

MINUTES FOR THE  
MEETING OF THE  
PUBLIC LANDS DEVELOPMENT CORPORATION

DATE: MONDAY, AUGUST 29, 2011  
TIME: 2:30 P.M.  
PLACE: KALANIMOKU BUILDING  
LAND BOARD CONFERENCE ROOM #132  
1151 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813

MEMBERS

William J. Aila, Jr., Chairperson, Department of Land and Natural Resources  
Guy H. Kaulukukui, First Deputy, Department of Land and Natural Resources  
Kalbert Young, Director, Department of Budget and Finance  
Richard Lim, Director, Department of Business Economic Development & Tourism  
Robert Bunda, House Designee  
Duane Kurisu, Senate Designee

STAFF

Linda Chow, Deputy Attorney General, Department of the Attorney General  
Claire Kodama, Secretary, Department of Land and Natural Resources

I. CALL TO ORDER/ROLL CALL

1. Chairperson William Aila, Jr. called the meeting to order at 2:40 p.m. as the first ever Public Land Development Corporation (PLDC) meeting.

He pointed out that he issued a memo assigning First Deputy, Guy Kaulukukui to represent the Department of Land and Natural Resources (DLNR) as the designee of the PLDC. He reminded everyone that public testimony will be taken at each agenda item. The Governor does not intend to sell any ceded lands. The DLNR will work with the various counties on projects that we consider for implementation and will remain transparent. He urged the public to allow DLNR time to see the positive potentials of the PLDC in its primary purpose to provide revenue for the Department. It's to select public parcels of land to develop it in a "pono" way for a benefit for the DLNR to manage the vast amount of public and submerged lands and streams and biological resources that we have to do.

2. At this time (2:43 p.m.), Chairperson Aila turned the meeting over to Guy Kaulukukui. Guy introduced Deputy Attorney General Linda Chow, representing the Board and Claire Kodama acting as temporary Board Secretary who is also his Secretary whose serving in this capacity until a staff position for the board can be filled.

Deputy Kaulukukui called the roll. Members present were Kalbert Young, Director of the Department of Budget and Finance, Richard Lim; Director of the Department of Business,

Economic Development and Tourism; Board Member Robert Bunda; Board Member Duane Kurisu was absent and Board Member Guy Kaulukukui were present.

## II. ELECTION OF OFFICERS OF THE PUBLIC LAND DEVELOPMENT CORPORATION

Board Member Kaulukukui advised that a Chair and Vice Chairman would be elected to the PLDC.

Member Lim moved to elect Board member Young as Chair of the PLDC. Board member Kaulukukui seconded the motion.

Discussion ensued: Board member Bunda asked the rules were, whether it had to be a member of the administration or anyone else on the board since Board member Kurisu was not present. Board member Kaulukukui stated that the Chairperson would not have to be one of the Directors.

Members Young, Kaulukukui and Lim approved the motion. Member Bunda abstained. The motion carried. Director Young is elected Chairperson of the PLDC.

Newly elected Chairperson Young conducted the meeting.

### Election of Vice-Chairman

Member Lim nominated member Kurisu as Vice-Chair of the PLDC. Member Kaulukukui seconded the motion. The motion carried unanimously.

## III. WORKSHOP FOR MEMBERS

Member Kaulukukui opened up the meeting for Board members to clarify any concerns over the power and functions of the PLDC and any testimony from the public were welcome at this time.

Director Alapaki Nahale-a, Director of the Department of Hawaiian Homelands (DHHL) and Chair of the Land Use Commission and he is anxious to work in partnership with the corporation and mentioned that working in collaboration would help to determine value to the public in partnerships with public entities are good and that the DHHL is available for information and consultation.

Donna Wong, of Hawaii Thousand Friends asked for clarification on the public testimony section of the agenda stating that it is only taking testimony up to the start of the meeting. Member Kaulukukui responded that it is specific to public testimony received electronically and wanted to send a sense of urgency to receive it before the meeting and also ensure that the Board would receive testimony at the meetings.

Shelly Morioka asked if the Board would accept public testimony at all the PLDC meetings. Member Wong responded in the affirmative. She asked what the state will do to protecting the land under the Corporation.

Member Young stated that the Statute for the bill is modeled after other sections of Hawaii Revised Statutes for other entities that have that type of entities. The Corporation will have to establish rules to undertake. The first several meetings is to develop rules to develop operations. This is the first meeting is to establish a process to run.

A question was raised about the possibility of using existing land use policies. Member Young explained that the Corporation would have to review legislative records. The policies are modeled after other areas of the statutes that work apply to other existing organizations such as The Hawaii Community Development Authority and Agribusiness Development Corporation.

Member Bunda stated that the bill mentions by-passing the county's role and that the Corporation has the provision. When the rule is formulated, it has to work with the intent of the law.

Member Kaulukukui stated that the DLNR had previous meetings with the county planning in particular Kauai and will have with other counties, which is critical. It is the Corporation's best interest to work with other counties.

Donna Wong asked whether it would take a contested case process? Member Wong mentioned that the rules for the Corporation have not fully been set.

Arnold Wong, of the Iron Workers Union was concerned with construction licenses and hoped the rules would be followed, especially HRS 103.

Jocelyn Doane, of the Office of Hawaiian Affairs (in her personal capacity) was happy to hear Chairperson Aila's concerns. She mentioned that the DHHL and Agribusiness laws are different and was glad about what the Corporation is thinking and could be good.

Mililani Trask stated that she is looking forward to working with the various entities: Legislature, DLNR, OHA, DHHL on geothermal development, and that it would put in place a new approach for developing energy in the submerged land area within 3 miles. She is eager to work with the PLDC. She hopes to meet with appropriate staff

Member Kaulukukui stated that the Department is going through realignment and plans to create an office for strategic opportunities. The director would report to the Chair. The Chair is the liaison between the Department and Board.

Member Bunda requested to defer item VIII, "Discussion of Potential Projects for Development by the Public Land Development Corporation" until the next meeting as the Senate meeting to discuss the progress of the PLDC was set for the next day (8/30). Potential projects would be discussed by Board Members.

Chair Young stated that since this is the first meeting of the PLDC that there were no formal projects to be discussed. Projects that can be discussed and vetted ahead of the process, ahead of rules. Member Bunda's request to defer item VIII to a future meeting is agreeable.

Member Lim seconded the motion to defer item VIII until the next meeting. The motion carried unanimously.

Workshop for members continued.

Member Kaulukukui asked whether there were questions for Board Members regarding powers and operations. He asked Deputy Attorney General Linda Chow to clarify the powers or functions that may have been omitted in the original legislation to carry out the mandate.

Deputy Attorney General Chow stated that the PLDC is patterned after the Agribusiness Corporation. Public lands 171-2 amendment to the legislature states to remove land from different HRS 171.2 states no strict compliance but new chapter for PLDC and members and regulations they want to create for itself. Similarly done by HCDA and Agribusiness Development Corporation, both are also exempt from the definition of public lands.

#### IV. DISCUSSION OF PROPOSED RULES AND BYLAWS

Member Kaulukukui mentioned that the person who was working on the rules is currently on vacation.

Chair Young stated that the Corporation is looking for draft rules even if it is modeled after another organization such as HCDA and established a subcommittee of PLDC to shepherd rules and have draft rules at the next meeting to take to the public 1-2 meetings later. The Board is looking to hold meetings every 3 weeks.

Member Kaulukukui stated that it was a good idea and was willing to serve on a subcommittee. The DLNR Land Division is working on the first draft of rules to give something to the work with. In lieu of staff, he appreciates the DLNR for providing the PLDC with staff.

Chair Young asked members Kaulukukui and Bunda would be willing to serve on the subcommittee. Both members agreed.

Pat Tummons, of Environment Hawaii had a question on sunshine law relating to the subcommittee.

Deputy Attorney General Chow clarified that any meeting by the subcommittee has to be sunshined. Chair Young thanked Deputy Attorney General Chow and Ms. Tummons for the clarification.

Member Kaulukukui mentioned that the Board was provided with copies of position descriptions of the Executive Director and that a vacancy announcement was posted on August 24 on the State Department of Human Resources Development (DHRD) website to close on September 6.

Chair Young stated that it would be more efficient to vet out initial applicants until September 6 to provide a list of finalists for the full board to review and select. The subcommittee could see the DHRD list and later provide it to the PLDC.

Member Kaulukukui mentioned that holding the next meeting in 3 weeks would be difficult so 3 weeks after that at the following meeting would be more reasonable.

Chair Young mentioned that if 100 applicants were received, it would be difficult.

Member Bunda would like to see all applications. Deputy Attorney General Chow suggested gauging to see how the Board would like to proceed. Chair Young suggested asking DHRD for the amounts of applicants received.

The statute provides for 3 positions: Executive Director, Vice Director, and Planner.

Member Kaulukukui suggested hiring the Executive Director then go back to the Legislature to get two positions funded; both would need to be funded by the next session and not one without the other.

Chair Young requested to table the item without approval to go back to the legislature to proceed with funding.

## VI. DISCUSSION OF OFFICE SPACE AND ADMINISTRATIVE ASSISTANCE

1. The Board will discuss the establishment of short-term and long-term office space for the Executive Director and staff of the Public Land Development Corporation

Member Kaulukukui stated that the DLNR offers its resources in the short-term and space in the long-term if it is the pleasure of the Board. He asked Deputy Attorney General Chow what in-kind contribution can the PLDC accept for office space. She mentioned that since the PLDC is attached to DLNR it can provide staff and office space but if the offer comes from an outside entity then the offer must be reviewed.

2. The Board will discuss the means for providing immediate and temporary administrative assistance for the Executive Director.

Member Kaulukukui stated that the DLNR will provide administrative assistance until the Board can provide that by itself.

Member Lim mentioned that the legislature allowed the Hawaii Housing and Finance Development Corporation and the Hawaii Community Development Authority to provide assistance. Member Kaulukuiui said that the Board is willing to take assistance until the Board can provide its own.

Chair Young thanked both Departments for their assistance to meet its requirements.

Member Kaulukukui mentioned that the Land Division will provide the cost at the next meeting based on their experience.

## VII. DISCUSSION OF THE HAWAII PUBLIC LAND OPTIMIZATION PLAN AND ANNUAL REPORTING REQUIREMENTS

1. The Board will discuss the requirements of the Hawaii Public Land Optimization Plan as set forth in Act 55, establish internal timelines for the development of the plan and the annual report, and seek the assistance of the Land Division to commence the inventory of public lands.

Member Kaulukukui stated that the one deliverable the state requires is to be in compliance with the statute. He suggested working with the Land Division to start the process then once here, the Executive Director would complete what the Land Division started rather than wait.

Chair Young agreed and thanked the Land Division.

Chair Young stated that the next meeting would be tentatively September 19 at 2:30 p.m. but he would need to check with all Directors first.

Member Bunda asked Senator Dela Cruz's staff members who were sitting in the audience when the next hearing would be. It was stated that the next hearing would be at 10 a.m. on August 30 in conference room 016 between a joint House/Senate hearing on PLDC.

Donna Wong asked where to send testimony. Claire Kodama asked that she e-mail her directly as stated on the agenda.

A question arose that DLNR always says it does not have money. Member Kaulukukui responded that the PLDC is a better entity to fund public spaces than the Land Division and more opportunities than the Land Board. The Land Board would have to authorize land rights over the PLDC.

Sophie Cochran, of Civil Beat asked a question regarding the Executive Director position. Member Kaulukukui stated that it would be a full-time position and that the intention of the PLDC is to have a physical home located in one of our offices in our building until a permanent home can be established.

Janet Mandrell asked if the Board will have access for others to video conference into. Member Kaulukukui responded that if the meetings are held in the Land Board Conference Room then it would be a possibility.

Sophie Cochran asked the members to what extent are they involved with the corporation due to their busy jobs and whether the Executive Director would do the bulk of the work once hired.

Chair Young responded that the Board members would continue their jobs and that all the PLDC members are anxious for the Executive Director to be named.

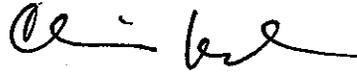
A question arose on whether the two entities would conflict with Senator Dela Cruz's informational briefings. Chair Young stated that the PLDC will not have regular informational briefings.

Pat Tummons brought up the issue that the Board had problems with a sunshine law violation. Member Kaulukukui stated that it was an oversight on our part and beginning at the next meeting it will be listed on the state calendar.

Member Kaulukukui moved to adjourn the meeting. Member Lim seconded the motion. The motion carried unanimously.

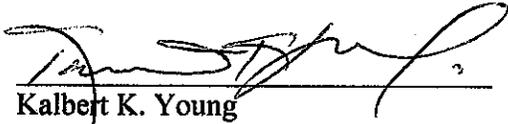
The meeting was adjourned at 3:32 p.m.

Respectfully submitted,



Claire Kodama  
Acting PLDC Secretary

Approved for submittal:



Kalbert K. Young  
Chairperson  
Public Land Development Corporation