's correct,
13 Chair.

14 CHAIR GIOVANNI: Thank you very much.

15 Okay. Our next order of business is the
16 election of officers for the next fiscal year. This
17 will be starting July 1st, 2025 through June 30th,
18 2026. It'll be a 12-month term. So there's three
19 positions: There's the chairman, first vice
20 chairman, and second vice chairman.

21 So let me describe what I think makes
22 sense for how we proceed, but I'd be -- at the end
23 of my -- what I described, I would welcome any
24 comments or suggestions to do it differently. So,
25 first of all, I think we should elect individual

1 officers for each office separately rather than a
2 slate of three -- of all three that had been done in
3 -- done in recent years.

4 And we'll start with the chairman. And
5 then once that's complete, we'll do first vice
6 chairman and then we'll do second vice chairman.
7 Same process. The process will be that any
8 commissioner could nominate any other commissioner
9 to that office. And then we would get
10 acknowledgement from whoever that nominee is, that
11 he is willing to serve in the capacity that he's so
12 nominated.

13 Once we arrive at a -- what do I call it
14 -- a ballot of one or more commissioners, we'll --
15 we'll hear from -- I'd like to invite the nominees
16 to make a statement to the full Commission of why
17 they agreed to be a nominee and what they would like
18 to perform as -- if elected to the office.

19 And then once we get a full complement of
20 nominees, one or more, we'll take a roll call vote.
21 Each commissioner could vote for one person or one
22 nominee. And to be elected, you need a majority of
23 the -- of the Commission or you need five votes. So
24 that's it in a nutshell. Does anybody have any
25 questions or comments or concerns?

1 COMMISSIONER CARR SMITH: Chair?

2 CHAIR GIOVANNI: Commissioner Carr Smith.

3 COMMISSIONER CARR SMITH: Did you say that
4 we're voting individually or -- you made it sound
5 like we're going to vote on -- at the end on the
6 whole thing or individual?

7 CHAIR GIOVANNI: No. So, for each office
8 -- first we'll vote for the chair.

9 COMMISSIONER CARR SMITH: Okay.

10 CHAIR GIOVANNI: And then we'll repeat the
11 process for the vice chair.

12 COMMISSIONER CARR SMITH: Got it. Thank
13 you.

14 CHAIR GIOVANNI: And if the -- no one gets
15 the mandatory five votes, we'll do the whole thing
16 over again. Does that make sense? Everybody's
17 nodding their head, so I think it makes sense.
18 Okay. So let me open the -- open the floor for
19 nominees for the position of chair for July 1st to
20 June -- July 1/25.

21 To do what on this? Oh, I'm sorry. Do we
22 have anybody signed up that wants to give testimony
23 either online or in person?

24 MS. KWAN: Seeing none on the Q&A feature,
25 Chair.

1 CHAIR GIOVANNI: Any written testimony
2 received on this matter?

3 MS. KWAN: None today, sir.

4 CHAIR GIOVANNI: Okay. Now -- now may we
5 proceed?

6 MS. KWAN: Yes, you may.

7 CHAIR GIOVANNI: Okay. Great. Anybody
8 want to offer a nominee for the position of chair
9 for the next fiscal year?

10 COMMISSIONER MIYASATO: Chair?

11 CHAIR GIOVANNI: Mr. Miyasato.

12 COMMISSIONER MIYASATO: First of all, I'd
13 like to thank the current slate of officers for a
14 job well done. And thank you for the opportunity.
15 I would like to nominate Commissioner Lee for chair.

16 CHAIR GIOVANNI: Okay. Commissioner Lee.
17 Commissioner Lee, do you accept the
18 nomination?

19 COMMISSIONER LEE: Thank you. I
20 appreciate that, and it's my honor to accept.

21 CHAIR GIOVANNI: Okay. Later I'll ask you
22 to make comments why you want the position.

23 Any other nominees? Going once, going
24 twice. Any other nominees? Mr. Kamakea-'Ohelo.

25 COMMISSIONER KAMAKEA-'OHELO: I -- I just

1 have a question. When do you term up?

2 CHAIR GIOVANNI: I am currently a holdover
3 commissioner. What that means is that I serve at
4 the pleasure of the governor and he could replace me
5 on a one-day notice. If he chooses not to replace
6 me at all, then I either serve 'till the end of the
7 legislative session in May 2027 or -- or eight years
8 from when I started, whichever is sooner. And I
9 think that would also be around a year and a half
10 from now.

11 COMMISSIONER KAMAKEA-'OHELO: A year and a
12 half?

13 CHAIR GIOVANNI: Yeah.

14 COMMISSIONER KAMAKEA-'OHELO: And then,
15 just for clarification, this is a -- a one-year term
16 of officers?

17 CHAIR GIOVANNI: That's correct.

18 COMMISSIONER KAMAKEA-'OHELO: Mahalo for
19 entertaining the question. I -- I'd like to
20 nominate our current chair, Dan G.

21 CHAIR GIOVANNI: So Kamakea-'Ohelo
22 nominates me, Dan Giovanni, to be the chair.

23 COMMISSIONER KAMAKEA-'OHELO: Should you
24 accept.

25 CHAIR GIOVANNI: Should I accept.

1 COMMISSIONER KAMAKEA-'OHELO: Mahalo.

2 CHAIR GIOVANNI: And, first of all, let me
3 express my appreciation for the nomination. I do
4 appreciate it. I'm going to decline. I know I came
5 on this board voluntarily. I've enjoyed it very
6 much, but my whole purpose is to participate in
7 making meaningful decisions, district boundary
8 amendments, show cohort cause orders, special use
9 permits, and the like, acceptance of environmental
10 impact statements.

11 We've done -- we've done none of that for
12 a year. And the horizon line is we're not going to
13 do any of -- anytime soon, which I find
14 disappointing, especially in the context that we're
15 often criticized to be red tape, but there's no --
16 there's no tape out the door. I find that
17 disappointing. So I have one vote as a -- as the
18 chair, and I have one vote as a commissioner.

19 I intend to use that vote appropriately as
20 a commissioner. But thank you very, very much for
21 your support. But I'm going to decline the
22 nomination.

23 COMMISSIONER YAMANE: Mr. Chair?

24 CHAIR GIOVANNI: Commissioner Yamane.

25 COMMISSIONER YAMANE: I would like to

1 nominate Commissioner U'u for chair.

2 CHAIR GIOVANNI: Okay. Commissioner
3 Yamane nominates Commissioner U'u to be chair.

4 Commissioner U'u, do you accept the
5 nomination?

6 COMMISSIONER U'U: In all humbleness, I am
7 shocked, but -- I -- I appreciate that, but I will
8 not -- to be fair, I -- I -- I'm barely making the
9 meetings as far as I got a -- this job I have
10 amongst with other things, it -- it's -- it's --
11 it's -- it puts a burden on me.

12 I -- I love the meetings. I love
13 participating in the meetings, and -- and I will
14 leave it right there. And I'm happy right where I'm
15 at, my friend, not only on Maui -- representing
16 Maui, but representing and sharing my mana'o. But
17 thank you for that, but I will decline.

18 CHAIR GIOVANNI: Thank you, Commissioner
19 U'u, for clarification.

20 COMMISSIONER U'U: I'm just following the
21 Chair's lead, by the way.

22 CHAIR GIOVANNI: Pardon me?

23 COMMISSIONER U'U: I'm kidding. I'm
24 kidding.

25 I said I'm following your lead, Dan G.

1 CHAIR GIOVANNI: Well, if you're following
2 my lead, you'd be chair for two years.

3 COMMISSIONER U'U: I'm good. I'm good.
4 Thank you.

5 CHAIR GIOVANNI: Okay. Anybody else?
6 Okay. Going once. Going twice.

7 COMMISSIONER KAHELE: I have a question.
8 I don't have a nomination, but I have a question.

9 CHAIR GIOVANNI: Sure. Mr. Kahele.

10 COMMISSIONER KAHELE: Your current term as
11 the chair expires in June?

12 CHAIR GIOVANNI: June 30th.

13 COMMISSIONER KAHELE: So whoever's going
14 to be -- whoever's going to be the new chair, it's
15 going to be in effect as of June?

16 CHAIR GIOVANNI: No, July 1st.

17 COMMISSIONER KAHELE: July 1st. Thank
18 you.

19 CHAIR GIOVANNI: You're welcome.

20 Anything further?

21 Okay. So, Commissioner Lee, please tell
22 us why you want to be chair.

23 COMMISSIONER LEE: Thank you, Chair.

24 First of all, I want to thank everyone
25 here. I learned a lot from every single person

1 here. I think we're all here for the right reasons,
2 and I believe that I can serve all of you equally
3 and fairly as chair. I have had experience as chair
4 of several state and county boards. And I feel the
5 role of the chair is to serve and facilitate, not
6 just to impose my opinion on others. And that's how
7 I'll be treating it. And I look forward to serving
8 all of you. Thank you.

9 CHAIR GIOVANNI: So does anybody want to
10 ask Mr. Lee any questions?

11 COMMISSIONER YAMANE: I have a general
12 question.

13 CHAIR GIOVANNI: Yes.

14 COMMISSIONER YAMANE: Do we need a second?

15 CHAIR GIOVANNI: I don't think so.

16 COMMISSIONER YAMANE: Thank you.

17 CHAIR GIOVANNI: Yeah, this is not a
18 motion; it's a nomination. And I explained the
19 process and nobody had a problem with it, so yeah.

20 Okay. Mr. Orodenger, would you please do
21 a roll call vote on the commissioners for whether or
22 not to approve Commissioner Lee to be the new chair
23 starting July 1st.

24 MR. ORODENKER: Okay. Thank you, Mr.
25 Chair.

1 Commissioner Miyasato?
2 COMMISSIONER MIYASATO: Aye.
3 MR. ORODENKER: Commissioner Hayashida?
4 COMMISSIONER HAYASHIDA: Aye.
5 MR. ORODENKER: Commissioner Carr Smith?
6 COMMISSIONER CARR SMITH: Aye.
7 MR. ORODENKER: Commissioner Kahele?
8 COMMISSIONER KAHELE: Aye.
9 MR. ORODENKER: Commissioner Kamakea-
10 'Ohelo?
11 COMMISSIONER KAMAKEA-'OHELO: Aye.
12 MR. ORODENKER: Commissioner U'u?
13 COMMISSIONER U'U: Aye.
14 MR. ORODENKER: Commissioner Yamane?
15 COMMISSIONER YAMANE: No.
16 MR. ORODENKER: Commissioner Lee?
17 COMMISSIONER LEE: Aye.
18 MR. ORODENKER: Chair Giovanni?
19 CHAIR GIOVANNI: No.
20 MR. ORODENKER: Thank you, Mr. Chair. The
21 motion passes with seven affirmative votes.
22 CHAIR GIOVANNI: Very good.
23 Congratulations, Commissioner Lee.
24 So let me open the floor to nominations
25 for first vice chair.

1 COMMISSIONER LEE: Chair?

2 CHAIR GIOVANNI: Mr. Lee.

3 COMMISSIONER LEE: I would like to
4 nominate for first vice chair Commissioner Nancy
5 Carr Smith.

6 CHAIR GIOVANNI: Okay. Commissioner Carr
7 Smith, do you accept?

8 COMMISSIONER CARR SMITH: I would
9 graciously accept. Thank you very much.

10 CHAIR GIOVANNI: So just a question that
11 came up. I think it came up here briefly about --
12 from Commissioner Kamakea-'Ohelo about holdover. So
13 my understanding is that a holdover commissioner can
14 hold an office. However, if they're replaced during
15 the term of that office, it's unclear to me whether
16 we need to have another election to replace it or
17 whether the chairmanships just shift upwards.

18 So that could be either a decision of this
19 Commission, how to fill that role, or there might be
20 some statute that governs us. So can I ask the --
21 the Assistant Attorney General to give us some
22 clarification on that?

23 And the question is, if a office holder of
24 this Commission is a holdover commissioner that gets
25 replaced by the governor during the term of their

1 service, what happens?

2 MR. DUBIEL: It wouldn't be specifically
3 clear. There's no statute that governs that exact
4 scenario. You know, my opinion would just be that
5 you -- you can kind of -- I -- I would guess that
6 the first vice chair takes over because that's, you
7 know, your -- you -- your terms are for a set period
8 of time. So that first vice chair would probably
9 have to fill the role similar to any executive
10 office.

11 CHAIR GIOVANNI: So the -- if -- let me
12 see if I understand what you said. So if the chair
13 is -- for whatever reason -- leaves the Commission
14 during the midst of its term, you're saying we just
15 bump up the vice chair to the chair and the second
16 vice chair to the first vice chair?

17 MR. DUBIEL: Yes.

18 CHAIR GIOVANNI: Et cetera?

19 MR. DUBIEL: Yes.

20 CHAIR GIOVANNI: Okay. That's fine with
21 me. Has anybody got an issue with that? Question
22 about it? Okay. So, just for clarification, I
23 believe that Mr. Lee is not a holdover officer. I
24 don't know if Ms. Carr Smith is a holdover or not.
25 Do we have clarification on that?

1 MR. ORODENKER: Yes. She's currently a
2 holdover.

3 CHAIR GIOVANNI: Okay. So Ms. Carr Smith
4 is a holdover. That'd be a difference. It might
5 come into effect, it might not. It's either at her
6 pleasure or the governor's pleasure. Right?

7 Okay. Any other nominees for first vice
8 chair?

9 COMMISSIONER YAMANE: Mr. Chair?

10 CHAIR GIOVANNI: Yes.

11 COMMISSIONER YAMANE: I'd like to nominate
12 Commissioner Miyasato for vice chair.

13 CHAIR GIOVANNI: Okay. Mr. Miyasato, do
14 you accept?

15 COMMISSIONER MIYASATO: You know, I
16 appreciate that. Thank you for the nomination, but
17 I will respectfully decline.

18 CHAIR GIOVANNI: Anybody else?

19 I'm going to nominate Mr. Hayashida to be
20 first vice chair. He's going to --

21 COMMISSIONER HAYASHIDA: Unfortunately,
22 this year is -- I'm going to be traveling a lot, so
23 I'm going to have to respectfully decline.

24 CHAIR GIOVANNI: Okay. All right.
25 Anybody else? Hearing none.

1 So, Mr. Orodenger -- I mean, Ms. Carr
2 Smith, tell us why you would like to be first vice
3 chair.

4 COMMISSIONER CARR SMITH: Thank you,
5 Chair.

6 Well, I take serving on this Commission
7 seriously. It's not that I'm dying to be first
8 chair or first vice chair, but I -- it's my kuleana
9 to be here, and I am happy to be support of the
10 chair and the rest of the Commission. So that's all
11 I have to say.

12 CHAIR GIOVANNI: Okay. Thank you.

13 Anybody have a question for Ms. Carr
14 Smith? Hearing none, Mr. Orodenger please do a roll
15 call vote.

16 MR. ORODENGHER: Thank you, Mr. Chair.

17 The motion is to nominate or elect Nancy
18 Carr Smith -- Commissioner Carr Smith as first vice
19 chair.

20 Commissioner Lee?

21 COMMISSIONER LEE: Aye.

22 MR. ORODENGHER: Commissioner Yamane?

23 COMMISSIONER YAMANE: Aye.

24 MR. ORODENGHER: Commissioner Miyasato?

25 COMMISSIONER MIYASATO: Aye.

1 MR. ORODENKER: Commissioner U'u?

2 COMMISSIONER U'U: Aye.

3 MR. ORODENKER: Commissioner Kamakea-
4 'Ohelo?

5 COMMISSIONER KAMAKEA-'OHELO: Aye.

6 MR. ORODENKER: Commissioner Kahele?

7 COMMISSIONER KAHELE: Aye.

8 MR. ORODENKER: Commissioner Carr Smith?

9 COMMISSIONER CARR SMITH: Aye.

10 MR. ORODENKER: Commissioner Hayashida?

11 COMMISSIONER HAYASHIDA: Aye.

12 MR. ORODENKER: Chair Giovanni?

13 CHAIR GIOVANNI: I abstain.

14 MR. ORODENKER: Thank you, Mr. Chair. The
15 measure passes with eight affirmative votes.

16 CHAIR GIOVANNI: Great. Congratulations,
17 Ms. Carr Smith.

18 Okay. Do I have nominations for the
19 second vice chair?

20 COMMISSIONER CARR SMITH: Chair?

21 CHAIR GIOVANNI: Commissioner Carr Smith.

22 COMMISSIONER CARR SMITH: I'd like to
23 nominate Mike Yamane as second vice chair.

24 CHAIR GIOVANNI: Mr. Yamane, do you accept
25 that?

1 COMMISSIONER YAMANE: Thank you for the
2 accommodation. I respectfully decline.

3 CHAIR GIOVANNI: Any other nominations for
4 second vice chair? Mr. Lee?

5 COMMISSIONER LEE: Chair, I would like to
6 nominate Ku'ike Kamakea-'Ohelo for second vice
7 chair.

8 CHAIR GIOVANNI: Mr. Kamakea-'Ohelo, do
9 you accept?

10 COMMISSIONER KAMAKEA-'OHELO: Mahalo,
11 Commissioner Lee. I accept.

12 CHAIR GIOVANNI: Any other nominations?
13 Going once. Going twice.

14 Commissioner Kamakea-'Ohelo, tell us why
15 you're willing to serve.

16 COMMISSIONER KAMAKEA-'OHELO: I'm here for
17 the long haul, you know, and as the youngest member
18 on this Commission --

19 CHAIR GIOVANNI: You only get eight years.

20 COMMISSIONER KAMAKEA-'OHELO: -- there's
21 still a lot of room to grow, you know. And since
22 I've been here on the Commission three years now,
23 you know, and seeing the work ramp up and I've been
24 seeing, you know, the toll it takes on this
25 Commission, the commissioners and our staff. So I'm

1 here ready, willing to support this Commission and
2 to be present a hundred percent. So mahalo for your
3 confidence.

4 CHAIR GIOVANNI: Thank you very much. And
5 thank you for serving already. And let's -- and
6 confirm that you are not a holdover candidate.

7 COMMISSIONER KAMAKEA-'OHELO: I'm pretty
8 sure I'm not a holdover candidate, and I term out
9 next year.

10 MR. ORODENKER: Yup, that is correct --

11 CHAIR GIOVANNI: Yup.

12 MR. ORODENKER: -- Mr. Chair.

13 CHAIR GIOVANNI: Okay.

14 COMMISSIONER KAMAKEA-'OHELO: However,
15 Chair --

16 CHAIR GIOVANNI: Yeah.

17 COMMISSIONER KAMAKEA-'OHELO: -- because
18 of our previous administration, under Governor Ige,
19 he appointed me, I believe, in March or April. So
20 come next year, yeah, from April 1st or something
21 like that on, I will be a holdover.

22 MR. ORODENKER: Not -- that's -- yeah,
23 that's not a problem.

24 CHAIR GIOVANNI: Did you go through the
25 Senate?

1 COMMISSIONER KAMAKEA-'OHELO: I -- I did
2 go through Senate confirmation, however --

3 CHAIR GIOVANNI: Then you're all right.

4 COMMISSIONER KAMAKEA-'OHELO: -- he -- he
5 started me like two or three months early.

6 CHAIR GIOVANNI: Okay. So whatever it is,
7 we'll work it out.

8 COMMISSIONER KAMAKEA-'OHELO: So just for
9 the record.

10 CHAIR GIOVANNI: Yeah. Yeah. I'll be
11 gone when that comes into effect. I don't have to
12 worry about it. Okay. Let's take -- let's take a
13 vote.

14 MR. ORODENKER: Thank you, Mr. Chair.
15 The motion is to have Commissioner
16 Kamakea-'Ohelo as second vice chair.

17 Commissioner Lee?

18 COMMISSIONER LEE: Aye.

19 MR. ORODENKER: Commissioner Yamane?

20 COMMISSIONER YAMANE: Aye.

21 MR. ORODENKER: Commissioner Miyasato?

22 COMMISSIONER MIYASATO: Aye.

23 MR. ORODENKER: Commissioner U'u?

24 COMMISSIONER U'U: Aye.

25 MR. ORODENKER: Commissioner Kamakea-

1 'Ohelo?

2 COMMISSIONER KAMAKEA-'OHELO: Aye.

3 MR. ORODENKER: Commissioner Kahele?

4 COMMISSIONER KAHELE: Aye.

5 MR. ORODENKER: Commissioner Carr Smith?

6 COMMISSIONER CARR SMITH: Aye.

7 MR. ORODENKER: Commissioner Hayashida?

8 COMMISSIONER HAYASHIDA: Aye.

9 MR. ORODENKER: Chair Giovanni?

10 CHAIR GIOVANNI: Aye.

11 MR. ORODENKER: Thank you, Mr. Chair. The
12 vote passes unanimously.

13 CHAIR GIOVANNI: Very good. And
14 congratulations and -- to you all. Hope you know
15 what you're stepping into.

16 Ms. Kwan, any members of the public wish
17 to testify at this time?

18 MS. KWAN: Nobody on Zoom has used the Q&A
19 feature.

20 CHAIR GIOVANNI: Okay. So, in conclusion,
21 this -- your new terms will take effect July 1st,
22 and I'll continue with chair through our meetings in
23 June. And, thereafter, it -- it will turn over to
24 the new officers.

25 Okay. The next agenda item is the

1 executive officer's performance evaluation for
2 fiscal year 2025. And let me explain what I have
3 received in -- in the way of research and in the way
4 of recommendations from DBEDT and then open it up
5 for any questions or concerns any commissioners
6 might have. So I'm going to start by going back to
7 what we did last year.

8 What we did last year was that
9 Commissioner Lee, at the time, facilitated a process
10 by which -- I'm sorry, I forgot his second name,
11 it's same guy -- Commissioner Lee Ohigashi
12 facilitated a process by which he issued a
13 performance evaluation form, which each commissioner
14 was asked to independently fill out and return to
15 him.

16 In addition, we requested that the
17 executive officer, himself, also prepare the form
18 and fill it out and return it. Then Commissioner
19 Lee Ohigashi compiled those results and presented
20 them publicly to the full Commission for their
21 consideration in a open process by which we did an
22 evaluation of the performance of the -- of the
23 performance officer.

24 At the -- at the time, based on that
25 performance evaluation, which was basically a

1 numerical evaluation, along with other comments that
2 were received, the Commission decided what it wanted
3 to do in terms of a performance increase in terms of
4 compensation. And we agreed upon that by -- by
5 motion and a vote. And then that was put into
6 effect.

7 So, subsequently, to that whole process, I
8 have conferred with the director and the deputy
9 director of DBEDT, and I have it in writing from
10 them that they concur that our process was a good
11 one and is fine with two conditions. One condition
12 is, that the form itself be updated to reflect the
13 perspective of DBEDT management.

14 And so if you recall, in your email, I
15 asked the Executive Officer in the last couple of
16 days to send each of you a copy of the -- of the
17 performance evaluation form. This is the form that
18 came from the Deputy Director of DBEDT. So this is
19 the form that we will use.

20 So the process is the same. So you will
21 independently complete that form in your own
22 handwriting or online computer, however you do it,
23 and send it to the designated commissioner that we
24 decide will be the commissioner that compiles those
25 results. That exchange of my understanding is --

1 and I'm going to ask the Attorney General to confirm
2 that -- this exchange of forms between each
3 commissioner and the designee to compile them is not
4 subject to Sunshine constraint. It's a personnel
5 matter and we can do that. Is that correct?

6 MR. DUBIEL: It's a personal matter and
7 you can do that, unless it's specifically requested
8 by the employee who you're evaluating to have an
9 open meeting. If that request is made, then it does
10 need to be open.

11 CHAIR GIOVANNI: So the -- the -- the --
12 the deliberations on the performance evaluation is
13 going to be an open meeting. I'm just talking about
14 the process of filling out the forms.

15 MR. DUBIEL: No, I understand. I'm saying
16 that if he were to say, "I don't want that."

17 CHAIR GIOVANNI: Oh, okay.

18 MR. DUBIEL: He'd have to make that
19 request. But you guys can go how you want --

20 CHAIR GIOVANNI: You can ask him?

21 MR. DUBIEL: Yeah, you can ask him. And
22 if he -- he doesn't have to say anything, he just
23 has to request. If he requests -- I'm saying -- you
24 have to do it. Does that make sense?

25 CHAIR GIOVANNI: Well, let me ask him.

1 Do you have any -- Mr. Orodenger, are you
2 okay with the process I just described where each
3 commissioner fills out a form individually and then
4 it's compiled by one commissioner?

5 MR. ORODENKER: I -- I'm -- yes, I'm okay
6 with that, Mr. Chair.

7 CHAIR GIOVANNI: You agree with that?

8 MR. ORODENKER: Yeah.

9 CHAIR GIOVANNI: And that we may
10 communicate with each other on that matter without
11 violation of Sunshine?

12 MR. DUBIEL: That's correct.

13 CHAIR GIOVANNI: Okay. So the first order
14 of business would be to do that process, and then at
15 our meeting on -- I think our next meeting is June
16 4th, we will agendize a open discussion on the
17 results of that compilation of evaluation scores.

18 And we'll deliberate on his -- and give
19 him an overall performance guidance and reflection
20 and decide upon a recommendation for a change in
21 his, or increase in his -- I'll say the word
22 "change," because I think by the contract we can go
23 -- hold it same, or we can go up, or we can go down.

24 MR. ORODENKER: Actually, the way the
25 contract reads, you can give me no -- no change to

1 my salary, the bargaining unit 13 change to my
2 salary, a higher amount or a lower amount to the
3 bargaining unit 13 change. But you can't lower my
4 --

5 CHAIR GIOVANNI: I can't lower your raise?
6 Are you sure?

7 MR. ORODENKER: Yeah.

8 CHAIR GIOVANNI: Okay --

9 (WHEREUPON, a recess was taken.)

10 CHAIR GIOVANNI: Okay. Back on the
11 record. 1:07. Okay. So let me go backwards a
12 little bit. So the -- back to the -- to the form.
13 So you will fill out a form and you have to put your
14 name on it that you're the evaluator. And you have
15 to give a numerical score in each of, I think, 10 or
16 11 categories. Whoever compiles the scores does two
17 things. One thing is, he gives an average of
18 everybody's score in each category, and then an
19 overall average.

20 And second is that he provides a compiled
21 form that in -- that shows everybody's vote on
22 everything. So, for example, Dan Giovanni on the
23 compiled form, you'll see a -- a G or a DG for each
24 one of my numerical votes. That's the transparency
25 that we have for and -- and facilitates the process.

1 Any question on that?

2 Okay. We also would request -- similar to
3 last year -- that Mr. Orodenker do a self-evaluation
4 and share that with us for our consideration as
5 well. So there would be nine forms plus -- each
6 commissioner -- one by each commissioner and one by
7 Mr. Orodenker. He doesn't have to do it, but we
8 request it of him to do it. I find it helpful if he
9 does it.

10 So, looking at the calendar, I would like
11 to get those form -- you -- you each have received
12 forms. Anybody -- any commissioner that does not --
13 did not receive a copy of the form from Mr.
14 Orodenker in the last two days? So we all have it.
15 So I would like to propose that you complete that
16 form -- today is the 7th -- no later than the 21st,
17 which is two weeks.

18 And that you send it to our designated
19 person who will compile the form so that he can
20 complete that compilation by the 1st of June and
21 send back those results to us in advance of our
22 meeting of June 7th. Does that make sense to
23 everybody?

24 MS. KWAN: June 4th is our meeting.

25 CHAIR GIOVANNI: Oh, pardon me. June 4th.

1 Thank you, Ms. Kwan.

2 Okay. Do I have a commissioner who will
3 volunteer to be the compiler of the forms? Hearing
4 none, I will do it. I will volunteer. So I -- I --
5 you each have your form already. I ask you to
6 return it to me by email, and the -- the Attorney
7 General said you can email directly to me your form
8 no later than the 21st. Shouldn't take you but an
9 hour to do it, maybe two. So find the time, get it
10 to me as soon as you can, but no later than the
11 21st.

12 And then before the end of May, I will
13 send back to all of you the -- the -- the compiled
14 results. Okay? The next provision that we receive
15 from DBEDT -- and this is just FYI at this time --
16 is that if we do decide to give a increase in
17 compensation, it has to be consistent with the
18 approved budget for the next fiscal year for the
19 LUC.

20 Do we have an approved budget for the LUC
21 for next year?

22 MR. ORODENKER: Thank you, Mr. Chair.
23 Yes, we do.

24 CHAIR GIOVANNI: Okay. So there should be
25 a line item in there somewhere for compensation

1 adjustments?

2 MR. ORODENKER: There is not a particular
3 line item adjustment for -- for myself. The
4 legislature doesn't do that unless it's requested.

5 CHAIR GIOVANNI: So that's inconsistent
6 with the guidance I got from Dane Wicker.

7 MR. ORODENKER: Yeah. I had a discussion
8 with Dane about that, and he was a little bit
9 inconsistent with me as well. We do have a vacant
10 position that gives us flexibility with regard to
11 our overall personnel budget. And Commissioner --
12 Director Wicker -- Deputy Director Wicker indicated
13 that those funds could be used for --

14 CHAIR GIOVANNI: Could or could not?

15 MR. ORODENKER: Could.

16 CHAIR GIOVANNI: So I want that in writing
17 so that I don't -- we don't -- because that's what
18 we did last time, and we got a lot of conjecture
19 about it.

20 MR. ORODENKER: Yeah.

21 CHAIR GIOVANNI: So can I request that you
22 request from Mr. Wicker or Mr. Tokioka that -- in
23 writing in advance of our June 4th meeting that we
24 can use what -- what is our -- what fund?

25 MR. ORODENKER: Excess funds. It's excess

1 funds -- excess personnel funds.

2 CHAIR GIOVANNI: Whatever it is.

3 MR. ORODENKER: Yeah.

4 CHAIR GIOVANNI: But can we get that in --
5 email's fine. I don't need a letter.

6 MR. ORODENKER: Okay.

7 CHAIR GIOVANNI: But we -- we need some
8 guidance because there was conjecture about that
9 last year.

10 MR. ORODENKER: In -- in all honesty, Mr.
11 Chair, it'd be more appropriate coming from you
12 rather than me inquiring.

13 CHAIR GIOVANNI: Okay. I'll do it.

14 Okay. Let me summarize. I'm going to --
15 you have the form. In two weeks or less, you're
16 going to complete that form and send it to me. One
17 week after that, I'm going to have all the compiled
18 results back to you. I will also have an indication
19 of what kind of budget authorization we have to work
20 with if we decide to give a dollar increase in
21 compensation to Mr. Orodenker for his performance on
22 a going forward basis.

23 And then we will openly share that
24 information and deliberate and decide what -- how we
25 go forward as a Commission at our June 4th meeting.

1 Anybody got any questions or comments or
2 concerns about that process? Ms. Carr Smith?

3 COMMISSIONER CARR SMITH: Chair, I have a
4 request. I was thinking that it might be beneficial
5 to us to have staff complete the same form.

6 CHAIR GIOVANNI: What do you mean "staff"?

7 COMMISSIONER CARR SMITH: The staff
8 members under Mr. Orodenker complete the same form
9 that we all complete. I think it would be helpful
10 for us to know what the staff's answers are.

11 CHAIR GIOVANNI: I think that the -- don't
12 get me wrong -- I could be wrong -- but I think that
13 the -- there's a difference between -- I think the
14 -- I think the way it's written is it's the
15 Commission's responsibility to do this job from
16 their perspective.

17 If I'm hearing you correctly, you say your
18 perspective may be influenced one way or another and
19 you'd like to have the benefit of feedback from
20 staff on the same form. Is that correct?

21 COMMISSIONER CARR SMITH: Well, I -- I
22 wouldn't say what you just said that my --

23 CHAIR GIOVANNI: Well, then say it for
24 yourself.

25 COMMISSIONER CARR SMITH: I think that it

1 would be helpful to understand what the -- how the
2 staff would answer the questions on the form about
3 the Executive Director.

4 CHAIR GIOVANNI: Helpful to whom and for
5 what purpose?

6 COMMISSIONER CARR SMITH: Helpful to the
7 Commission.

8 CHAIR GIOVANNI: Okay. So, Commissioners,
9 do you share that feeling?

10 COMMISSIONER MIYASATO: Chair, you know, I
11 can understand where Commissioner Carr Smith is
12 coming from in light of what recently happened in
13 another department within the state that hit the
14 news recently. But, I guess, for me, the downside
15 of that is because we're putting our names on it,
16 it's pretty hard for a staff person to not give top
17 ratings for -- in each category.

18 So I think it's kind of difficult for
19 staff to express themselves with their names on the
20 form. And I -- I just don't think it'll be -- I
21 don't know how to say it, but that's just -- I think
22 it's hard.

23 COMMISSIONER U'U: Chair?

24 CHAIR GIOVANNI: Mr. U'u.

25 COMMISSIONER U'U: You know, at the

1 beginning I had the same thought process. It might
2 be helpful to get some inside and, you know, for --
3 for us, but I'm speaking on behalf of myself, you
4 know, the minimum three meetings a month, I -- I --
5 it's -- it's not relevant to the staff who's there
6 every day.

7 But in taking consideration to what Myles
8 just said, it would be hard for them to have an open
9 -- and it probably could and still be good -- open
10 discussion in -- in, you know, anything that would
11 help us. So I -- I -- I -- I would -- I would go
12 back to not having them do them, but I -- initially,
13 I really thought it was a good idea.

14 You know, I like mana'o from everybody is
15 what I wanted. Right? Mana'o. But at -- at times,
16 maybe, it's hard to share when -- when your name is
17 on it, and -- and you actually hired -- and I'm not
18 saying anything bad will come out from it. I -- I'm
19 just saying it'll be awkward, and I don't want to
20 put people in any awkward predicaments. That's it.

21 COMMISSIONER CARR SMITH: Yeah. Fair.
22 Thank you for talking through it.

23 CHAIR GIOVANNI: Mr. Lee?

24 COMMISSIONER LEE: Chair, I -- I
25 appreciate hearing from everybody. In the private

1 sector, this is commonly known as a 360-degree
2 evaluation where -- where staff reviews their
3 supervisor. I don't -- I -- I kind of feel okay
4 with either way, but if the concern is whether they
5 can be candid or not, we can always make it
6 anonymous, if that's the way everyone else feels.
7 But I'll defer to however -- the majority.

8 MR. ORODENKER: Mr. Chair, can I make a
9 suggestion? It is -- I think it's -- it's possible
10 for the Commission at the time of the evaluation to
11 go into executive session to -- to ask the staff
12 individually how they feel, if there -- there's
13 desired input.

14 CHAIR GIOVANNI: So I'm going to take a
15 little different approach. My experience, 360s are
16 helpful, but they're always anonymous because of the
17 awkward relationship that could exist or the
18 ramifications that might come out of a -- a review
19 or such. And -- and we've got to be transparent and
20 public about this stuff.

21 So if any staff member's going to go on
22 the record with their name and review, it's going to
23 be on the public record, it's not going to be in
24 executive session, and it's going to be on the
25 public record. So the compromise that I'm going to

1 suggest is that it be voluntary. So if any staff
2 member wishes to go on the record with their name
3 and fill out a form, we would accept it. But if
4 they do not, that's fine too. Does anybody have a
5 problem with that approach?

6 MR. DUBIEL: Chair, I don't have a
7 specific issue, but I will say this is ringing alarm
8 bells in my head in terms of like where we're going
9 with this, who's going to evaluate things. I can't
10 cite to a specific statute or OIP opinion off my --
11 top of my head, but I worry that anything broaching
12 this may be a violation of Sunshine, may be a
13 violation of employment laws, may be a violation of
14 Mr. -- excuse me -- yeah, Orodener's employment
15 contract. So I would advise -- though, I can't give
16 you, again, a specific opinion -- that you don't do
17 this.

18 CHAIR GIOVANNI: Yeah. So I'm going to
19 call for a vote, a motion to do this or not. Does
20 anybody want to make a motion to do this or not?

21 COMMISSIONER LEE: Chair, I motion that we
22 defer this -- this action for the feedback -- in
23 light of what the Deputy AG has advised.

24 CHAIR GIOVANNI: We don't have time.
25 We're going to meet on June 4th. We're going to

1 decide today.

2 COMMISSIONER KAHELE: I make a motion -- I
3 make a motion that we not allow the staff to be part
4 of this evaluation.

5 COMMISSIONER LEE: That -- that's what I
6 meant is -- when I said "to defer" means not to do
7 --

8 CHAIR GIOVANNI: Well, that's the motion
9 I'm looking for. Thank you, Commissioner Kahele.

10 Do I have a second?

11 COMMISSIONER KAMAKEA-'OHELO: Here.

12 CHAIR GIOVANNI: Commissioner Kamakea-
13 'Ohelo?

14 COMMISSIONER KAMAKEA-'OHELO: Second.

15 CHAIR GIOVANNI: Any comments? Take --
16 let's take a -- we've done a voice vote already
17 today, so -- I mean a roll call. This is just a
18 voice vote. All in favor of not asking the staff to
19 fill out the form signify by saying aye.

20 (All said, "Aye.")

21 CHAIR GIOVANNI: Any opposed? None. So
22 let the record show that we will not be asking the
23 staff to fill out the form, Mr. Orodenker's
24 performance in 2024.

25 Okay. So now I'm going to summarize. I'm

1 still going to give any commissioner an opportunity
2 to be the compiler because I'm not -- I don't -- I
3 don't see -- I don't see -- I don't see any takers.
4 All right. So if I don't see your form by the 21st,
5 you are a derelict, and I will not be asking for it,
6 and I will not be compiling it.

7 Okay. So that's the process. And then
8 when we meet on June 4th, you will have the benefit
9 of everybody's evaluation, hopefully including Mr.
10 Orodenker's, if he decides to comply with our
11 request. And we'll have an open discussion on his
12 performance at that time. And also, by that time, I
13 will get clarification on any budget limits or
14 constraints about a increase.

15 Commissioner Kahele, I could tell you want
16 to say something.

17 COMMISSIONER KAHELE: Chair, I got a
18 request. Can you send the document in maybe
19 Microsoft Word?

20 CHAIR GIOVANNI: What is it now?

21 COMMISSIONER KAHELE: It's a -- I believe
22 it's in X. Yeah, it's complicated.

23 CHAIR GIOVANNI: So can -- I don't --
24 that's -- that's the only version I had.

25 COMMISSIONER KAHELE: Yeah, I know --

1 COMMISSIONER LEE: You could do a PDF --

2 COMMISSIONER KAHELE: -- I think the last
3 time we took the evaluation --

4 MS. KWAN: And you print it and then just
5 mark it physically.

6 COMMISSIONER KAHELE: Oh, okay. I can do
7 that. And then I'll mail it to --

8 CHAIR GIOVANNI: Yeah. Print -- print it,
9 scan it -- print it, fill it out with a pencil or
10 pen, and then scan it back to me.

11 COMMISSIONER KAHELE: Well, I'll just mail
12 it to Ariana under your name. Is that all right?

13 CHAIR GIOVANNI: That's fine. She'll give
14 it to me.

15 COMMISSIONER KAHELE: Make it so simple
16 since she's going to get --

17 CHAIR GIOVANNI: Yeah. Anybody -- anybody
18 that can send it to either me or Ariana.

19 And let me ask Ariana to forward any that
20 you receive.

21 COMMISSIONER KAHELE: Is that all right,
22 Ariana?

23 MS. KWAN: Yes.

24 CHAIR GIOVANNI: Yeah, that works.

25 COMMISSIONER KAMAHEA-'OHELO: Chair, I

1 just have a --

2 CHAIR GIOVANNI: Commissioner Kamakea-
3 'Ohelo.

4 COMMISSIONER KAMAKEA-'OHELO: So just a
5 process question. So we submit by the 21st, and
6 then we will be receiving the results on what date
7 again?

8 CHAIR GIOVANNI: 28th.

9 COMMISSIONER KAMAKEA-'OHELO: Got it.
10 Mahalo.

11 CHAIR GIOVANNI: Chair Hayashida?

12 COMMISSIONER HAYASHIDA: It's Hayashida.
13 Will we get Mr. Orodenker's before we get to make
14 our evaluation or --

15 CHAIR GIOVANNI: Yes.

16 COMMISSIONER HAYASHIDA: Before or?

17 CHAIR GIOVANNI: Oh, before you do your
18 own?

19 COMMISSIONER HAYASHIDA: Yeah. Give us
20 perspective sometimes or not.

21 CHAIR GIOVANNI: Let me -- let me be
22 specific.

23 Mr. Orodenker, today is May 7th. By
24 Monday, May 12th, can you do your own form and send
25 it to us?

1 MR. ORODENKER: Yeah.

2 CHAIR GIOVANNI: Okay. So give it to
3 Ariana.

4 And let me ask Ariana to send it to all of
5 us. So you'll have it May 12th.

6 COMMISSIONER KAHELE: I'm sorry, Chair.
7 What -- what form are we talking about this --

8 CHAIR GIOVANNI: Same form, but it's going
9 to be the self-evaluation of Mr. Orodenker.

10 COMMISSIONER KAHELE: Yeah.

11 CHAIR GIOVANNI: So we'll be able to see
12 what he thinks of himself before we fill out our
13 form.

14 COMMISSIONER KAHELE: All right. Thank
15 you.

16 CHAIR GIOVANNI: And so if you recall,
17 last year, he gave himself a three in every
18 category.

19 COMMISSIONER KAHELE: He did?

20 CHAIR GIOVANNI: Yeah. Yeah. So it
21 really wasn't that helpful last year. I mean, if --
22 if you found that helpful, good for you. Yeah.
23 Okay. Any other discussion on this point -- this
24 agenda item?

25 Did I ask for a second round of testimony

1 already?

2 MS. KWAN: Seeing none in the Q&A feature,
3 Chair.

4 CHAIR GIOVANNI: We'll move on. Do you
5 have anything else?

6 MR. ORODENKER: Mr. Chair, I am going to
7 be out of town until the 14th. Can I request that I
8 get it to you on the 15th?

9 CHAIR GIOVANNI: Yes.
10 So I've agreed to shift that from May 12th
11 to May 15th.

12 MS. KWAN: Understood.

13 CHAIR GIOVANNI: Where are you going?

14 Okay. Where am I? My -- my eyes have
15 gone. The next agenda item is the adoption of
16 minutes from our meeting of April 23rd, 2025.

17 Ms. Kwan, any testimony written on --
18 written testimony on these minutes?

19 MS. KWAN: No, Mr. Chair.

20 CHAIR GIOVANNI: Any members of the public
21 signed up to testify on the minutes?

22 MS. KWAN: Seeing none in the Q&A feature.

23 CHAIR GIOVANNI: Commissioners, are there
24 any corrections or comments on the minutes?

25 COMMISSIONER U'U: Comment.

1 CHAIR GIOVANNI: Who is that?

2 COMMISSIONER U'U: Bruce --

3 CHAIR GIOVANNI: Commissioner U'u.

4 COMMISSIONER U'U: I just want to clarify.

5 I know -- I know the status report was sufficient,

6 and that is for the Toyama -- Toyama Gardens. Is

7 this still an annual report to be submitted? And if

8 it is, who's that annual report submitted to? Is it

9 Planning Commission or State Land Use Commission?

10 MR. ORODENKER: It's to both,

11 Commissioner.

12 COMMISSIONER U'U: Okay. Got it. Thank

13 you. That's all.

14 CHAIR GIOVANNI: Okay. Do I have a motion

15 to accept the minutes as prepared?

16 COMMISSIONER U'U: I'll make a motion.

17 CHAIR GIOVANNI: Moved by Commissioner

18 U'u.

19 Do I have a second?

20 COMMISSIONER MIYASATO: Second.

21 CHAIR GIOVANNI: Who was that?

22 Commissioner Miyasato's second. All in favor of

23 adoption of the minutes from April 23rd signify by

24 saying aye.

25 (All said, "Aye.")

1 CHAIR GIOVANNI: Okay. We did the meeting
2 schedule.

3 Is there any other new business or
4 questions or concerns of this Commission?

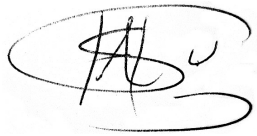
5 Hearing none, this meeting is adjourned.

6 (WHEREUPON, the proceedings adjourned.)
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CERTIFICATE

I, Lorraine Adoyo 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 6th day of June, 2025.

A handwritten signature in black ink, appearing to be 'L. Adoyo', enclosed within a hand-drawn oval.

Lorraine Adoyo