

STATE OF HAWAII
LAND USE COMMISSION

MINUTES OF PUBLIC HEARING AND
MEETING

Board Room, County Building
Hilo, Hawaii

1:00 P. M. - March 19, 1965

Commissioners Myron B. Thompson
Present: Charles S. Ota
Goro Inaba
Shiro Nishimura
Robert G. Wenkam
Leslie E. L. Wung
Jim P. Ferry

Absent: C.E.S. Burns
Shelley M. Mark

Staff Raymond S. Yamashita, Executive Officer
Present: Roy Takeyama, Legal Counsel
Gordon Soh, Associate Planner
Alberta Kai, Stenographer

The public hearing was called to order by Chairman Thompson who opened the meeting with a prayer. The Commissioners and staff were introduced. The procedures of the public hearing were outlined. All persons participating or presenting testimonies during this hearing were sworn in by the Chairman.

PETITION OF MOLLY D. ZIMRING (A64-73) TO AMEND DISTRICT BOUNDARIES IN THE VICINITY OF THE JUNCTION OF KUPULAU ROAD AND AINALOA DRIVE IN HILO FROM AN AGRICULTURAL DISTRICT BOUNDARY TO AN URBAN DISTRICT BOUNDARY SO AS TO INCORPORATE 25.67 ACRES WITHIN THE HILO URBAN DISTRICT FOR DEVELOPMENT OF A 25 LOT SUBDIVISION: Described as Third Division, 2-4-36: 1 (formerly 2-4-05: 43), containing 25.67 acres.

The background and analysis on the above petition was presented by Gordon Soh (copy of report on file). The staff's recommendation was for denial on the following bases:

- (a) that the land in question is as much if not more so, surrounded by agricultural uses as urban uses;
- (b) that there are areas more suitably located and easily serviced by public agencies closer to Hilo;

- (c) that the area is not clearly identifiable with the existing developments at Camp 6;
- (d) that sufficient areas in Hilo have been districted for urban growth for the next ten years;
- (e) that the topography and drainage of the parcel is as much suitable for grazing as for urban uses;
- (f) that other low density areas contiguous to urbanized areas have already been districted;
- (g) that urbanization of petitioner's land would not be consistent with the development plan for Hilo;
- (h) that an overabundance of land with low agricultural capability has already been included in the Hilo urban district;
- (i) that the parcel in question would represent a large addition to the 92 acre Camp Urban district which is not fully developed; and that the parcel would not be the most logical extension of that district;
- (j) that the addition of the parcel would extend the area of low density urban districts near Hilo.

The County's recommendation was for approval on the basis that:

- (1) the parcel is adjacent to an existing urban zone;
- (2) the parcel will not be used for agricultural purposes, and the surrounding areas are evidenced by urban type developments;
- (3) the government road which the parcel fronts on has an existing county water system, electricity, and telephone service;
- (4) the nearby urban development is served with a public school, playground, and a gymnasium;
- (5) the parcel is not suitable for high capacity or intensive cultivation of agricultural products.

Mrs. Molly Zimring stated that back in 1920 there was a sugar operation known as the Waiakea Mill. At that time hand cultivation of sugar cane was used. From 1926 to 1930 the business of this mill dropped off because the land was not of very fine quality. At one time this land was owned by the Territory. The Territory subdivided it into homesite lots of 26.65 acres with the idea that homesteaders would become independent cane growers and sell their products to the mill. In 1931 or 1932, the mill went out of business. It was not a profitable operation in the area. The original homesteader was Mr. Haruo Maedo who sold these parcels to other homesteaders. They tried various expedients since they couldn't grow cane on it or profitably sell it. At the present time, this land which has

been in three ownerships is vacant. The area is very poor for grazing and for cattle in general. The nearest cattle raiser is Jack Russell. Mr. Russell leases 130 acres from the State near Camp 10 and can not earn a complete living from cattle raising. Around 1956, a Mr. Shipplay decided to try growing macadamia nuts. He spent \$20,000 on this agricultural venture. In 1959 which was his best year, he gave up and lost \$18,000. In 1962 this parcel (pointing to map) was subdivided and presently has 8 homes. The subdivision was completed less than two years ago. The 8 homes have been built in the last year and a half, and have added almost \$100,000 in taxable assessment and improvements to broaden the base of Hawaii County. This indicates the use to which this property can be suitably put to in this area, with no cost to the county. The staff has used this table in the staff report to show how slow development in Hilo is. By comparison with Oahu this may be slow, but by comparison with growth in Hilo this is very fast. There is only one parcel from Ainaloa to Kamani in agricultural use and quite successful. This is owned by a Mr. Yagi. However, this land which we owned for 6 years had been in part-time agricultural use. It has been used for anthurium raising, and a holding pen for cattle. At the present time it is useful for nothing. There is a paved road from Ainaola to Haihai Road for which the county spent \$1,000 in 1963. It is a 650 to 700 foot paved road. The first proposed 8 lots have paved roads. In addition there is an eight inch water line and all utilities are in. The land is suitable for nothing else and if it is taken out of its present classification, there is no loss. It is already subdivided into three 50,000 sq. ft. lots, or 1.1 acre lots. Our proposal is to put in small roadside lots which we propose to sell for \$2500 or less. These (pointing to map) being less valuable will probably be about \$2200 and these on the paved road about \$2500. The present zoning of this parcel is 1-A which permits 50,000 sq. ft. minimum lots, and roadside lots of 7,500 sq. ft. minimum.

Four things have happened since 1961 which have changed the mind of the County on this parcel. (1) 3½ miles from this property, \$1½ million has been spent to put in a very modern shopping center; (2) 3 miles from this property some \$6 million has been invested in the Holy Cross Church, the Holy Apostle Church, the ILWU building, the Army Reserve Building, a proposed YMCA building and the Univeristy of Hawaii Hilo Campus additions consisting of a library and a dormitory, etc. (3) 1 3/4 miles away (mileage by speedometer of car) the Kawanawakoa School complex and playground exists since 1962 and early 1963. It consists of the elementary-intermediate schools, large playground and the proposed high school. (4) All the subdivisions listed in the staff report on page 3 except the two 10 acre ones were not in or were not subdivided. The only subdivisions were the two 10 acre ones subdivided into big parcels. However, there were roadside lots which were subdivided directly across of Kapago. There was some delay about putting in the water line so there wasn't any building done on it. From 1962-64 the rest of these subdivisions went in. By comparison the number of houses (15 homes) in that space of time may be slow by Oahu standards but by Hilo standards that is amazing. The reason for

the development, which we consider very fast, is not because it is more desirable than any other place but rather because of its economics. There is one little factor left out of this 10 year urban expansion reserve in Hilo (1,190 acres) which is to fulfill all of our needs and that is 75% of our family population earn less than \$7,000 a year, and that land is 40-50¢ per sq. ft. with the minimum lot price at \$5,000. So 75% of our families are priced out of the market. There is only one place in the past year or two where people can buy at 25¢ a sq. ft., and that is in this area and these subdivisions of 15,000 sq. ft. lots priced at \$2,750 per lot. It is economical. Many of these lots are not built on because many of these lots were paid in cash - \$500 down and \$32.50 per month. These 15 homes in the past two years have added \$200,000 in taxes to broaden the county tax base and have done the county a great deal of good.

The past two years the county has put in a paved road and an eight inch water line. This water line which was completed in December 1962 is 2,250 ft. long and capable of serving 100 connections at a minimum. It costs \$15,000 to put this in. On the east side, there are 18 water connections. On the west side, there are 2, or a total of 20. Utilization of this water line is only 1/5th of its capacity. This same illustration of the water line can be applied to the road, school, recreational facilities, electricity, telephone which are there and available for this urban area. These are being used only on one side of the street. There is a 30 foot road all in this section, and no 15 foot soap box as down here. There is an access by Haihai and Ainaola. All of these services are there and available and useful for only one side of the road. We propose to bring in 25 more new users. The annual income from these 20 users is estimated to be \$720. With 25 more new users this will bring the utilization of these services to $\frac{1}{2}$ its capacity and raise the annual income to \$1620. If the cost were shared and the income doubled it would be no cost to the county since everything is presently there. It is true this is an isolated development, but it is there. The services are being paid for and it is being under used. Wouldn't it be a benefit to our county to get additional users? This is why the county has given its five reasons for approving this. In 1961 the county felt one way. At the present time as a result of what has happened since 1961, the master plan for 1965 has been changed. So if the Land Use Commission makes it a policy to go along with the master plan of the local governmental body then the recommendation contained in the staff report is in error because it recommends going along with the master plan as it existed in 1961.

In summary Mrs. Zimring stated that this parcel of land has never produced anything agriculturally. It is idle and vacant land. It could be producing improvements (taxable improvements) to broaden our tax rates at no cost to the county. The services are all there. It could help advertise the cost improvements already in and bring in some more income and broaden the tax base. It is eminently suitable for small lots. It is one of the few parcels of cheap land available. There is a need for lots priced at \$2500 or less. There isn't a one to be seen anywhere in this County now. About 75% of the people cannot buy lots. This area is in a wrong classification; there is a need for it. It is suitable for small houselots. There would be no cost to the county. In fact there would be a savings to the county,

and the demand for these houselots exists presently.

Mrs. Zimring rebutted staff arguments point by point:

- (a) There is only one land in agricultural use. The rest is vacant or in subdivision. The area would be classified as 40% idle, 10% in agriculture, and 50% in subdivision or urban use.
- (b) Although there are areas more desirable and closer to Hilo, they are priced out of the classification where people can afford to buy. If in the reserve areas (which are to provide for 10 years) there had been provided different economic classes of houselots, there would be no need to go farther out. However, this is the only area where land is cheap and where the market can buy.
- (c) The roads, water lines and utilities are shared. The boundary is up to the 30 foot road. The school, recreation and mail deliveries are shared. The facilities are used by Camp 6 which is the east side of the street. With a street as a boundary, wouldn't it be logical to include both sides of that street in the urban district? What other area is there more identifiable? This is the access to the area and Ainaloa. Perhaps it could be set across the street for it to be more clearly identifiable.
- (d) They are all of a single economic class. The further the City of Hilo moves Punaward, the more expensive the intervening land gets. So the medium lot price is now \$5,000. A year from now it will be \$6,000; two years \$7,000. The same people who has excess to it now will have excess to it then (25% of the population).
- (e) It is true that the topography and drainage, both being very good, are just as suitable for grazing as for houselots. The only problem is it can't be used for grazing because the quality of the land is too low and the size of the parcel too small. So that this quality in topography and drainage, which makes it as good for grazing as houselots, does not necessarily make it usable for that. It will remain idle and vacant if it can't be used for houselots because no other use has been thought of.
- (f) This is true. There are other areas contiguous to urban areas, but is this reason for denying this one. Where are the other areas? They must be on the outskirts. Specifically this parcel is in an area where the facilities are there and being under used, which the per capital cost in government to this county can be reduced and the taxable base can be increased, if this parcel was included.

- (g) This should have gone further to state, "Would not be consistent with the development plan of Hilo of 1961, but would be consistent with the development plan of 1965?" Hilo may move slower but this is no reason for moving the clock backwards.
- (i) Perhaps it would. "Our object is to get urbanization for the lots which we have illustrated." It was our understanding that we had to include the whole parcel. If this is in error we would amend our request that the boundary be amended for roadside lots which we feel there is a need. All of the area in Camp 6 which are accessible have been fully developed. Those areas not fully developed include a great big egg farm and land owned by these people, that is in an Urban district, which they are waiting to get higher prices before putting it on the market.
- (j) It will extend the area of low density urban districts near Hilo and recommend that it does so because there is a very real need and use for this urbanized land. This is an isolated urban area with wasted available service. So it would be most logical and money saving to add this area even though it is far from Hilo. However it is not as far from Hilo as it was in 1961. The City is creeping over to meet it. It now has school, churches, and shopping much more available. At that time it had a two-inch water line; now it has an eight-inch water line. It has partly paved road and more desirable now than at that time.

In closing Mrs. Zimring requested to change her statement made in her application to read: "There are a 100 lots zoned urban up to Ainaola Street and presently 56 have houses built on them." She stated that originally it stated: "There are a 100 lots zoned urban up to Ainaola Street and presently have houses built on them."

Mrs. Zimring, upon advice that she could petition for just a portion of her land to be changed, amended her petition for urbanizing roadside lots without limiting it to 7,500 sq. ft., which would range from 7,500 sq. ft. to 15,000 sq. ft. She stated that the Planning Commission doesn't have to grant them these small lots. They could grant them 15,000 sq. ft. minimum roadside lots. She informed the Commission that these smaller lots would sell from \$2200 to \$2500; the 15,000 sq. ft. lots (which demand is not too great) would sell at 22¢ a sq. ft. or \$3,000 a lot.

Commissioner Ferry asked the Acting County Planning Director whether there is such a zone established that would permit 7,500 sq. ft. lots in the area. Mr. Suefuji stated that if it is to be put in an urban zone the existing ordinance would allow 7,500. He added, however, that at a recent meeting the Board passed an amendment which would set forth one acre as a minimum in this area. This amendment is to become effective in one week. Mr. Suefuji stated that the present zone for this area is residential-agriculture. As far as the master plan is concerned, at the present time it is in Agriculture. The

Planning Commission has been apprised that if they are recommending that this area be put to urban use than the Commission is morally obligating itself to an amendment that is of necessity.

Commissioner Ferry stated, "Am I to understand that the Planning Commission of Hawaii is willing to change its zone in the present master plan and include this area in Urban." This would mean the one acre limitation would not hold. Commissioner Ferry asked the staff whether it was aware of the subdivision contemplated by the petitioner to the size of lots. Mr. Soh replied that the staff's primary interest in this petition was not so much the minimum lot size standard since it felt this was completely in the county's kuleana. Commissioner Ferry stated that he felt staff was not aware of this because staff's conclusion for denying this petition on the basis of (j) would not hold. This would not extend the area of low density urban districts near Hilo but rather high density. Mr. Soh replied that at that time we were talking of the entire parcel. Commissioner Ferry replied in the affirmative, stating that this is why he could see that staff was not of the knowledge of the 7,500 sq. ft. lot plan.

The remainder of the discussion centered around the county's zoning ordinances covering this area which were explained by the Acting County Planning Director.

There were no other testimony or questions relating to this petition. The Chairman announced that the Commission will receive additional written testimonies, protests, etc. within the next 15 days and will take action on this petition 45 to 90 days from this hearing.

The public hearing on the petition by Molly Zimring was closed.

PETITION BY W.H. SHIPMAN, LTD. (A64-75) TO AMEND THE AGRICULTURAL DISTRICT BOUNDARIES IN THE VICINITY OF KEAAU SO AS TO INCORPORATE 17.67 ACRES WITHIN THE KEAAU URBAN DISTRICT FOR DEVELOPMENT OF VARIOUS URBAN USES: Described as Third Division, TMK 1-6-03: portion of 8.

The background and analysis of the above petition was presented by Gordon Soh (see report on file). Staff recommended that the inclusion of petitioner's lands in an Urban District is reasonable. There is clearly the need for redevelopment in the area. The lands under petition are characterized by city-like concentrations; are close to the basic public and commercial services; do include plantation camps no longer ancillary to agriculture; are of moderate size; are urbanized but may be excessive to needs; are topographically suitable for urbanization; are contiguous to an Urban district; are proposed for urban use by the county general plan; are not particularly suitable for agricultural uses; do adjoin existing urban developments; do constitute a minor portion of the total urban area; will not contribute to scattered urban development if redistricted but will contribute to a lowering of population density. Staff added that resettlement of old time residents in recent subdivisions has already led to some

sprawl. Further sprawl can only weaken population concentration. In districting the urban areas in Keaau redevelopment ought to be encouraged rather than the continuation of sprawl. The proposed redevelopment of the areas close to the historic center of urban concentration according to a firm plan should be particularly encouraged. On these bases, staff recommended that the petitioner's request be approved.

The Hawaii Planning Commission confirmed that the land is now in urban use; adjoins the existing Keaau urban district, is proposed for urban use by the county master plan; is close to the civic center development; and is fully serviced by various public and commercial facilities. The County also suggests the importance of the developed Keaau as the hub district-wide development.

Mr. Richard Devine, representing the petitioner, was sworn in. He was very happy with the recommendation of the staff and had nothing further to add to the staff's report.

In response to Commissioner Ota's questions concerning their proposed development, Mr. Devine stated that these areas which were leased for agricultural pursuits are no longer being used as such, but rather for urban use. The other areas are mostly in cane, and at present petitioner wishes to have it remain as such. Ownership in this area is not limited to Mr. Shipman. Mr. Shipman has opened up his lands in these areas for houselots and has sold them to individuals. In his proposed development he intends to sell residential areas in fee simple to those individuals who are interested in buying. The business and commercial areas he intends to lease. Mr. Devine agreed with Commissioner Wenkam that the urban boundary in this area should join with the new Volcano Road.

There were no further testimonies or comments presented. The Chairman announced that the Commission will receive additional testimonies, protests, comments within the next 15 days and will take action 45 to 90 days from this hearing.

The public hearing was closed.

ACTION TO BE TAKEN

PETITION OF W.H. SHIPMAN, LTD. (A64-69) FOR AMENDMENT TO THE LAND USE DISTRICT BOUNDARIES FROM AN AGRICULTURAL TO AN URBAN DISTRICT FOR VARIOUS URBAN USES FOR LAND SITUATED BETWEEN THE NEW AND OLD VOLCANO HIGHWAY IN KEAAU, PUNA, HAWAII: Described as TMK 1-6-03: 64 containing 6.897 acres.

Since the public hearing held on the above petition in Hilo, on January 22, 1965, the petitioner's counsel has submitted a rebuttal to the staff's recommendation. A written summary was prepared to bring the Commission up to date on all the facts relating to this petition since the public hearing. This presentation was given by Gordon Soh (see summary on file).

The staff reported that the petitioner has provided strong and persuasive arguments in favor of its request and because of this has reversed its earlier recommendation on the following bases:

- (1) The county has jurisdiction of uses in Urban districts.
(Mr. Soh added that since the preparation of this memorandum staff has been advised that the use proposed by Mr. Blomberg is more nearly that of a hardware store than a lumber yard. Mr. Soh stated that this distinction is important since a hardware store is more nearly commercial than a lumber yard.)
- (2) The area is not suitable for agriculture.
- (3) The area is contiguous not on one but two sides of an urban district.
- (4) Volcano Road is a convenient boundary to be used in establishing the district lines.
- (5) The area in question has as much potential for growth as any other area in Keaau. It lies at the junction of two important routes and is near being a 100% corner as any other area in Keaau.
- (6) The area is easily served with public facilities. It is bordered on two sides by the newest roads in Keaau.

Commissioner Inaba moved to accept the staff's recommendation for approval to grant the urban change. Commissioner Nishimura second the motion. The Executive Officer polled the Commissioners as follows:

Approval: Commissioners Wung, Inaba, Ota, Wenkam, Nishimura, Ferry, and Chairman Thompson.

Disapproval: None.

The motion for approval was carried.

PETITION OF W.H. SHIPMAN, LTD. (SP65-13) FOR A SPECIAL PERMIT FOR THE PURPOSE OF ALLOWING URBAN DEVELOPMENTS OF THAT PORTIONS OF PROPERTY NOW USED FOR INTENSIVE RESIDENTIAL USE LOCATED IN AN AGRICULTURAL DISTRICT IN THE COUNTY OF HAWAII

Chairman Thompson asked, "Is this petition for a special permit for urban development and not of a specific nature?" He was answered by the Executive Officer in the affirmative. Chairman Thompson stated, "Is this avenue appropriate for a variance? A variance must be tied in with a specific use." Mr. Twigg-Smith, representing the petitioner, was informed by the Chairman that this procedure was improper because the request was for a broad urban use and not for a specific use. He suggested the avenue of a boundary change instead.

The Executive Officer stated that in essence the staff report (see report on file) goes into some detail as to the appropriate bases upon which a special permit may be initiated or considered. The conclusion is that none of the basic requirements is present in this issue. Further that the law clearly provides a procedure to petition for amendment of the district boundaries when the issue concerned is for an unspecified urban development. These are the two conclusions drawn after studying this petition and upon this basis staff would recommend denial of this petition.

Commissioner Ota suggested that the staff together with the Hawaii Planning Commission and petitioner meet on this problem and take a look at this whole urban area again, and perhaps come up with some kind of comprehensive report covering this area.

The Executive Officer stated that there is nothing in the document or correspondence relating to this. However this presents an opportunity to discuss it to reach a much easier solution, or discover some course of procedure to initiate.

Chairman Thompson stated that in terms of the petition at hand and as presented, there is but one course to take and that is to deny the petition.

Commissioner Wung moved to deny this petition on the basis that this was an inappropriate procedure for a special permit. Commissioner Ferry seconded the motion. The Executive Officer polled the commissioners as follows:

Approval: Commissioners Wung, Inaba, Ota, Wenkam, Nishimura, Ferry, and Chairman Thompson.

Disapproval: None

The motion to deny was carried.

PETITION BY ANN KALI (SP64-3) FOR A SPECIAL PERMIT TO ADD A HOUSE ON PROPERTY SITUATED IN HANAPEPE CONTAINING 30,361 SQ. FT.: Described as Fourth Division, TMK 1-9-3: 28

Mr. Gordon Soh presented the background and analysis on this petition (see report on file). Staff recommended denial of this petition on the bases that:

- (1) The proposed use is not unusual and reasonable in accordance to statutory requirements.
- (2) The proposed use will not promote the effectiveness and objectives of the Law as it would weaken the integrity of state zoning because there is no valid basis for granting the special permit.

- (3) It would tend to weaken rather than strengthen the complementary assessment basis and force adjacent lands into uses not in the best public interest.

While approval of this or similar issues would not appear to be grave or consequential issues for the moment or even in the near future, staff feels it can become grave and consequential in the long run.

Commissioner Nishimura pointed out that the federal government spent \$1,000,000 in this area for a flood control. The original intent was to evacuate everyone from the area, however, they decided to urbanize the area and built this flood wall. He stated that this area is contiguous to the urban town close by. He pointed out the swinging bridge in the area connects this area with that of the urban area. He corrected staff's statement that there was an unimproved road there. He stated that the road is paved. He stated that most of the agricultural activity in the area is in vacant pasture.

Mr. Soh confirmed that the reason the area is in low density use is that it used to be inundated. However, the character of development has been changed.

Commissioner Nishimura pointed out that this is a remnant kuleana of 30,000 sq. ft. This family faces this problem of not being able to subdivide this land because of a family will which prohibits this.

Commissioner Wenkam was of the opinion that granting family land to children is neither unusual or reasonable, and in this case it is not being subdivided. He pointed out that this is a special permit which has the tendency to increase the density and lead to a change in the type of use of the land. He argued that this particular use is of a family nature and of a change which assumes the sincerity of the people requesting the permit. The permit is for a family use which is something that should be given serious consideration and one which is not establishing a precedent or is an issue of much consequence.

The Executive Officer stated that granting a variance on the basis of hardship is possible. However, the only kind of hardship which the Commission should consider is the difficulty in implementing the use prescribed. In this particular case the land can and is used for the use permitted in this area. There is no hardship. Petitioner wants to go beyond the zoning regulation and this is not subject for a special permit.

Commissioner Ferry added that if it is to accommodate a larger family, it is always permissible to add on to the house.

Commissioner Ferry moved to deny the request. Commissioner Ota second the motion. The Executive Officer polled the Commissioners as follows:

Approval: Commissioners Wung, Inaba, Ota, Ferry and Chairman Thompson.

Disapproval: Commissioners Wenkam and Nishimura.

The motion for denial was carried.

Chairman Thompson stated that the Commission will review this property to see whether this area should be considered for an Urban district. Commissioner Nishimura requested that the staff, upon all field investigations, meet with each respective island commissioners on these trips.

The meeting adjourned at 5:00 p.m.