



RESOLUTION

TO RETAIN THE LEGAL SERVICES OF KOBAYASHI SUGITA & GODA, LLP AS SPECIAL COUNSEL TO REPRESENT THE HONOLULU LIQUOR COMMISSION IN POST-SETTLEMENT PROCEEDINGS IN THE LEGAL ACTION ENTITLED SCARLET HONOLULU, INC., ET AL. V. HONOLULU LIQUOR COMMISSION, ET AL., CASE NO. CV 21-00457 KJM (USDC)

WHEREAS, on November 22, 2021, Scarlet Honolulu, Inc. and Walter Enriquez dba Gay Island Guide (collectively, "Plaintiffs") filed a lawsuit ("Lawsuit") against the Honolulu Liquor Commission ("HLC") and two of its investigators in the United States District Court for the District of Hawaii, alleging discriminatory enforcement against LGBTQ+ establishments; and

WHEREAS, pursuant to the Revised Charter of the City and County of Honolulu 1973 (2017 Edition) ("RCH"), Section 5-203, "[t]he corporation counsel shall serve as the chief legal adviser and legal representative of all agencies, the council and all officers and employees in matters relating to their official powers and duties"; and

WHEREAS, pursuant to RCH Section 5-204.3, "[w]here the corporation counsel has been disqualified, special counsel may be retained by any officer or employee in matters relating to the official powers and duties of such officer or employee"; and

WHEREAS, by Resolution 22-075, the Council of the City and County of Honolulu ("Council") authorized the retention of Kobayashi Sugita & Goda, LLP ("KSG") as Special Counsel to defend the HLC in the Lawsuit, and KSG defended the HLC throughout the litigation, including a six-day jury-waived trial; and

WHEREAS, the parties settled the Lawsuit; the Council approved the settlement by Committee Report 314 on November 7, 2024; the settlement agreement was fully executed in December 2024; and a court-approved stipulation to dismiss was filed on January 22, 2025; and

WHEREAS, Plaintiffs now allege that the HLC violated the settlement agreement and are seeking court intervention, which allegations the HLC denies; and

WHEREAS, the Department of the Corporation Counsel has determined that there is a real and identifiable conflict of interest which prohibits it from representing the HLC in this matter, and it is therefore necessary to appoint and retain Special Counsel to represent and defend the HLC; and

WHEREAS, KSG possesses the specialized legal knowledge and expertise to defend the HLC as Special Counsel, having defended the Lawsuit and drafted the settlement agreement now in dispute; now, therefore,



RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that:

1. Pursuant to RCH Section 5-204.3, the City Council authorizes the appointment and retention of Kobayashi Sugita & Goda, LLP as Special Counsel to represent the Honolulu Liquor Commission in all post-settlement proceedings, and all appellate and related proceedings, in the above-referenced matter;

2. The total sum to be expended to pay Special Counsel shall not exceed Fifty Thousand Dollars (\$50,000.00), but this amount may be increased by the Council if it is satisfied with the justification made upon the recommendation of the Corporation Counsel for an increase in the stated maximum amount;

3. Special Counsel may be paid monthly for its services, provided that it submits to the Department of the Corporation Counsel an itemized monthly statement reflecting the specific services rendered, together with the total number of hours billed for the specific services at one-tenth of an hour, and the Department of the Corporation Counsel reviews and approves the statements before any payments may be made by the City; and

4. The Director of Budget and Fiscal Services is authorized to execute a contract with Kobayashi Sugita & Goda, LLP for the legal representation of the Honolulu Liquor Commission in the above-referenced matter; and

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RESOLUTION

BE IT FINALLY RESOLVED by the Council that the Clerk be and is hereby directed to transmit copies of this Resolution to the Department of the Corporation Counsel and to Kobayashi Sugita & Goda, LLP, 999 Bishop Street, 26th Floor, Honolulu, Hawaii 96813.

INTRODUCED BY:

[Signature]

(br)

DATE OF INTRODUCTION:

JUN 24 2026

Honolulu, Hawai'i

Councilmembers

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII
CERTIFICATE

RESOLUTION 26-153

Introduced: 06/24/26 By: SCOTT Y. NISHIMOTO - BY REQUEST Committee: INTERNATIONAL & LEGAL AFFAIRS (ILA)

Title: TO RETAIN THE LEGAL SERVICES OF KOBAYASHI SUGITA & GODA, LLP AS SPECIAL COUNSEL TO REPRESENT THE HONOLULU LIQUOR COMMISSION IN POST-SETTLEMENT PROCEEDINGS IN THE LEGAL ACTION ENTITLED SCARLET HONOLULU, INC., ET AL. V. HONOLULU LIQUOR COMMISSION, ET AL., CASE NO. CV 21-00457 KJM (USDC).

Voting Legend: * = Aye w/Reservations

06/24/26	ILA	Reported out for adoption.
		CR-181(26)
		7 AYES: CORDERO, KIA'ĀINA, NISHIMOTO, OKIMOTO, TULBA, TUPOLA, WEYER
		2 ABSENT: DOS SANTOS-TAM, WATERS
06/24/26	INTRO	Introduced.
07/08/26	CCL	Committee report and Resolution were adopted.
		7 AYES: DOS SANTOS-TAM, KIA'ĀINA, NISHIMOTO, OKIMOTO, TUPOLA, WATERS, WEYER
		2 ABSENT: CORDERO, TULBA

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.



CHADD KADOTA, ACTING CITY CLERK



TOMMY WATERS, CHAIR AND PRESIDING OFFICER