

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

State Conference Room
Lihue, Kauai

October 4, 1973 - 1:30 p.m.

Approved
NOV 28 1973

COMMISSIONERS PRESENT: Eddie Tangen, Chairman *Pro Tempore*
Stanley Sakahashi,
James Carras
Alexander Napier
Mitsuo Oura
Tanji Yamamura

COMMISSIONERS ABSENT: Sunao Kido
Shelley Mark

STAFF PRESENT: Tatsuo Fujimoto, Executive Officer
Ah Sung Leong, Planner
Dora Horikawa, Clerk Reporter

The meeting was called to order by ^{v.}Chairman Tangen and persons testifying today were duly sworn in.

HEARING

PETITION BY JOSEPH FLORES (A73-367) TO RECLASSIFY 24.15 ACRES FROM AGRICULTURAL TO URBAN AT LAWAI HOMESTEADS, KOLOA, KAUAI

Mr. Ah Sung Leong, planner, presented the staff report on the subject petition (see copy of report on file). A detailed description of the existing boundaries in the surrounding areas, land uses, petitioner's proposed subdivision plan, access to the site, etc., was also presented with the aid of the various maps and charts.

Mr. Leong also informed that subsequent to the writing of the staff report, a letter dated October 1, 1973 from Mr. Robert E. Cooper, Development Administrator of the Hawaii Housing Authority, had advised that the Hawaii Rural Housing Development Corporation had applied to the Authority for "seed money" loan, and that the Authority has agreed to loan them up to \$35,000 of seed money, subject to the approval of the land use change. (See copy of letter on file). Another copy of letter addressed to the Hawaii Rural Housing Authority, dated October 31, 1973, had been delivered to the

Land Use Commission office by Mr. Edmund Salas, confirming this fact (see copy on file).

Referring to the staff's analysis regarding the questionable factor of locating a low-cost housing project in an area lacking in employment opportunities, ~~vice chairman~~ ^{Commissioner} Sakahashi pointed to the high cost of lands near commercial areas, and the willingness of people to travel many miles to their places of employment.

Mr. Joseph Flores, petitioner, clarified a point which was raised over the question of the ownership and proposed use for the 12 to 14 acres of the total 24-acre parcel which will not be developed by the Hawaii Rural Development Corporation. He advised that these upper lands will be sold on the open market as "back up" to absorb some of the costs for the low-cost housing project, including the installation of a high level water tank. He added that this area was the most ideal housing site because of its central location.

Further, in response to questions raised by the Commission members, Mr. Flores informed that there will be 10 2-bedroom units for elderly people; 10 4-bedroom units, and 52 3-bedroom units; which will have an average living area of 1,056 square feet. Lumber for the buildings will be supplied by the J & N Building Materials Company. The material costs will average \$11,000, and the selling price of the homes, which will be similar in construction to those in the Walter Zane Subdivision in Lawai, will range between \$23,000 to \$23,500. The homes in the "back up" project will be sold in the \$42,000/\$45,000 range at a profit of approximately \$12,000/\$15,000 per unit with buy back provision.

Mr. Paul Low, Chairman of the Kapaa Area Council, commented on the critical housing shortage and quoted from Act 105 expounding on the importance of the home as a source of shelter and security, and to the dignity of man. He also brought out that the question most often asked during the Area Council meetings was that of whether the Land Use Commission will be able to render a decision on the petition before the expiration of Mr. Flores' option to purchase the property which will fall on October 30, 1973. Mr. Low claimed that Mayor Cravalho of Maui had initiated a housing program through similar acquisition of low-cost agricultural lands, and that this was the first opportunity Kauai has had to participate in a non-profit project.

✓ Chairman Tangen explained that the Commission was mandated by statute to take action on the petition no sooner than 45 and no more than 90 days from the date of public hearing, which dates will fall on November 19, 1973 and January 3, 1974 respectively.

Mr. Peter Taylor, President of Taylor-Hughes and Associates, Inc. stated that his firm was approached by Mr. Flores regarding the feasibility of a subdivision on the subject lands. Upon inspection of the site, it was determined that although it was not easily developable, a cluster type subdivision was possible. However, since the desire for a single-family subdivision was indicated by the Hawaii Rural Development Corporation, the concept was reconsidered and pole houses were recommended. Moreover, the cost factor for pole houses would not be materially different from the conventional pier and post method of construction and will also eliminate the necessity for any cuts in the land. The steep areas were mainly concentrated in the proposed open spaces. Mr. Taylor also advised that the slopes indicated on the cross-section map were actually degrees and not percentages, which accounted for the discrepancy in the County's and petitioner's computation of the slopes.

Regarding the interior one-way road system, Mr. Taylor explained that these were actually pineapple roads already existing as evidenced by the aerial photo. However, if petitioner is unsuccessful in obtaining the necessary access from McBryde, the one-way will become two-way streets. In their discussions with the County Engineer, it had been determined that the one-way concept will be acceptable if the developers came in with an improvement district. The traffic flow along these roads will be minimal since residents of approximately 10 homes will be utilizing each road.

Mr. Taylor alleged that Mr. Brian Nishimoto, Planning Director of the Kauai Planning Department had suggested that he advise the Land Use Commission a significant factor in the County's negative recommendation was due to the time limitation for reporting their findings, and also to the fact that there had not been sufficient time to consider the additional data submitted by the petitioner. This fact was later corroborated by Mr. Ambrose Fernandez, staff member of the Kauai Planning Department.

On the matter of the location of the property in relation to employment opportunities, Mr. Taylor called attention to the employment of approximately 300 people by McBryde Sugar Mill 3 miles away, and 400 people by Grove Farm 4 miles away. Schools and other amenities were also available in close proximity.

In response to questions raised regarding the petitioner's capability of making homes available at the prices quoted, Mr. Taylor cited the recent Hanamaulu Subdivision which was bid at \$18,000 per unit by Kauai Builders. To this basic figure, if improvement costs of \$5,000 and \$3,000 land costs were added, the total house and lot package will be \$26,000, which may be considered a bit high for low-cost housing. However, the sale of the 10 back-up lots in the upper

area at a profit of \$100,000 will reduce the cost of the 50 lots below by \$2,000 per unit, thereby reducing the selling price to \$24,000. Mr. Taylor stated that if the improvement costs ran higher than anticipated, it may become necessary to sell 4 additional backup lots, in response to Chairman Tangen's inquiry.

Utilizing the various posted charts and maps, Mr. Taylor elaborated on the lay of the land, the water shed line, the location and description of the existing culverts. In essence, the following is a resume of Mr. Taylor's assessment of the capacity of the existing culverts to adequately absorb the drainage and water runoff from the proposed development:

1. The watershed line divided the development area into approximately 4 acres drainage to the west and approximately 8 acres drainage to the east.
2. The increased drainage runoff to the east from the 8 acres will drain under Kaunualii Highway via 2 large culverts measuring 18' x 10' which drained an area of 250 acres at 4,000 cubic feet per second, with a present maximum flow of 2,000 cfs, leaving a tremendous surplus capacity which would more than adequately handle the estimated 60 cfs drainage runoff from the proposed development. Therefore, flooding cannot occur in the vicinity of these culverts.
3. Further study was indicated for the 4 remaining acres to be developed. The initial computations found that the highway was situated 11' above the culvert and the controlling factor for the runoff from this area would be the McBryde reservoir. However, it was felt that the culverts were large enough to eliminate any flooding.

Commissioner Carras raised several questions regarding the responsibility for the road improvement costs and maintenance, a water diversion system to take care of runoff within the development, the annual rainfall, provisions for sidewalks and lighting. Mr. Taylor responded that the roads will be dedicated to the County; the annual rainfall was 60"; the existing drainage gulleys will adequately handle any runoff within the development. Although no sidewalks were planned, there will be 10 to 12' paved roads within the 20' right-of-way in the project area and interior drainage would be along the swales. Due to the high cost of underground wiring which is a requirement under the present County's subdivision ordinance for any development over 20 units, Mr. Taylor has recommended to the Hawaii Rural Development Corporation that they seek a variance from the County since this is a low-cost project.

Mr. Taylor agreed with ^{Commissioner}~~Vice Chairman~~ Sakahashi that the question of the one-way road system will have to be resolved with the County Planning and Engineering Departments at the time of the subdivision application.

In response to a question raised by ^{V.}Chairman Tangen, Mr. Taylor replied that presumably the community will have to maintain the interior roads in the event dedication is not accepted by the County; the site development costs, which included the underground utilities, amounted to \$280,000; they have not had any commitments from the County regarding the variance for the sidewalk requirement; and McBryde cannot stop access to the reservoir.

Mr. Taylor advised Commissioner Carras that cesspools will be used for the sewerage disposal which the Honolulu office of the Department of Health had deemed would be suitable for the land.

In answer to questions raised by Commissioner Napier, Mr. Taylor presumed that the County would accept the road dedication if all of the requirements were met. Mr. Ambrose Fernandez of the Kauai Planning Department added that the roads would first have to be conveyed to the County. The present standards within Urban areas called for 44' roads with 60' right-of-way. The road design proposed by the petitioner did not meet the County standards and would require a variance.

With respect to the petitioner's option to purchase the property which will expire on October 30, 1973, Mr. Toru Kawakami, General Partner of Lawai Ventures, owners of the land, submitted that when the option was originally given, the length of time required in obtaining the reclassification had not been anticipated, and he was agreeable to extending the option for the necessary period. He observed that the proposed project was in the best interest of the community, ideally situated within 15 to 20 minutes from major employment centers and resort areas. A low-cost housing project in the Lihue area where land was being sold between \$2.25 and \$2.50 would be priced out of the market.

^{V.}Chairman Tangen declared that since there was no further testimony, the hearing on petition A73-367 was closed, and that additional testimony will be accepted within 15 days, and action will take place within 45 to 90 days.

The meeting was adjourned shortly thereafter.