

STATE OF HAWAII
LAND USE COMMISSION

1:00 P.M. Meeting

November 20, 1969

Kailua-Kona, Hawaii

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CHAIRMAN CHOY:

May I have your attention please? I'd like to call to order the meeting of the State Land Use Commission. All of you who are not attorneys but wish to testify in today's hearing, will you stand and be sworn in? Raise your right hand please. Do you swear the testimony you are about to give to the Land Use Commission is the truth, the whole truth and nothing but the truth, so help you God?

RESPONSE:

I do.

CHAIRMAN CHOY:

Thank you.

On today's hearings, we have A69-228, The Realty Investment Company.

Rom.

MR. DURAN:

Mr. Chairman, gentlemen of the Commission. (The November 20, 1969 staff report re: The Realty Investment Company, Limited, was read verbatim.)

The property requested surrounds the Kapoho crater in this location. More specifically, this is the urban district along the shoreline, residential . . . the agricultural area here, the green line representing our conservation district which is all of this area. And the property in question shown in the yellow shade which is proposed for residential development. This area represents about 84 acres. This yellow area represents about 227 acres, a resort area of 30 acres, (inaudible) family

MR. DURAN (Cont'd.)

of about 57 acres, and this is the 157 acre area that the petitioners recommend remain in the conservation district.

Mr. Chairman, that's the staff report and if there are any questions, I'd be happy to answer them.

CHAIRMAN CHOY:

Do the Commissioners have any questions?

COMMISSIONER NAPIER:

I have one question. Looking at that map there . . . that pink area in the middle of that crater there. Is that already urban or is that . . . ?

MR. DURAN:

This is the requested 30-acre resort area, so this is requested to rezone conservation to urban for a resort development. This is the conservation district line encompassing the crater and 60 lots. This is all conservation, including this area.

COMMISSIONER NAPIER:

Oh. It's the same color as the pink on the already urban.

MR. DURAN:

No. This merely reflects the uses proposed by the applicant in the area requested for urban designation.

COMMISSIONER NAPIER:

What is planted around that edge?

MR. DURAN:

Cane.

COMMISSIONER:

It's in cane now?

COMMISSIONER KIDO:

Did we designate that urban area there?

MR. DURAN:

This urban area?

COMMISSIONER KIDO:

No. No. The other one. Yes.

MR. DURAN:

Well, part of it was in urban. When we reviewed our district boundaries, it was actually a part of a subdivision. There's no difference between that and the non-(inaudible) portion outside. What we did was to include the whole area in the urban district.

COMMISSIONER:

How many acres was designated urban?

MR. DURAN:

In this area? This total represents 640 acres and we probably added about 350 or 400.

COMMISSIONER:

Based upon that plan, Rom, is the well site included in the proposed urban area?

MR. DURAN:

The well site? No, it would remain in the conservation district.

COMMISSIONER:

The well site is in the conservation district?

MR. DURAN:

Right. Some problems have developed with regard to the well site, but . . .

CHAIRMAN CHOY:

At what contour line are you holding that conservation line around

CHAIRMAN CHOY (Cont'd.)

the crater? Is it at the . . . ?

MR. DURAN:

I think the intent was to follow the base of the crater.

CHAIRMAN CHOY:

I see.

MR. DURAN:

I don't have the exact contour on it, but I think it's about a 50 foot elevation. It varies as it goes mauka of the cone. It starts at about a 40 foot elevation and works around.

CHAIRMAN CHOY:

Some mention was made about residential development around the (inaudible). They don't mean to go up the side of that cone, do they?

MR. DURAN:

Diagrammatically, and we can't determine their maps and they haven't been engineered, so it's a (inaudible) plan. It's flexible. It does include some of the slopes. I don't know if when they finalize the district . . . their development plans whether they would be . . . (inaudible)

. . .

CHAIRMAN CHOY:

The petitioners are here so we'll probably get that settled. Any other questions? Shiro.

COMMISSIONER NISHIMURA:

Duran, where does this (inaudible) all come out . . . the volcano?

MR. DURAN:

This is the 60 which would be right here.

COMMISSIONER NISHIMURA:

That's where the eruption came out, huh?

MR. DURAN:

Right.

CHAIRMAN CHOY:

This is within the red zone, isn't it, Rom?

MR. DURAN:

Yes. The red zone goes this way right to the tip of the island.

CHAIRMAN CHOY:

Any other questions? Rom, is that a producing well, that well on the side of the cone?

MR. DURAN:

Yes, it is.

COMMISSIONER:

Where does . . . ?

MR. DURAN:

It supplies the water for this urban district.

CHAIRMAN CHOY:

How warm is that water?

MR. DURAN:

Warm? I really don't know. There isn't any green lake in there, although it's identified. I guess it's only at . . . during the rainy season that you have the lake around there.

CHAIRMAN CHOY:

Any other questions? If not, Donald, would you like to step forward and give us the County recommendations?

DONALD:

Mr. Chairman and Commissioners. On October 8, we recommended approval for this request, and we were . . (inaudible) . . we received a statement from the Division of Water and the County's Board of Water Supply stating

DONALD (Cont'd.)

that . . (inaudible due to the fact that speaker talks in various tones, first saying a few words loud and then a few words soft, so that a sentence, completely structured, can never be completely understood) . . . Since we received this letter from the Board of Water Supply, we delayed . . (inaudible due to reasons stated above; microphone effects also affected the audibility of the speaker's comments) . . . (inaudible) . . we are moving our own Commission in Hilo at this exact time so that our Planning Commission has not yet decided whether it would change its recommendation or not . . (inaudible) . . . (inaudible) . . in this Kapoho shoreline area are about 400 existing lots already, already residential 10,000 zone. And if you have the intervening area agriculture here between the residential 10,000 and the well, there is land . . (inaudible) . .

Those are the additional findings we have. As I say, the decision whether to change the initial approval is being considered today, so I'm not here to give you a definite recommendation. They did decide to hold up the evidence even though . . (inaudible) . .

MR. DURAN:

Mr. Chairman, is the County Planning staff in position to divulge its recommendation?

DONALD:

We wanted to (inaudible) this before with our Commission first to . . (inaudible) . . our recommendation was going to be based on . . (inaudible) . .

CHAIRMAN CHOY:

Any questions, Commissioners?

DONALD:

It has to be (inaudible) as far as the circled area is concerned, but as I say, the water supply will be able to . . (inaudible) . . home-sites if it is . . (inaudible) . .

CHAIRMAN CHOY:

Donald, according to your map there, to what extent did the Commission give approval? Only the . . .

DONALD:

The entire request.

CHAIRMAN CHOY:

Do you mean all that brown?

DONALD:

There was a deletion by the applicant. I didn't see the presentation at that time because I was at another meeting and I'm not that entirely familiar with . . (inaudible) . . this one.

CHAIRMAN CHOY:

That was deleted and all the rest was approved?

DONALD:

Yes. By the Commission. And as I say, that was before . . (inaudible) . .

CHAIRMAN CHOY:

Any questions? If not, thank you, Donald. Would the petitioner like to come forward?

MR. KAJIMA:

Mr. Chairman, gentlemen of the Commission, my name is Paul Kajima, independent real estate economist, acting on behalf of Realty Investment Company, Limited.

MR. KAJIMA (Cont'd.)

Realty Investment Company, Limited is an agent for . . (inaudible) . . The whole project, as described by Mr. Duran, entails some 5,200 acres. This plan was prepared by the planning firm of Belt Collins and Associates, and I believe at the time the Commission was reviewing the 5-year program, the 5,200 to 5,700 acres were reviewed in its entirety.

Of course, (inaudible) discussions and various public hearings and discussion of the method by which the application would be reviewed, we developers have taken these things into account and have now presented a petition for an incremental development of some 400 acres. The (inaudible) has been described . . (inaudible) . .

The overall plan represents an integrated resort for residential development oriented to the natural volcanic and shoreline amenities in the Kapoho area. I believe, and I think most people would agree, that this kind of development cannot be prepared on a lot-to-lot basis with a so-called subdivision in the Puna district extending along the volcano road.

The developers have attempted to establish the increment of development in accordance with the certain requirements for off-site improvements. In conjunction with that, we have been in contact with the State Department of Land and Natural Resources through Mr. Chuck (inaudible) and I think the developers have expressed their concern for the conservation of the water source. It would be foolhardy for the developer to try to develop that portion which is (inaudible) to the developer's . . (inaudible) . .

We have received a copy of a letter from Mr. Chuck (inaudible) to Mr. Fujimoto of the County Water Department, and the area is delineated

MR. KAJIMA (Cont'd.)

on . . (inaudible) . .

The question I have raised as to whether or not other areas under incremental or those already designated as urban could be developed and obviously . . (inaudible) . . it would be a considerable expense to develop. The other fact is that because of certain topographical . . (inaudible) . . the areas along the coastline are not . . (inaudible)

..

If any of the Commissioners have any questions, I'll be happy to . . (inaudible) . .

CHAIRMAN CHOY:

Paul, mention was made that you have a very small source of water supply.

MR. KAJIMA:

Yes.

CHAIRMAN CHOY:

Do you know of any other source that . . . could be developed for this site?

MR. KAJIMA:

We asked the same question and from an engineering standpoint, I think it's almost (inaudible) that you develop water where water is and this being the lone source would be available for additional development for . . (inaudible) . . . However, this does not preclude the opportunity for water exploration mauka of this area on lands controlled by this organization.

CHAIRMAN CHOY:

Any questions from the Commissioners?

COMMISSIONER:

Has any exploration been made?

MR. KAJIMA:

The County of Hawaii I believe is joining the State. They did try a couple . . (inaudible) . . and they have had no successful attempts.

COMMISSIONER:

What kind of a lake is Green Lake?

MR. KAJIMA:

Well, I don't know because . . (inaudible) . . I guess I can give you a layman's explanation.

COMMISSIONER:

That's what I'd like because I'm not a geologist.

CHAIRMAN CHOY:

Goro, you had a question?

COMMISSIONER INABA:

Yes.

MR. KAJIMA:

The lake is there all the time. It's probably 40 to 50 feet deep. To the best of my knowledge, it's brackish water with algae. This is what keeps it from being developed. But the lake . . . it's a fact that it's there all the time. I've never seen it dry.

CHAIRMAN CHOY:

Is it similar to Warm Springs that used to be there?

MR. KAJIMA:

I believe it's not the same type of water that Warm Springs was and I think there's a good deal more algae in that water . . (inaudible) . .

CHAIRMAN CHOY:

Any questions?

COMMISSIONER NISHIMURA:

Yes, I've got one more question. You know, we were talking about that well. Is that in use right now? I mean the water supply to the house lots, or is it . . . ?

MR. KAJIMA:

Yes, there's an appendage line along . . . running from the well along this road, and many of these farmers want to tap onto it for irrigation purposes.

CHAIRMAN CHOY:

What was the volume again?

MR. KAJIMA:

That was 220 gallons per minute . . . enough for 280 or 290 dwell-units. On that water line, if you . . . (inaudible) . . . but the shoreline areas are not using it.

COMMISSIONER NAPIER:

I was wondering about that.

MR. KAJIMA:

They're not because there is no line running along that . . .

CHAIRMAN CHOY:

How do they get their water?

MR. KAJIMA:

This land that leads into the, what we call the (inaudible) area, this is a privately owned road . . . (inaudible) . . . The lots for the most part are fee second ownership.

COMMISSIONER NISHIMURA:

Paul, do you have more land near the ocean site?

MR. KAJIMA:

(First comments inaudible.) I think it should be pointed out though

MR. KAJIMA (Cont'd.)

that area, too, is here does not lend itself to single-family lot development because it is a relatively low area. This is why this older subdivision in this area is pushed back from the shoreline.

CHAIRMAN CHOY:

Why? Is that a tsunami area?

MR. KAJIMA:

Not tsunami, but it's susceptible to high seas at some times of the year.

MR. DURAN:

Would it be appropriate to place that area in conservation?

MR. KAJIMA:

I don't know.

COMMISSIONER:

I think it already is in conservation.

MR. DURAN:

No. It's in urban.

CHAIRMAN CHOY:

No building on it?

MR. KAJIMA:

No. Well, it's not . . . the type of structure that would be built would have to be substantial rather than . . . (inaudible) . . .

UNIDENTIFIED:

Mr. Chairman, we made a very recent count of the homes in the area and . . . (inaudible) . . .

CHAIRMAN CHOY:

Out of how many?

UNIDENTIFIED:

About 400. And may I ask whether you would like to find out of our

UNIDENTIFIED (Cont'd.)

Planning Commission's decision on the matter?

CHAIRMAN CHOY:

Yes.

UNIDENTIFIED:

I could telephone you but . . (inaudible) . .

COMMISSIONER NISHIMURA:

This is only a hearing. I see no reason why we can't get the report on the next (inaudible).

CHAIRMAN CHOY:

Oh, he could give it to us any time he gets it. Any other questions?

MR. DURAN:

Yes, Mr. Chairman. Paul, is a study being made now of the recharge area to determine the validity of this red line?

MR. KAJIMA:

This was prompted by a request of the Planning Commission to indicate insofar as the application the area which would be needed for the recharge and for the (inaudible).

MR. DURAN:

From what I understand, this is the indication at this time, that it is needed.

MR. KAJIMA:

Yes.

MR. DURAN:

And you are willing to withdraw this area from the request?

MR. KAJIMA:

I believe the developers have agreed that this is a critical part of the plan since without water, you can't . . (inaudible) . .

CHAIRMAN CHOY:

Any other questions?

MR. DURAN:

Mr. Chairman, I wonder if the Commission is satisfied with the proposed time table of construction. By that, I mean you'll recall our amendment to the law requires that whatever is rezoned at this time, it should be substantially developed within the next 5 years. I wonder if what they have presented in terms of the construction schedule is satisfactory to the Commission?

CHAIRMAN CHOY:

Do you have a development . . . ?

MR. KAJIMA:

I have been informed that this first increment . . (inaudible) . .

MR. DURAN:

Has any feasibility . . . economic feasibility study been made of this . . . ?

MR. KAJIMA:

I have not (inaudible). I can't (inaudible).

CHAIRMAN CHOY:

I'd like to ask Donald a question. You people in Hilo more than anybody else are aware of this being in a fault area, and yet you recommend a city-like concentration in this particular area?

DONALD:

The staff recommendation was to keep a section out but the . . .

CHAIRMAN CHOY:

What section? What section was it recommended to be kept out?

DONALD:

I'll have to ask Mr. Griffith. He was at that hearing.

MR. GRIFFITH:

I believe that the section that the staff talked about was along this road here. Oh, also right along the road here. There is lava . . . this is the main highway. I'm sorry . . . the main highway runs right here, and there is a section between the road and Green lake where there is some lava. This area has lava on it, also, but in our presentation it was felt that this road made a natural demarkation as far as asking or requesting for a change of zone boundary to that road. This is what we approved.

CHAIRMAN CHOY:

But does the road have any bearing on the fault area? Do you feel that it's safe on one side of the road as against the other?

MR. GRIFFITH:

Do you want my personal opinion?

CHAIRMAN CHOY:

Yes.

MR. GRIFFITH:

Well, let me say this. If you have a cone here and you have approximately 40 to 50 feet of lava on top of the old land level, my personal opinion in talking with Dr. MacDonald . . . but I can't say that this is his decision . . . but it would seem to me that the lava would break out in an area, if it was going to break out, someplace along this fault line someplace else that had the natural crust and allowed it to break through. It would not seem to me that it would break through 50 or 60 feet of rock.

CHAIRMAN CHOY:

So it would probably flow right where you want to build.

MR. GRIFFITH:

No, not at all. There is lava in this area also. Now we have not had an eruption since 1960 in this Kapoho area. As you know, all the activity has been up near the volcano in the national park and just one point to make is that there's a lot of fault lines on this island and you could have lava in plenty of other places that have already been urban zoned, Along this whole coast and all the way into Kau. There are probably 4 or 5 fault lines on the island.

COMMISSIONER:

That well you have there that produces 280 gallons per minute.

COMMISSIONER:

Two hundred twenty.

COMMISSIONER:

Two hundred twenty? Alright, that's 400,000 gallons per day. That would take care of 576 units, wouldn't it? How many units do we have already?

MR. DURAN:

There's room for 400 plus . . (inaudible) . .

COMMISSIONER:

How many units does it supply now?

MR. KAJIMA:

Eighty. . . (inaudible) . . the residential zone contains already 408 lots of 10,000 square feet. The area between the ocean and the well is . . (inaudible) . . Now if those were to be cut up, there would be 80 lots. There's a total of 490 lots.

COMMISSIONER:

Yes. You only have water supply for another 100 additional lots.

MR. KAJIMA:

At the way the water is computed, there's enough water for 280 or 290 residences.

COMMISSIONER:

I thought they computed on the basis of 700 gallons per unit.

MR. KAJIMA:

One thousand.

COMMISSIONER:

One thousand gallons per unit? Then there shouldn't be any more then. There isn't enough water.

MR. DURAN:

Well, this would mean they'd have to develop a new source . . (inaudible) . .

COMMISSIONER:

I'm talking about the source that's there now.

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER NISHIMURA:

Do you folks also sell those Kapoho vacation lots, too?

MR. KAJIMA:

We're not the developers.

COMMISSIONER NISHIMURA:

Oh. Who are the developers of those?

MR. KAJIMA:

It was (inaudible) Associates.

COMMISSIONER NISHIMURA:

Oh. Well, are there any plans to bring that water now down into the

COMMISSIONER NISHIMURA (Cont'd.)

Kapoho (inaudible)?

MR. KAJIMA:

I don't know of any action that's been started on that. The only problem, of course, is that you have individual parcels and 8,400 of them. But how soon you can get 400 lot owners together to produce an improvement district or fight the line or . . . you know, there's a good many problems in the area.

COMMISSIONER NISHIMURA:

So in other words, even if this water is just enough for those house lots, if the house lot owners don't ever get together, that water will never get down to the Kapoho beach lots.

MR. KAJIMA:

I would say . . (inaudible) . .

DONALD:

In all fairness, also, as . . (inaudible) . . do not utilize this water source now. Then a question arises as to who can supply first.

COMMISSIONER NISHIMURA:

Yes. Right.

CHAIRMAN CHOY:

You feel that the present lots have priority over anybody else to the water that's available? Is that your opinion?

DONALD:

Actually, under our . . . the way we review, I would say that presently zoned areas . . (inaudible) . . I won't say should get first crack but are considered more strongly when you are on the other hand considering opening up for rezoning (inaudible).

COMMISSIONER NISHIMURA:

Well, then if the well only produces 420 gallons a minute, according to my calculations, that supply is 337 units and you've got 408 already so it's out of the question, huh, if it's 1,000 gallons per unit?

Unless you're talking about another water supply.

CHAIRMAN CHOY:

Any other questions? If not, thank you, Paul, and a reminder . . . you have 15 days after your testimony and we'll have to act within 45 to 90 days. Thank you.

MR. KAJIMA:

Thank you.

CHAIRMAN CHOY:

We'll go on to hearing A69-231, Kealakekua Ranch.

MR. DURAN:

Mr. Chairman and gentlemen of the Commission. (The November 20, 1969 staff report re: A69-231 - Kealakekua Ranch, Limited, was read verbatim. Please see file for report.)

We'll go to our district map of the area. This is the South Kona district and . . . (inaudible) . . . This is Kealakekua Bay and this is the urban district of Captain Cook. The (inaudible) highway is here on the way to Kailua and the parcel under consideration is here on the mauka side of the highway. There are some hotels on the makai side here and then . . . (inaudible) . . .

CHAIRMAN CHOY:

Any questions, Commissioners?

COMMISSIONER:

I have one question. Of the 495 acres in the (inaudible) area, how

COMMISSIONER (Cont'd.)

much of this land is owned by the petitioner?

MR. LEONG:

Two hundred eight acres, it look like here and a portion of this
. . (inaudible) . . above Mamalahoa Highway are owned by the petitioner.

(Additional comments inaudible.)

COMMISSIONER:

A little over . . . like three-fourths of the area?

MR. LEONG:

Yes.

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER KIDO:

On that area, you (inaudible) about low-cost housing. I don't think
that was (inaudible) in the original petition. That lower area was . . .

There was another area for low-cost housing.

MR. LEONG:

(Comments inaudible.)

COMMISSIONER KIDO:

Not that lower area though?

MR. LEONG:

No.

CHAIRMAN CHOY:

Any other questions? Alright, thank you. Petitioner, would you
like to present your case?

MR. VITOUSEK:

My name is Roy Vitousek. I'm an attorney and I'm also a part owner

MR. VITOUSEK (Cont'd.)

of Kealahkekua Mauka Corporation. I hope I can answer some of the questions of the Commission raised by the staff report.

This is the area that I discussed with the Commissioners, when the boundary change was proposed and passed earlier this year. We had thought that we had properly requested that the boundary change be moved up to include this area. It turns out that we didn't adequately request it. We weren't specific enough in our request. This is the area . . (inaudible) . . at the time we were moving the boundary line. We asked that the boundary line be connected from this urban zone to the non-conforming subdivision to be developed in urban.

Kealahkekua Mauka Incorporated is a corporation owned 50% by Kealahkekua Ranch, 25% by (inaudible) Taylor, Jr., and 25% by myself. Belt Collins is engaged to prepare our plans and to organize a feasibility study. Our financing has been arranged through John Peach, (inaudible). We plan to develop two-story, four-unit residences for rent. We have not yet decided . . (inaudible) . . studying various methods of reducing the costs on them, but our purpose is to develop low-rent housing. We don't call them low-income housing. It's low-rent housing. We want to be able to provide housing for the people who are working in the Kona area and who are . . (inaudible) . .

We are prepared to go. We want to develop the area as soon as we can, and I might say . . (inaudible) . . for Kealahkekua Ranch, the reason their development was not completed on schedule is because, as I'm sure most of you will recall, they were frustrated in the development of a hotel development area on top of the Kealahkekua cliffs, when the

MR. VITOUSEK (Cont'd.)

conservation zone was moved back. As I recall, it was 2,000 feet from the edge of the cliff. This frustrated their development of the lower area, and that's why the ranch hasn't proceeded as rapidly as they . . (inaudible) . .

COMMISSIONER NISHIMURA:

May I correct you on that 2,000 feet? It was 1,000 feet that we

. . .

MR. VITOUSEK:

Whatever it was, they planned to put low-rise hotels on top the cliff and that . . (inaudible) . .

COMMISSIONER NISHIMURA:

Well, we're figuring that it might topple over so . . .

COMMISSIONER TANGEN:

Mr. Chairman,

CHAIRMAN CHOY:

Yes, Eddy.

COMMISSIONER TANGEN:

This petition has so many (inaudible). I might point out that the . . . one of the major reasons for a change would be for this low-cost housing or low-rent housing, and Mr. Vitousek just mentioned they were frustrated in developing the resort because of the conservation district. I don't see why . . . how that gets changed.

MR. VITOUSEK:

Well, this area here is not going to be low-rent at all. This is a very high-class subdivision. We've underground utilities and a golf course and everything else. That's not what we're talking about.

COMMISSIONER TANGEN:

Well, you've made some representation that this 92 acres is going to be in low-cost or low-rent housing.

MR. VITOUSEK:

The area between the two roadways is going to be low-cost housing for . . (inaudible) . .

COMMISSIONER TANGEN:

Is that then the reason why there hasn't been any performance of the previous representation?

MR. VITOUSEK:

That's right. Well, this is a separate organization and separate capital to develop low-rent housing.

COMMISSIONER TANGEN:

Well, I'm not clear on that. How separate are the organizations?

MR. VITOUSEK:

Well, Kealakekua Ranch Limited is a ranch corporation that is owned by the heirs of the Greenwell estate. And Sherwood Greenwell is the manager of that corporation but is presently the minority stockholder in it. The members of the family are the stockholders.

Kealakekua Mauka Incorporated is a separate corporation and was established by Stan Taylor and myself and Kealakekua Ranch because Kealakekua Ranch is . . (inaudible) . . to develop low-income housing low-rent housing. Kealakekua Ranch (inaudible) to use any of the 300 acres, as I understand, so . . (inaudible) . .

UNIDENTIFIED:

They haven't decided on it. The ranch hasn't decided on it. They're now looking at the possibility of developing this lower area under agricultural

UNIDENTIFIED:

lots rather than urban . . (inaudible) . . They will not be able to develop the higher area because of (inaudible). In that case, there will not be a resort area . . (inaudible) . .

COMMISSIONER:

What would this designation into urban do in terms of jobs for young people?

MR. VITOUSEK:

I think what you must be talking about there is the construction part of it.

COMMISSIONER:

May I ask you one question? We designated about 200 . . . how many acres on the lower . . . ?

UNIDENTIFIED:

Two hundred eighteen acres.

COMMISSIONER:

Two hundred eighteen. So that leaves about 100 acres, Roy, that Kealakekua Ranch owns that is not developed. You know that 100 acres? Now, can't you go into that area for this low cost housing instead of going into more urban area . . . that are vacant right now?

MR. VITOUSEK:

It's my understanding that the Ranch is, in light of the fact that they don't have the urban area down below, they're redesigning the whole area to . . (inaudible) . . in order to develop it.

COMMISSIONER:

I understand the 200 acres you have a plan going. But this is the other 100 acres that . . .

MR. VITOUSEK:

No. Ours is the whole area.

COMMISSIONER:

Oh, the whole area? Now you're talking about the 300 acres?

MR. VITOUSEK:

. . (inaudible) . . put in schools and other . . . not rental units but housing units, so this is a separate thing from the rental units.

COMMISSIONER YAMAMURA:

Are you going to give us some idea as to what you mean when you say low rental?

MR. VITOUSEK:

We certainly will supply a feasibility study.

MR. DURAN:

Roy, the other area we rezoned for apartment development . . . some 18 to 20 acres . . . what's the status of that now? Mauka side of (inaudible).

MR. VITOUSEK:

I'm not sure.

MR. DURAN:

That was a part of this total request, as I recall.

MR. VITOUSEK:

Right

MR. DURAN:

And I thought that was for low-cost apartments, too.

MR. VITOUSEK:

No. I didn't think so. I thought that was for commercial development.

MR. DURAN:

But you don't know what the status of that is?

COMMISSIONER:

The 1968 petition . . . now apparently the representation was made . . . (inaudible) . . . to satisfy needs for low-cost housing in the Kona area. Did that petition specifically say that it was based upon supplying housing for the needs of a resort which they intended for that time or was it for the whole Kona area?

MR. VITOUSEK:

I got the impression that it was for the whole Kona area, including their resort.

CHAIRMAN CHOY:

Mr. Vitousek, as far as you're concerned, this is an entirely separate corporation that is making the request and has nothing to do with the Kealahkekua Ranch. Is that the way you're trying to present . . . ?

MR. VITOUSEK:

I don't . . . (inaudible) . . . Kealahkekua Ranch is going to do its own plans and its own development. This is separate plans and separate (inaudible.)

CHAIRMAN CHOY:

Thank you. So you're speaking for this particular project?

MR. VITOUSEK:

But since the lands have not been conveyed yet to Kealahkekua Mauka Corporation, the petition had to come to you for (inaudible).

CHAIRMAN CHOY:

Any other questions? If not, thank you. Raymond, do you have anything to add?

RAYMOND:

Well, the County is very much in favor of this. In addition to what your staff . . . (inaudible) . . . the land use arrangement is most desirable because . . . (inaudible) . . . maybe 100 or 200 feet continuing along the highway. In this particular case, we are (inaudible) the application does add depth and it is our desire to . . . (inaudible) . . . We've stated 6 reasons for recommending approval of this. It conforms with our County General Plan, number one. Number two, it is presently under . . . (inaudible) . . . Number three, it is surrounded by 11 (inaudible) commercial uses and it is very close to the city center and surrounded by . . . (inaudible) . . . Number four, it is within the known confines of Kealahou Village. Number five, it does not contribute to scatterization, and number six, . . . (inaudible) . . . the soil.

COMMISSIONER:

I have two questions. Does the representation made to the County state that this property, if designated urban, would be used for low-rental employee housing?

RAYMOND:

Yes, we have that . . . (inaudible) . . . and it does state that the petitioner intends to develop the property for low-income housing, so . . . (inaudible) . . .

COMMISSIONER:

Did the County feel its decision was . . . (inaudible) . . . it was necessary to have this additional property available for housing . . . that additional urban land was needed in that area for housing?

RAYMOND:

Yes, because of its very typical nature and the 5 other reasons that I stated.

COMMISSIONER:

So if I understand right, there's still 495 acres urban that are vacant in that general area?

RAYMOND:

Yes, the . . (inaudible) . .

COMMISSIONER:

No. No. Just the Kealakekua (inaudible).

CHAIRMAN CHOY:

You have a chunk of about 300 some acres right here.

RAYMOND:

Yes, but our concern is that it is in the center of the village.

It's very central being surrounded by . . (inaudible) . .

CHAIRMAN CHOY:

In the light of the Highway Department affecting this property, the County is recommending urban designation? The realignment of the Kainalu- (inaudible) Highway?

RAYMOND:

What it might cost to develop that section of the land is closer to realization. We would . . (inaudible) . . jurisdiction over rights of land and also County access to the property, and so when we have to (inaudible) in the later stages . . .

COMMISSIONER:

How can you have a later stage than when it's urbanized, you have all the plans going . . . and you're going to change that plan?

RAYMOND:

We have zoning . . (inaudible) . .

COMMISSIONER:

No. Let's say the highway goes right through the property.

RAYMOND:

There are two stages where the County has . . (inaudible) . . where the accesses are, but these are under the Planning Director's jurisdiction, and if he finds that, for example, buildings are too close to the proposed highway, he will . . (inaudible) . . to make sure that the highway will be able to go through . . (inaudible) . .

MR. DURAN:

Through the County recommendations, I'd like to ask Donald one point. On the second point that you made in your recommendation, it appears as though you revert to the site in question and make a statement that it is presently under . . (inaudible) . . and mostly single-family use. The property in question is actually an abandoned coffee field, right? There are no structures on it.

DONALD:

(Comments inaudible.)

COMMISSIONER:

Donald, among your reasons, I noted that you left out low-cost housing. Wouldn't you like to insert low-cost housing in a central location?

DONALD:

Yes, but you see, should we . . (inaudible) . . then we go into zoning. And if this gets commercial zoning, there are many other uses that can be imposed and we cannot say that we can only develop, say, apartments in here, because . . . If it were a special permit on the other hand, then it could be restricted.

CHAIRMAN CHOY:

Your recommendation then is this area in yellow . . . area in question . . . plus the Tanaka subdivision, all of it be put into an urban classification?

DONALD:

(Comments totally inaudible.)

CHAIRMAN CHOY:

Yes. Isn't it possible that in the event this was to be reclassified, all of it be done at once?

DONALD:

(Comments again totally inaudible.)

CHAIRMAN CHOY:

I see. Thank you. Any other questions?

COMMISSIONER NISHIMURA:

I still question the area, Donald. Now if we urbanize that area and if the State comes in with the highway and you leave a setback of, say, about 80 feet, you know that the State is going to pay for that urban prices. Are you well aware of that?

DONALD:

Yes. And it could be . . . I could say now because the zoning application is not in yet . . . it could be that a section of this yellow shaded zone could be zoned, say, commercial and perhaps that corridor . . . (inaudible) . . . But we realize that it would be . . . (inaudible) . . . if they zone an entire area where a road is going through, financially we realize that the cost would be . . . (inaudible) . . .

CHAIRMAN CHOY:

Any other questions? If not . . .

COMMISSIONER NISHIMURA:

Um, you know that last portion that we rezoned for Kealakekua Ranch on the mauka side of the road? How many acres was that?

MR. DURAN:

About 18.

COMMISSIONER NISHIMURA:

Eighteen acres?

CHAIRMAN CHOY:

And nothing is happening on that either.

Well, if there's no further questions, Mr. Vitousek, we're asking that you submit your schedule and your performance time and, as you know, we now have a regulation that in the event you don't perform, we can put it back into agriculture.

MR. VITOUSEK

Yes. Right.

CHAIRMAN CHOY:

Also, you have 15 days to submit further evidence, and we would like to have your scheduling at the time of the hearing. . . I mean of action.

MR. VITOUSEK:

Yes. Thank you.

CHAIRMAN CHOY:

Thank you. This closes the hearing portion, and we'll go into action. Prior to going into action, we'll take a 5 minute recess.

(Break.)

May I have your attention please? We'll continue on with our meeting and we have for action A69-220, Northridge Estates.

MR. LEONG:

(The November 20, 1969 memorandum from the staff to the Land Use Commission re: A69-220 - Northridge Estates, Limited, was read verbatim. Please see file for report.)

CHAIRMAN CHOY:

Any questions? Commissioners have any questions? Alright, thank you. Is the petitioner here? Are you an attorney?

UNIDENTIFIED:

I am.

CHAIRMAN CHOY:

Thank you.

MR. SCHULZE:

My name is Ricky Schulze and I am an attorney. I spoke to you before at a public hearing on this petition. I came back today because I was a little upset by the recommendation of the staff, I think unfairly in this case . . (inaudible) . .

The evidence established in our petition and not refuted by anyone, I think pretty fairly establishes beyond any doubt that this land is . . (inaudible) . . The statute says that rural districts are areas of land composed primarily of small farms . . (inaudible) . . very low density residential lots which may be shown by . . (inaudible) . . We established that not only can . . (inaudible) . . it can't be used for any agriculture. That's true of the land around it, too. I simply want to say to you at this time that . . (inaudible) . . It is just outside of town yet it is not far out in the country. The land is ideal for residential purposes. In short, it is a classic rural piece of land.

The County recognized this when it recommended approval for that reason . . . that the lands simply could not be used for agriculture . . (inaudible) . . in the area. You see, the reason I feel a little (inaudible) is that your own staff really doesn't say it's not rural land. What your staff is saying is, gentlemen, we want to stop the rural classification and we want to stop right now, so even though this

MR. SCHULZE (Cont'd.)

is rural land, we don't want you to approve this because we don't like rural land there. I just feel a little funny about that and I thought I'd come talk to you a couple of minutes and tell you how I feel about that presentation.

The statutes as established by your Commission says that all the land in the State should be placed in 4 classifications: urban, rural, agricultural and conservation. Now I don't want to take the time to . . . (inaudible) . . . If you're going to cut out the classification rural, . . . (inaudible) . . . that that cutting out be done by the Legislature if it's going to be done by anybody. I'm not going to say that's for sure; I'm not going to say that . . . (inaudible) . . . After all, when the Legislature designed the whole pattern, they did say there would be a rural classification. You shouldn't make that decision without some very serious consideration about it. It's not all open and shut by any means. I might point out that that report by the consultants came out after our public hearing, so it's very recent. I'm sure that nobody has had a chance to study it and nobody has had any real chance to answer it. In the entire development of the United States throughout the country, and also in the development of Hawaii, we've always had rural areas. What I'm suggesting is, you ought to give very serious thought to this major kind of recommendation and a very formal kind of hearing process and . . . (inaudible) . . . so we can come in and tell you what we can do and you can make your decision at that time.

There's no question that what we've got is a rural piece of land. I think if the staff can say it's not really rural and there are reasons why it should be agriculture or it should be conservation, I wouldn't be here before you. I wouldn't come back . . . (inaudible) . . . But that's

MR. SCHULZE (Cont'd.)

not really what they're saying. They're asking for a major policy change on your part and I feel a little bit like I'm being sacrificed . . (inaudible) . . I don't think it should be made in this way. Thank you.

CHAIRMAN CHOY:

Thank you. Any questions?

COMMISSIONER:

Mr. Schulze, you indicated that . . (inaudible) . . They did recommend approval of this?

COUNTY REPRESENTATIVE:

Yes.

COMMISSIONER:

Could you state some of the reasons why?

COUNTY REPRESENTATIVE:

The County's reasons for recommending approval were 4. The first was . . (inaudible) . . and the access would not receive highway traffic from the State highway because it was a side road. Number 2, it's characterized by low-density residential lots . . . 2 acre, 5 acre . . . within a one mile radius. Number 3, the soil classification, as stated earlier, and number 4, although the General Plan suggested agriculture, the soil classification was made after our General Plan and their findings do not substantiate the . . (inaudible) . . Those are the 4 basic reasons. We have nothing in addition to that.

MR. TANGEN:

Mr. Chairman. I'm in agreement with what Mr. Schulze says. It's not a question of . . (inaudible) . . to make a decision based on whether or not we like the classification of rural, just like that. However, that's

COMMISSIONER TANGEN (Cont'd.)

just one of the 4 reasons as stated by (inaudible). I'd like it clear that we're not acting in a manner of eliminating rural or acting on this petition on the basis of whether or not we like the classification but on the . . (inaudible) . . . We set forth our own standards.

CHAIRMAN CHOY:

Wasn't it promised that this would be house lots?

UNIDENTIFIED:

No. I think the decision was based on the character of that particular area at that time.

CHAIRMAN CHOY:

Are there any other questions?

MR. DURAN:

Mr. Chairman, could I ask Donald if he can answer this? What standards would be required from the subdivision regulations such as paved roads . . . ?

DONALD:

Water, roads . . . our budget states that land can be divided into smaller than 3 acre lots and . . (inaudible) . .

CHAIRMAN CHOY:

Donald, do you have any jurisdiction over rural subdivision?

DONALD:

Yes. We don't classify that as agricultural subdivision or rural subdivision, but we have a statement in our ordinances that if the lots can be subdivided into 3 acres or zoned in 3 acres of land, then . . (inaudible) . .

CHAIRMAN CHOY:

Thank you.

COMMISSIONER:

Did you say that it applies to 3 acre lots or less?

DONALD:

That's right.

COMMISSIONER:

And it would have water? Even up to 3 acres, you would insist on water, too, huh?

DONALD:

Yes.

CHAIRMAN CHOY:

Another question, Donald. The surrounding area of this property is what sort of subdivision now? Is that an ag subdivision?

DONALD:

Yes. But there are also non-conforming ones.

CHAIRMAN CHOY:

And does the County envision a certain particular area that you would like to see put into an urban zone?

DONALD:

Well, at this time we're still working on revising the General Plan. We would know in about 6 to 12 months.

CHAIRMAN CHOY:

Because I think what sort of bothers us is the spot zoning of rural within the agricultural zone. If this met with an overall master plan, then we'd have some grounds to take this action. To just cut out that one piece and make it rural when we have all of the rest in ag, we'd like

CHAIRMAN CHOY (Cont'd.)

to . . . actually, I don't know about it.

DONALD:

As far as the County's plans, I'm afraid you won't be able to know for another 6 to 12 months.

One of our reasons for approving this, even though the General Plan was agriculture, our findings after the General Plan was formed showed that it couldn't very well be used for agriculture, so that's one of the things we considered. I wish we could say today whether we feel it should be an urban area or not, but as I explained, we cannot say at this time.

When we gave residential zoning to these areas, even though there may have been a subdivision of 100 lots, we didn't give it residential zoning for the very fact that it wasn't served by the proper amenities, so . . . (inaudible) . . . where we zoned residential, they would note that the residential zoning only went to areas which was served by adequate roads and water.

COMMISSIONER:

Donald, do you have enough water there?

DONALD:

At the junction, yes.

COMMISSIONER:

No. No. For the whole area.

DONALD:

Oh, no. Not at the moment.

COMMISSIONER:

Let us assume that your General Plan called for the urban designation and we urbanized the whole area.

DONALD:

We would probably not ask for it unless it seemed feasible for the entire area.

COMMISSIONER:

Well, there's a lot of lots there and houses being built there, so now you say we'll urbanize the whole area.

DONALD:

We're not saying that.

COMMISSIONER:

No, under your General Plan, it's either going to be agricultural, rural or urban.

DONALD:

Right.

COMMISSIONER:

Then what about your water system? Is the State going to put in all this water system again?

DONALD:

We would look to the feasibility of installing a . . . (inaudible) . . . and as I say, we just can't say at this time.

COMMISSIONER:

I think the demand for water is more on the lower side, I think in the Kailua area. It seems to be. So I think that the Land Use Commission should take this thing very . . . not take this matter very lightly and say like . . . (inaudible) . . . zone this rural and start making all the areas rural.

CHAIRMAN CHOY:

Any other questions?

MR. SCHULZE:

I would like to point out just one thing. I said before we've always had rural land. Much of the lands that are now urban used to be rural. Rural is a step . . (inaudible) . . it can never be changed to a more intensive use, I don't think. I think rural really fills a kind of need for an interim use of land during the intervening . . (inaudible) . .

COMMISSIONER:

Don, another question. You know, the County seems to be rather . . . you know, they give everybody zoning, let the State pay all the capital improvements. Does the County realize that taxing the whole State, the people . . . when you ask for these capital improvements . . . that Hawaii needs capital improvements, so does Oahu, so does Maui? And it affects all of us, and when you start asking for the State to put in these lines, you're taxing the people. But now here you have developers coming in and they're putting in their own lines now. I think there's an (inaudible) there.

CHAIRMAN CHOY:

Are there any other questions?

COMMISSIONER:

I have one for Mr. Schulze here. If this thing was approved, would you guarantee to put water in that place?

MR. SCHULZE:

Yes.

COMMISSIONER:

How far do you have to bring water to there?

MR. SCHULZE:

Well, approximately 100 feet.

COMMISSIONER:

Do you have a development schedule?

MR. SCHULZE:

No. This is a very small subdivision but it would be our intention to . . (inaudible) . . It's our intention to get houses on it, not just to sell lots.

COMMISSIONER:

Would this be a fair question? If it's approved, would it be developed within 5 years?

MR. SCHULZE:

Yes. The need for housing . . . the need for rural type housing . . . is very much here now and that's what we'd like to take care of. We would certainly be subdividing within a year.

COMMISSIONER:

Mr. Schulze, may I ask you one question? When you bought this land, what year was that? Was that land use already made . . (inaudible) . . And did the real estate salesman say that you could get this zoning on the lot when you bought it.

MR. SCHULZE:

I wouldn't have listened to him if he had said so.

COMMISSIONER:

You bought it on your own risk.

MR. SCHULZE:

Yes, sir.

COMMISSIONER:

And you knew that it was agricultural land?

MR. SCHULZE:

I did, yes.

CHAIRMAN CHOY:

I have one question. Mr. (inaudible) mentions the fact that in about a year's time, they'll know what direction they will be zoning this particular area. Would it hurt you very much if you were held up a year?

MR. SCHULZE:

Well, as far as I can see, the one year will only decide whether you're going to go rural or urban in this area. It would obviously disrupt our plans for at least that long. I don't know how long it would really take them. I'd rather not do it simply because I think the use we're putting it to will be consistent with whatever they decide, and even if they decide to go urban within this area, the rural use . . (inaudible) . .

CHAIRMAN CHOY:

I think basically what's in the back of my mind is that we have so many non-conforming subdivisions in this area that are we compounding an area by putting a rural subdivision in there, whereas in a year's time we may know that all this could be in an urban subdivision? And with that classification, you'd probably come out much better by waiting one year. This is just in the back of our minds prior to our voting. Where you bought it just a year ago, we're really not hurting you very much. If you had bought it many, many years ago, we could be sympathetic, but I think it's . . . you've known the facts prior to purchasing this property and with all the evidence in front of us, I can't see that we should decide today into spot zoning.

MR. SCHULZE:

It's rural land no matter when the decision is made, so I don't think it's really very fair for anyone to say, wait another year until we make some more decisions. It's not decisions that make any difference; it's the facts. The facts are, it is rural land. And that's what I want you to know. I want to put some lots in here and once it's designated urban, anybody who wants some acreage in here is going to pay through the teeth for it.

COMMISSIONER:

Mr. Schulze, my point is this: instead of going for a rural designation now, why don't you go into a one-acre subdivision?

MR. SCHULZE:

The amount of money we could save by . . . Well, first of all, I'm not particularly happy about building agricultural roads in this area because the . . . (inaudible) . . . substantial roads and substantial underground wiring and the whole thing right now.

CHAIRMAN CHOY:

Won't you be pricing yourself out of the market in that way?

MR. SCHULZE:

I don't think so. It would be a little expensive to . . . (inaudible)

COMMISSIONER:

You will guarantee underground wiring?

MR. SCHULZE:

That's a pretty tough question. I certainly intend to put it in and if it's at all possible, I hope to.

COMMISSIONER:

Would you say that you'll put in underground wiring and (inaudible)

COMMISSIONER (Cont'd.)

roads?

MR. SCHULZE:

I can give this certain promise. Water and standard roads are going in. The underground wiring is a problem for 2 reasons. One is

. . .

COMMISSIONER:

I know it's expensive.

MR. SCHULZE:

That's one of the reasons. The second is that we have . . (inaudible) . . I don't know. If we can possibly do it, I want to put it in. I intend to do it, but you want a promise made and I'm a little afraid to do that.

COMMISSIONER:

Why would you be afraid to promise me?

MR. SCHULZE:

Because if it turned out that we couldn't do it economically, I'd be caught . . (inaudible) . . I'd rather say that it's my intention to do it.

COMMISSIONER NISHIMURA:

Donald, your 701 revision of the County General Plan, how soon do you expect to have it done?

DONALD:

Six to 12 months.

CHAIRMAN CHOY:

Any other questions? If not, the chair will entertain a motion.

CHAIRMAN CHOY (Cont'd.)

Would the Commissioners care to make a motion either for or against this project?

COMMISSIONER:

May I ask a question please? Rom, what is the time limitation on this petition? Are we up to . . . ?

CHAIRMAN CHOY:

Does a decision have to be made today?

MR. DURAN:

End of this month.

COMMISSIONER:

End of this month? We don't have a meeting scheduled for the end of this month, do we?

MR. DURAN:

December 5th. August 29th was the public hearing.

COMMISSIONER:

Mr. Schulze, would you agree to a postponement for this Commission until December 5th? I mean, this is just my opinion; I'm just asking you.

MR. SCHULZE:

If that would help you come to the right decision, sure. Where would that public hearing be held?

COMMISSIONER:

Oahu.

CHAIRMAN CHOY:

Goro, what's your reasoning? We won't get any more decision from the County.

COMMISSIONER INABA:

No. I'm just asking him.

CHAIRMAN CHOY:

No, but I'm asking you the reason.

COMMISSIONER INABA:

I just thought we could hash it over a little bit more.

CHAIRMAN CHOY:

Our Kona Commissioner wants a little more time.

COMMISSIONER:

Well, if it's the wishes of our Kona Commissioner to delay it to another meeting, I think we should extend him that courtesy.

CHAIRMAN CHOY:

I think that's the prerogative of the petitioners.

COMMISSIONER INABA:

Mr. Chairman, I move that the decision be delayed until the meeting on December the 5th.

COMMISSIONER:

Second.

COMMISSIONER NISHIMURA:

Could I insert a thought? Maybe we should get more progressive planning and at least a subdivision scheduling and what is intended to be. Is this alright, Mr. Inaba?

COMMISSIONER INABA:

Yes.

COMMISSIONER:

Would you be agreeable to that, Mr. Schulze?

MR. SCHULZE:

(Comments totally inaudible.)

COMMISSIONER:

Don't you have a schematic plan?

MR. SCHULZE:

Yes, we do.

COMMISSIONER:

How about that?

CHAIRMAN CHOY:

We have a motion on the floor. Are you folks ready for the question?

COMMISSIONER:

Question.

CHAIRMAN CHOY:

Motion is to delay the action until the December 5th meeting in Honolulu, with the petitioner's consent. Rom, will you poll the Commissioners?

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Aye.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Kido.

COMM. KIDO:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

Aye.

MR. DURAN:

Chairman Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

The motion is carried. It will be deferred until December 5th.

COMMISSIONER:

If you could get us some cost estimates, it might be helpful, too.

MR. SCHULZE:

I'll get everything to you that I can.

CHAIRMAN CHOY:

Thank you, Mr. Schulze.

We'll go on to A69-224, C. Brewer & Company.

MR. DURAN:

(The November 20, 1969 memorandum from the staff to the Land Use Commission re: A69-224 - C. Brewer & Company, Limited (Kau) was read verbatim. Please see file for report.)

We are recommending that this area not be rezoned at this time, whereas we did earlier. We are again recommending that this area be rezoned for 464 acres but not the 120 acres as requested by the petitioners. The reason is that they felt that there may be an alternate site for the golf course. If this be the case, then we recommend they follow the special permit route again. They do propose if there is land remaining and if it is used for the golf course site that there would be residences around the golf course.

We are not recommending any of these areas. Those were deleted by the petitioners. The petitioners are requesting the 175 acres makai of the highway at the town of Pahala. The staff is recommending only the area above the highway . . . 90 acres in this location for housing and the total area up here of 86 acres for urban zoning, although they're only requesting 43 acres which is intended to be used for employee housing. But the staff is, to reiterate, recommending that the 86 acres here and the 90 acres here be zoned urban, the 464 acres for the resort development be zoned urban here, and the area at Naalehu above the by-pass road.

The total recommended by the staff then is for 712 acres of urban designation subject, of course, to the performance of time requirements of our regulations.

CHAIRMAN CHOY:

Any questions, Commissioners?

COMMISSIONER NISHIMURA:

How come you recommend that the dairy section be included in the urban district?

MR. DURAN:

The dairy is already in urban.

COMMISSIONER NISHIMURA:

It's already in urban?

MR. DURAN:

Yes, sir. There is just one small portion of the pasture area.

The dairy is right here. This is the urban district of Naalehu and the dairy is just inside there.

COMMISSIONER NISHIMURA:

Are you sure?

MR. DURAN:

Yes. I went out there and looked at it. I was going to recommend it be zoned urban, but it was already in urban. See this road going here? That's just about where the urban line is. And grazing area for the dairy is in the urban district, a little bit outside.

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER YAMAMURA:

Where is this area that they proposed to have, you know, the pasture in between and . . .

MR. DURAN:

That would be in this one 75-acre parcel here and possibly this one 20.

COMMISSIONER YAMAMURA:

And which are you recommending?

MR. DURAN:

Neither.

COMMISSIONER YAMAMURA:

You're not giving them any of that?

MR. DURAN:

We're saying . . (inaudible) . . and below the road. Above the road at Pahala. The urban concentration, as you know, is above the road at this time, but approve what they are requesting which abuts the existing urban district and . . (inaudible) . . We're using the highway as a buffer at this point.

CHAIRMAN CHOY:

Where is the present urban in that . . . ?

MR. DURAN:

There is no urban in this area at all. It's here at Naalehu and here at Pahala.

CHAIRMAN CHOY:

Any other questions? Okay, Rom, thank you. Is the petitioner here? To save time . . . do you want to go into the areas where there is a discrepancy?

PETITIONER:

(Comments inaudible.)

We have a display that Mr. Cook would like to put up here. We'd like to talk about this area first . . . the 175 acres of . . .

CHAIRMAN CHOY:

Mr. Kay, before you proceed, I believe you were not sworn in as yet. Rom, would you swear Mr. Kay in?

MR. DURAN:

Will you raise your right hand? Do you swear that the testimony you are about to give is the truth, the whole truth and nothing but the truth?

MR. KAY:

I do.

This 175 acre parcel here is an area that we would very much like to have included in our inventory. I told you about the regional plan and how we wanted to introduce several different types of inventory to make this plan work. When we presented our original request, we mentioned that our density in this area . . . our overall average density . . . is quite low, which normally would fit into an agricultural zone. However, the current agricultural zone would allow one acre minimum lots and the one acre minimum lot which we show in this sketch is typically developed in the manner in which the one acre minimum is petitioned off or subdivided. The owner goes in and places his house on one small portion of that and . . (inaudible) . . and the rest goes up in (inaudible). There are about 50,000 of these kind of lots on the island of Hawaii. We feel that we would like to maintain the low density development and still preserve . . (inaudible) . . We would like to, for instance, pull this house over closer to this one and the remaining area in the Balanced Land Use Plan would continue in grazing so that this area will be continued in green belt or open space.

We understand that the . . . What we're really saying is that in urban . . . the only way we can accomplish this right now is in the urban zone. There seems to be no other way for us to accomplish it. If

MR. KAY (Cont'd.)

there was another way, we would go the other way, but there isn't. This is what I want to do. In this 175 acre area and also in a portion of this 120 acres. This is another area that the staff has requested . . . recommended denial of our petitioned area. We do plan to bring a leg of our golf course here under the road and then develop the area around it, but we would strongly like to have this 120 acres here.

The other area where we have some contention is at Naalehu. Our cane line here runs down in this area here and it starts to get quite steep up behind us here. We have another sketch I can show you, but I won't bring it out unless it's really necessary, but we really don't have enough room between the existing highway, which comes along here, and this cane line to develop the required amount of support housing. The only support housing for our hotel would be for the construction people and the plantation people, as well. So we would like to come down this way from the highway and get some additional acreage zoned.

Now in checking with the State Department of Transportation . . . I probably ought to draw this on here. The highway actually goes along here. In checking with the State Department of Transportation, we find out that it isn't the intent of this new highway to circumvent the new community, but it is . . . (inaudible) . . . and as long as we provide inter-sections with this highway and space them not less than a quarter of a mile and desirably a half a mile, there would not be any objection to a makai development of the highway. And we feel that we need the room in here to do that.

So these are really the 3 areas of major contention. We . . . from

MR. KAY (Cont'd.)

a minor contention standpoint, we would like to have the (inaudible) area zoned. We are starting to bring in fill down in this area for our golf course in this area and the resort hotel. We think it will take about 5 years for that soil to build up. It might only take 4 years, but we'd like to be in a position to go ahead. So we would like to have that area in urban.

Waiaukini . . . it's been recommended there to go for a special permit rather than have the whole thing zoned urban and . . . we haven't worked with a special permit before but I think a special permit in this area is probably acceptable to us, so in summary then, we really would like to have the 175 here and the 120 in this area down in here and this 94 acres and the 254 . . . we would go special permit in this area.

COMMISSIONER:

Mr. Kay, why don't you want that area in (inaudible) put into urban?

MR. KAY:

The only reason is that we think it will take about 5 years to bring . . . (inaudible) . . . As you'll recall, our petition here is for 5,400 acres which includes everything in color. We've said that we can . . . we will be under design, planning and construction on this in the next 5 years but it probably will not be fully filled out for 10 years, this 5,400 acres. So we were asked to define what we were sure we could accomplish in the first 5 years. This area shaded here is the area we're sure that we can perform in which has 1,421 acres.

CHAIRMAN CHOY:

On this first parcel on your right, across the road . . . what happens

CHAIRMAN CHOY (Cont'd.)

across that road?

MR. KAY:

Across the road? We have no contention with the staff recommendation here. This area will be provided for support housing and higher density housing.

CHAIRMAN CHOY:

In other words, what you want is that you have many different types of development and you're tryint to get enough of each type of development to round off your overall program?

MR. KAY:

That's correct. To satisfy all segments of the market.

CHAIRMAN CHOY:

And in this place here where the road bisects the property, there's a bridge and you feel that it's . . . that by going under the bridge, you feel that it's one continuous useable piece.

MR. KAY:

That's right.

COMMISSIONER NISHIMURA:

John, I don't follow you on that plan there. You say that you wanted one acre subdivision and you're planning on a cluster-like thing?

MR. KAY:

(Comment inaudible). The housing in an area like this . . . we would continue these areas in pasture.

COMMISSIONER NISHIMURA:

And those are units . . . in the pasture?

MR. KAY:

In the pasture? No, those are trees. The units are . . . (inaudible) . . .

CHAIRMAN CHOY:

But each of these people own an acre of land. Is that the idea?

MR. KAY:

Actually, the overall density here is one dwelling unit per acre, so you still have that rural low-density feel. You give a man just enough lot so that he can that he can maintain it. He doesn't have to worry about maintaining the whole acre.

COMMISSIONER:

How much space will those houses take up as you have them outlined there.

MR. KAY:

Well, so far, we feel that this size of pad, if you will, for the house would be 10,000 to 12,000 square feet in size.

COMMISSIONER:

Each lot?

MR. KAY:

Yes.

CHAIRMAN CHOY:

And each person has an undivided interest in one acre of land? Is that the idea?

MR. KAY:

Yes; it would be an average.

COMMISSIONER NISHIMURA:

And they're going to lease it out to the person that's ranching out that . . . ?

MR. KAY:

That's one way to do it. There are several ways and we haven't

MR. KAY (Cont'd.)

decided on which is the best way, but that is one way to do it, yes. There are several ways to do it.

COMMISSIONER:

Now, with the high taxes on urban rates, do you think they can stand something like that?

MR. KAY:

Well, they're in a different type of zone in which to perform this cluster-type low density development . . . if they could be, we'd be happy for it, because we're . . . (inaudible) . . . subdivision standards in an urban area. But presently on the books there is not such an interim zone.

COMMISSIONER INABA:

Would it be better for you if, assuming they approve something like this, to say dedicate the pasture land to agriculture?

MR. KAY:

Yes, it would.

COMMISSIONER INABA:

This would give you and the people the assurance that this would be open space.

MR. KAY:

Yes. One thing that we are experimenting with and I think it needs expanding. Maybe it's really the way we'll go on this thing is that, we'll actually take our ranch itself and convey an undivided interest in the ranch itself. The man not only buys the house and the lot but he buys a piece of the ranch operation. Now we have to do a little economics on this, but it has a lot of appeal in the marketplace, as you can well

MR. KAY (Cont'd.)

imagine. There are legal problems and other things that are lodged by the Homeowners Association that . . . (inaudible) . . .

CHAIRMAN CHOY:

What you're proposing actually is a condominium.

MR. KAY:

It's a type, yes. We think it's probably the only way to preserve and balance the agriculture and the development of residential in an agricultural area.

CHAIRMAN CHOY:

It's might dangerous to own an undivided interest in the ranch because you could be losing money, then you'd be . . .

MR. KAY:

Well, there are ways to handle this, too.

COMMISSIONER TANGEN:

Where the houses are actually going to be is not low density, is it? On those 10,000 to 12,000 foot lots?

MR. KAY:

It's low density when you look at this 100 acre parcel. This type of land should be more invoked today than it is because this is the only way to preserve these open spaces. Each one of the individuals living in these units, as he looks out his window, enjoys a view over even more acreage than he enjoys in this particular case over here. So he gets the feeling of the ranch . . . the feeling that he owns 20 acres or 30 acres. The feeling of low density is preserved in this land.

CHAIRMAN CHOY:

Yes, you've made this in such a small scale that . . .

MR. KAY:

I agree this doesn't read as well as it should.

This is a prospective sketch along one of these streets.

COMMISSIONER:

That's called the strip, I think, huh?

MR. KAY:

One thing I want to emphasize to you is that this isn't the only type of inventory we plan in the Kau area. We also have some areas where we have one lot for 5 acres so the man has 5 acres. And on some of these lots, we're trying to introduce macadamia orchards.

Our present plan is we want to build a small country store in this area, as we revealed in our earlier petition. We'd like to do that fairly soon. The staff has recommended we do that by special permit.

CHAIRMAN CHOY:

You want to build a golf course, too, don't you?

MR. KAY:

We want to build a golf course here and the way our final sketch has developed now, it will be 5 years before we build that because of the fill in the area.

COMMISSIONER NAPIER:

Why come in that area when you have urban areas on the main highway where you can put the country store on your . . .?

MR. KAY:

This is really the main highway in here, so it's a nice little park area in here where people drive in and look at this fish pond in here, and we just feel that this is the most attractive spot for the country store. We also want to conduct people through the sugar mill there and

MR. KAY (Cont'd.)

show them the sugar mill. The country store is just across the road and just in the right spot. This is the most visible area along this whole highway for a country store.

COMMISSIONER:

Of this total acreage that you're requesting, how many acres are you taking out of agriculture or cane or whatever?

MR. KAY:

We're only taking out of cane this 43 acres here and . . (inaudible) . . . they said that they reviewed the situation and find out that this total area here, 86 acres, is extremely (inaudible) in cane and that's the only area we're taking out. That's one thing about our planning efforts; we're primarily into the sugar business and the ranching business and the resort development . . (inaudible due to other people talking) . .

CHAIRMAN CHOY:

In other words, the discrepancy now is what you would like. Will you analyze just briefly the areas that you would really want?

MR. KAY:

We really want this 175 acres in here, to show you what we can do.

I've made some promises and we want to fulfill them.

CHAIRMAN CHOY:

That upper area . . . the staff recommends giving you all of it, don't they?

MR. KAY:

Yes.

CHAIRMAN CHOY:

And you accept that?

MR. KAY:

Yes.

CHAIRMAN CHOY:

Then the next area would be . . .

MR. KAY:

The next area is this 120 acres in here. And here at Naalehu, we would like to have this 94 acres in this area. There's actually . . . the staff has recommended that you grant 29 acres in this little area and 43 in here for a total of 72. We say we'd like 94 acres. What's 94 less 29? Sixty-five acres down here makai of the road. We feel we need that to develop the support housing for the area, and we don't feel that we'd run into any problems with the State Department of Transportation as long as we kept those intersections.

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER:

I wonder if we go, would you be willing to wait on . . .

MR. KAY:

We'd be willing to go . . . yes, on a special permit for the country store there, I think.

MR. DURAN:

There's one qualification and that is that we don't believe the shoreline should be zoned in urban. There ought to be a setback of 100 or 150 feet. We do go along with the proposal to the shoreline. This would also apply to (inaudible) should the Commission decide to rezone that area to urban, but I would like to raise one question. I understand

MR. DURAN (Cont'd.)

there are some kuleanas in some of these areas. Do you have all the development rights to these properties?

MR. KAY:

We have most of them. There are a couple kuleanas down in this area, but they're not in our development plans.

MR. DURAN:

So that those properties are not the subject of this petition?

MR. KAY:

No.

CHAIRMAN CHOY:

Any other questions? Alright, the chair will entertain a motion.

COMMISSIONER:

Mr. Chairman, I move that we accept the request by petitioner and approve their request.

COMMISSIONER:

Second.

MR. DURAN:

As I understand, the motion is to include the 94 acres here, not the (inaudible) . . . The 94 acres, the 460 acres less the conservation strip, the 120 acres, the 175, the 90 and the 86 or just (inaudible).

CHAIRMAN CHOY:

Alright, we have a motion and a second. Any question? If not, are you ready for the question? Will you poll the Commissioners?

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Aye.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Kido.

COMM. KIDO:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

Aye.

MR. DURAN:

Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

Motion is carried.

CHAIRMAN CHOY:

We have now some action on A69-219, Mrs. Hedemann.

MR. DURAN:

(The November 20, 1969 memorandum from the staff to the Land Use Commission re: A69-219 - Wattie Mae Hedemann, was read verbatim. Please see file for report.)

The County did support this request.

CHAIRMAN CHOY:

Any questions?

MR. DURAN:

This is Kailua-Kona. The urban district is shown in pink. This is the highway. The property in question is this yellow area, the lower portion does abut the property. Looking at the larger scale map, the existing urban district is shown with this red line. This is the town of Kailua-Kona, and the property in question is this yellow area. Now there are several alignments and the extension of the Kawaiahae Road. Alignment 6 is here. Alignment 7 is here.

Access to the property at the present time is at this 30 foot road which is unimproved in to the site.

Incidentally, gentlemen, this is the site plan that was submitted since the public hearing prepared by Mr. (inaudible). It shows one of the alignments, probably the preferred alignment by the highway people. And this represents the office building, drive-in theater and old (inaudible). And this is the apartment-motel . . (inaudible) . .

CHAIRMAN CHOY:

Any questions, Commissioners? If not, before we call the petitioner,

CHAIRMAN CHOY (Cont'd.)

Donald, do you have anything to add?

DONALD:

No, Mr. Chairman, nothing more than . . (inaudible) . .

CHAIRMAN CHOY:

Then the petitioner . . . would you come forward? Are you an attorney?

PETITIONER:

Yes. Mr. Chairman and members of the Commission, my name is Richard Ishida. I'm . . (inaudible due to soft tone of speaker's voice) . .

I would just like to add that since the last public hearing, there has been . . (inaudible) . . that the plans for the area are fairly tentative and there's nothing . . (inaudible) . . In this case, we have definite commitments as far as . . (inaudible) . . as far as the makai portion is concerned . . . this area here. (Few comments inaudible.)

The problem here is that, one of the points that was raised was that there was lack of ample area to be developed in this area, but for the record, we would like to say that . . (inaudible) . . of this sort in this area and he has been unable to do so for (inaudible) years. This is the only area that is presently available that would be feasible.

As far as the State Highway alignment is concerned from the Kawaihae -(inaudible) Road, the sketches here, as Mr. Duran has indicated, appear to be . . (inaudible) . . This area is presently owned by Lilioukalani Trust and their tentative plan . . (inaudible) . . is to be taken over by the First Hawaiian Bank and . . (inaudible) . . But this is why we feel that this plan affords the commercial areas concerned to . . (inaudible) . . and this is one of the bases for this request.

PETITIONER (Cont'd.)

In all fairness to the petitioners and also the staff that as far as the mauka area is concerned, the staff report indicates that there is no development projection and that the purely tentative . . (inaudible) . . . We admit that as of this date, there is nothing definite. We have certian operations going. We would like to have this area so we could be a little more definite because we have been unable to get any commitment on this present application. Assuming we do have permission by this Commission, then we . . (inaudible) . . . As of this date, the . . (inaudible) . . but as far as the makai section, the (inaudible) plans are ready to move as soon as the petition is granted. The highway probably won't go in for maybe a year. We have been informed that there is some money appropriated which can be used for 1970-1971, but since it's going to take time to construct a . . (inaudible) . . . So if we were to start now as far as the building is concerned, we feel that we would just coincide with the completion of the Kuakini Highway . . (inaudible)

CHAIRMAN CHOY:

Are you through?

PETITIONER:

Yes.

CHAIRMAN CHOY:

Any questions?

COMMISSIONER:

What about the access to the Palani Road? . . (inaudible) . . efforts to get access to the property?

PETITIONER:

We do not have a definite commitment. We have made contact with

PETITIONER (Cont'd.)

Lilioukalani Trust, but there is nothing definite. Of course, at this stage, we do have . . (inaudible) . . As of today, that is the only access available.

COMMISSIONER:

When is this alignment going to start? This new alignment.

PETITIONER:

Well, . . (inaudible) . . in 1970 or 1971.

CHAIRMAN CHOY:

How far are you away from Palani Road? You can show it to us on that . . .

PETITIONER:

I think it's about 200 feet. From this point to this point.

CHAIRMAN CHOY:

You put a commercial venture into an area where there's no frontage and it's not visible at all?

PETITIONER:

Well, this is to go along . . (inaudible) . . exactly which alignment they will . . (inaudible) . .

CHAIRMAN CHOY:

In other words, you're not going to develop anything until that new alignment is built. Is that the understanding?

PETITIONER:

Yes, as far as the alignment . . (inaudible) . . so that by the time the road is constructed, this building will be ready for operation.

CHAIRMAN CHOY:

But then you have an alignment and you can't use it unless the

CHAIRMAN CHOY (Cont'd.)

construction is finished.

PETITIONER:

What we have anticipated is, if there is no alignment possible, then we would try to get the Lilioukalani's consent to . . (inaudible) . . See, this is the area where First Hawaiian Bank propose to construct their Kailua branch.

COMMISSIONER:

When this came before the County, did the County agree on this existing access on the makai side?

PETITIONER:

The County would improve the road?

COUNTY REPRESENTATIVE:

And pave it. Our approval was based partly on the foreseeable need of . . (inaudible) . . land use development. We can readily foresee that the new highway extension would be coming certainly well within the 10 years.

(Tape was turned over at this point.)

We did not approve this on the basis of a development. We approved it on the basis that within this time period, this 10 year period, that . . (inaudible) . . and this would come through. Because after this would come zoning and the subdivision and . . (inaudible) . .

CHAIRMAN CHOY:

Any other questions?

MR. DURAN:

Is it possible for the petitioner or for the landowner to waive any rights to the increased value as a result of urban designation on this

MR. DURAN (Cont'd.)

property where the State will have to acquire the right of way? My point is this, Mr. Chairman, that I don't think the Commission should be put in the position of increasing the value of the land that the State knows it's going to have to purchase in less than a year and a half.

COUNTY REPRESENTATIVE:

We are aware of that and a similar situation might clear the picture. Down at . . . (inaudible) . . . there was a request to rezone and we told the applicant that he must rezone according to that urban line down here, because he initially wanted to rezone it across here, but we are holding him to an area below that, bearing that thought in mind. When it came time for the government to acquire that, it would not be called urban or commercial.

CHAIRMAN CHOY:

Now, is it possible to grant up to the future road alignment without meets and bounds? Is that possible? You have to stipulate the exact boundaries.

MR. DURAN:

We have to map it on our map and show it as approved by the Commission.

CHAIRMAN CHOY:

We can't make a motion to the effect that the future highway alignment become the urban zone?

MR. DURAN:

No.

CHAIRMAN CHOY:

Then it would be flexible. Any other questions?

COMMISSIONER KIDO:

What about setting a regular area but have them set back their buildings so that in case the roadway comes through . . .

MR. DURAN:

But you still will pay for the urban designation, if it involves that in any way.

COMMISSIONER:

How many acres do we need for this dealership?

PETITIONER:

A minimum of 2. The way the drawings are set up right now, it would involve a . . . (inaudible) . . .

COMMISSIONER NAPIER:

Is it possible to designate 3 acres in that lower corner away from the highway? Would that fall outside of that designated alignment?

MR. DURAN:

Well, you see this diagrammatic . . . number 6, for example . . . should they choose it, it might just go right through . . . It will go to a public hearing for consideration.

COMMISSIONER NAPIER:

Some of these things take 10 years to build. The thing is, we're holding up the petitioner for 5 anyway.

COMMISSIONER TANGEN:

Would it be handling it wrong if the petitioner agrees that the property at the time the road goes through would be at the agricultural price?

MR. DURAN:

Yes, this is what I asked for, but he said they would be agreeable.

MR. DURAN (Cont'd.)

to receive what they paid for it.

COMMISSIONER TANGEN:

Oh. That would do it.

MR. DURAN:

I would say that this stipulation should not go beyond a period of $1\frac{1}{2}$ or 2 years. In other words, the value will be based on an agricultural zone rather than an urban zone when it's acquired by the State, but it occurs before, say, 2 years or a year and a half. So it will be the value at that time it's acquired but at an agricultural zone, not at an urban zone.

CHAIRMAN CHOY:

It seems as though, from your presentation, the critical need right now is the commercial area that is having Volkswagens. And if you were granted, say, only the parcel below the proposed roadway, would it still be feasible as far as cost-wise for you to bring a road in?

PETITIONER:

I think all they would build would be a construction road in.

CHAIRMAN CHOY:

Yes. I mean. . . I'm asking if that is feasible. So if you got only what's below the proposed road there, would it be sufficient for your request at the present time?

PETITIONER:

(Comments inaudible.)

CHAIRMAN CHOY:

And your apartment building could wait until the road was developed.

CHAIRMAN CHOY (Cont'd.)

Any other questions?

PETITIONER:

Excuse me. I think you said 3 acres. The plan says 1.5 acres.

CHAIRMAN CHOY:

Well, I think 1.5 acres is . . (inaudible) . . They'll have to go to the County and get the building permit and they would put the setback on . . .

PETITIONER:

It is anticipated . . . what is needed right now is about 3 acres.

CHAIRMAN CHOY:

Okay? Then the chair will entertain a motion.

COMMISSIONER NAPIER:

Mr. Chairman, I would like to move that we grant $3\frac{1}{2}$ acres . . .

CHAIRMAN CHOY:

Don't mention acreage, just the makai . . .

COMMISSIONER NAPIER:

Oh, the area makai of the road alignment.

COMMISSIONER:

I second that.

CHAIRMAN CHOY:

Any question? Okay, ready for the question? Poll the Commissioners.

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Aye.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Kido.

COMM. KIDO:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

Aye.

MR. DURAN:

Chairman Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

The motion is carried, Mr. Chairman.

CHAIRMAN CHOY:

Thank you. We'll now proceed on to number 6, special permit 69-68, Kerry Watson.

Now, after we take care of this special permit and as soon as we've taken care of (inaudible), we'll put Moody into tonight's session. We'll have more time that way. It's getting rather late. We'll adjourn after

...

MR. LEONG:

(The November 20, 1969 memorandum from the staff to the Land Use Commission re: SP69-68 - Kerry Watson, was read verbatim. Please see the file for report.)

CHAIRMAN CHOY:

Any questions, Commissioners? No questions? Is the petitioner here? Nobody here? Thank you, Mr. Leong.

Is this in the ag zone?

MR. LEONG:

Yes.

CHAIRMAN CHOY:

So the agricultural pursuit is not the question today . . . it's a special permit with . . . (inaudible) . . .

The chair will entertain a motion.

COMMISSIONER:

I move that we accept the staff recommendation.

CHAIRMAN CHOY:

Any second?

COMMISSIONER:

Second.

CHAIRMAN CHOY:

Any questions? If not, Rom, will you poll the Commissioners?

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Aye.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

No.

MR. DURAN:

Chairman Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

Motion is carried.

CHAIRMAN CHOY:

Thank you.

Now, it's almost 5:00 o'clock. Shall we go to dinner?

COMMISSIONER:

That's a good idea.

(Break.)

CHAIRMAN CHOY:

Before we begin the second portion of our meeting, all of you who wish to testify but are not attorneys, would you rise and be sworn in? Will you raise your right hand please? Do you swear that the testimony you are about to give to the Land Use Commission is the truth, the whole truth and nothing but the truth, so help you God?

RESPONSE:

I do.

CHAIRMAN CHOY:

Thank you.

We'll start our second portion with the Harriet R. Moody request, A69-217.

MR. DURAN:

Mr. Chairman, gentlemen of the Commission. (The November 20, 1969

MR. DURAN (Cont'd.)

memorandum from the staff to the Land Use Commission re: A69-217 - Harriet R. Moody, by Robert M. Enomoto, Representative, was read verbatim. Please see file for report.)

Let me call your attention to the map in connection with the staff recommendation. I call your attention to the district maps. This is Hanalei Bay. The green area represents the existing conservation district. The white area are the agricultural districts. The existing urban district of Hanalei and . . . (inaudible) . . . The property in question is sandwiched in between these two urban districts. This is the Hanalei River out here. The location of the plantation is on this point.

The petitioners submitted these two site plans since our public hearing. Actually, this is the site plan . . . this is a cross section showing how the condominium apartments will fit into the property. This is Princeville Ranch. This is the existing urban district which embraces the Hanalei Plantation Hotel. This is the existing conservation district, and here is the property in question.

The developers propose a lagoon dredged in the orange area and then condominium apartments along the bluffs around the pond. This is the restaurant proposed in the pond with the hotel site up here and then, as we discussed earlier, the . . . (inaudible) . . .

Are there any questions?

CHAIRMAN CHOY:

Do the Commissioners have any questions?

COMMISSIONER:

What is the staff recommendation now?

MR. DURAN:

Because of the tsunami reports by Doak Cox on that '46 wave . .
(inaudible) . . and because of the extremely low area in the valley, we
believe that the existing conservation land should be maintained as well
as to encompass the pond itself. Then the rest of the area should be
rezoned urban on the basis that as an agricultural zone between 2 exist-
ing urban districts and that logically it should be in the urban district.

CHAIRMAN CHOY:

Rom, one question. What is the elevation on both sides of the con-
servation area?

MR. DURAN:

At this point and this point?

CHAIRMAN CHOY:

Within the proposed development area. Well, there are contours here.

MR. DURAN:

Right. I would say it's less than 6 feet . . . the whole area,

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER NAPIER:

The proposed resort area up along the top of that map extends into
the conservation zone?

MR. DURAN:

Yes and at this point it rises quite steeply here so that . . (inaud-
ible) . .

CHAIRMAN CHOY:

Any questions? If not, thank you, Rom.

Is there anybody here from the County? If not, then Roy, will you

CHAIRMAN CHOY (Cont'd.)

present your petition?

MR. ENOMOTO:

Thank you. Mr. Chairman and members of the State Land Use Commission. I believe that the staff recommendation . . (inaudible) . . (This man spoke in spurts as far as the strength of his voice, so that only a few words were audible out of each sentence.)

We disagree with the staff report and I'd like to point out some of the inconsistencies in the staff report as far as . . (inaudible) . .

If you'll look at the staff report, you'll notice that the . . (inaudible) . . (Again, several sentences were inaudible due to reasons stated above.)

You'll notice also that we have no so-called permanent high-rises along here. . (inaudible) . . with a direct cross of tsunami waves. Where we have the . . (inaudible) . . (Again, several sentences were inaudible due to reasons stated above.)

Thank you.

CHAIRMAN CHOY:

Any questions?

Roy, what are you asking? Complete eradication of the conservation zoning? Can you live with a portion?

MR. ENOMOTO:

Yes. I think the petitioners are not unreasonable in the fact that we are asking . . (inaudible) . . draw a line of approximately 100 feet, and I feel sure we can work around that.

CHAIRMAN CHOY:

I think now you're only about 50 feet at that point, aren't you?

MR. ENOMOTO:

At this point, yes.

CHAIRMAN CHOY:

So by asking for 100 feet, you're really cutting a line right to the village.

MR. ENOMOTO:

That's right.

CHAIRMAN CHOY:

What if you came around the included the pond area?

MR. ENOMOTO:

Well, we have developments over here.

COMMISSIONER:

Say a tidal wave hit that area . . . is there any difference between the east side and the west side . . . would there be any difference in the height of the water or . . . seeing that conservation line being drawn straight across like that.

MR. ENOMOTO:

I think that's a very good question. When we engage . . . (inaudible) . . . tsunami, . . . (inaudible) . . . past tidal waves hit, and based upon the history of where the 1946 wave . . . (inaudible) . . . Really, the big waves have been in this area on the south side of Hanalei Bay. There's no assurance on where the waves are going to hit.

CHAIRMAN CHOY:

Any questions? Yes, Rom.

MR. DURAN:

Mr. Chairman, I'd like to ask Mr. Takeyama . . . going back to the tsunami question . . . from what he has explained to the Commission, there

MR. DURAN (Cont'd.)

is no tsunami threat to this valley. Is that basically true?

MR. TAKEYAMA:

No. I did not say that.

MR. DURAN:

I'm confused now. What would you estimate the run-up on a wave like the one of say, April 1st, 1960.

MR. TAKEYAMA:

Well, I'll take this from the report of Central Tsunami Inundation Zones . . . (inaudible) . . . In the 1946 wave, at Hanalei Bay the height was 9 feet . . . that's what the Coast Guard report. And the head was right around here.

MR. DURAN:

So if there were a 10 foot wave, how far inland would it go?

MR. TAKEYAMA:

I don't know.

MR. DURAN:

This is all swampland in here, isn't it?

If, for example, dwellings that you proposed were along this beach line, do you think that they would be damaged by a 14 foot wave?

MR. ENOMOTO:

Definitely.

MR. DURAN:

There was another statement in Mr. Cox' letter with regard to Mr. Takeyama's statement at the public hearing, and I read this paragraph for the record: "From what I understand of the location of the property, the zoning is in question. The run-up there was probably the best

MR. DURAN (Cont'd.)

indicated by a 24 foot measure."

MR. TAKEYAMA:

That's right. But there are exception to that.

MR. DURAN:

Mr. Cox, whom you've recognized as an authority on tsunami waves is no longer the authority at this stage.

MR. TAKEYAMA:

No, I question him because . . (inaudible) . . and we don't really know where he's talking about.

MR. DURAN:

It's the property in question. I think that's pretty close.

MR. TAKEYAMA:

He's too vague . . . not specific enough.

CHAIRMAN CHOY:

Any other questions?

COMMISSIONER NAPIER:

I only have one question, after listening to these guys. The height of these lowlands is about 6 feet, so whether a wave is 10 feet or 24 feet, it will still . . . it will still inundate the low-lying area, so I don't see any arguing about where that line should be or . . . you know what I mean.

COMMISSIONER:

In other words, if this thing is going to rise, then all the houses along this end are going to be washed out anyway, huh?

CHAIRMAN CHOY:

Any other questions? Now, Roy, your contention is that since there

CHAIRMAN CHOY (Cont'd.)

urban areas on both sides of you with no conservation setback, then you'd like to get at least a minimum conservation setback on your property, based on the fact that there is no setback on either side of you? Is that what you're trying to tell us?

MR. ENOMOTO:

Yes, and not only that, but we think it's reasonable so that the use of this land, the way we have timed it, is the most reasonable use of the land.

CHAIRMAN CHOY:

So in other words, a 100 foot setback conservation would be agreeable to you?

Do the Commissioners understand the request?

COMMISSIONER NAPIER:

Is a motion in order?

CHAIRMAN CHOY:

Are you ready? The chair is ready for a motion.

COMMISSIONER NAPIER:

I make a motion that we start with a 25 foot setback where the proposed hotel development is and then after that, it comes to 100 feet the rest of the way.

COMMISSIONER:

What was the motion now, Mr. Chairman?

CHAIRMAN CHOY:

Alex' motion is that where the hotel development is shown that there be a 25 foot setback and passing that would be a setback of 100 feet the rest of the way. Is there a second?

COMMISSIONER:

Second.

CHAIRMAN CHOY:

Any discussion?

MR. DURAN:

I wonder if attorney Takeyama would comment on the proposed development schedule.

CHAIRMAN CHOY:

Could you submit a development schedule? Under our present regulations, you must submit a time performance schedule.

MR. ENOMOTO:

I have here . . (inaudible) . . performance time, the petitioner will submit . . (inaudible) . . within 5 years.

CHAIRMAN CHOY:

We have a motion on the floor. Are you ready for the question?

COMMISSIONER:

Question.

CHAIRMAN CHOY:

Now, will you poll the Commissioners?

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Abstain.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

Aye.

MR. DURAN:

Chairman Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

Motion is carried, Mr. Chairman.

CHAIRMAN CHOY:

Thank you. We'll now proceed to the action on Kid McCoy property,

A68-208. Rom, will you . . (inaudible) . . ?

MR. DURAN:

Mr. Chairman, gentlemen of the Commission. (The November 20, 1969

MR. DURAN (Cont'd.)

memorandum from the staff to the Land Use Commission re: A63-208 - Kid McCoy, Jr., was read verbatim. Please see file for report.)

At our last Kona meeting, Mr. Chairman, you and the Commissioners will recall that the County Assistant Planning Director recommended to the . . . that the Planning Commission had reconsidered and recommended that an additional 18 acres be rezoned abutting the urban district which would allow the applicant a 20-acre parcel in the urban district so that he could apply for a planned development under the County ordinances. But that was the last communication we received from the County. I have heard that the County has taken . . (inaudible) . .

Are there any questions, Mr. Chairman?

CHAIRMAN CHOY:

Now, this suggested 20 acres . . . was that a formal recommendation?

MR. DURAN:

That was a formal unwritten recommendation from the County.

CHAIRMAN CHOY:

It was not retracted?

MR. DURAN:

No.

CHAIRMAN CHOY:

Any questions? Do the Commissioners have any questions?

COMMISSIONER:

What is the recommendation from the County?

MR. DURAN:

To approve about 18 acres. Two of it is already in the existing urban district so they hope it would give them enough area for a planned

MR. DURAN (Cont'd.)

development.

COMMISSIONER NAPIER:

Is this enough for the petitioner to start on? I mean, is this your recommendation? Twenty acres?

MR. DURAN:

No. I fail to see the justification of the need involving the urban vacant land in that abutting urban district.

CHAIRMAN CHOY:

Thank you, Rom. Would the petitioner like to come forward? Donald, do you have any comments?

DONALD:

Would you like me to go first?

CHAIRMAN CHOY:

I think it would be better.

DONALD:

Mr. Chairman and Commissioners. The Planning Commission on October 16, 1969, voted to recommend approval of an application, and I would like to describe it to you. Basically, it asks, as Mr. Duran pointed out, the approval of a total of 20 acres to . . (inaudible) . . . However, we were aware of some concern . . (inaudible) . . . We have attached an incremental subsequent clause to this proposed bill and it's now up to our Council to . . (inaudible) . . .

As far as the status today, the first reading was held on the proposed general plan which encompasses roughly the entire area. However, we are imposing upon the developer that incrementation of the entire

DONALD (Cont'd.)

general plan (inaudible) would be on an incremental basis of 20 to 25 acres each, and our proposed bill states that in order that the zoning takes place in an orderly manner and not merely creation of empty lots, each unit to be zoned . . (inaudible) . . 20 to 25 acre increments, each increment to be zoned so we can . . (inaudible) . . of dwelling units of at least 50% of its allowed density. The incremental zoning shall also be contingent upon adequate water supply and adequate sewage.

Now to make it a little clearer, we are saying, therefore, that in proposing the overall general plan that we will zone by increments but only if the developer comes up with . . (inaudible) . .

Therefore, the Commission passed this general plan and it is now before the County Council. Yesterday was its first meeting and subsequently . . (inaudible) . . but the Commission did amend the general plan to approve the entire area for residential . . (inaudible) . . with 184 acres in single-family residential with maximum density to 10,000 square feet . . (inaudible) . . which would be about 7 acres. They also stated that there shall be a minimum of 9 acres to be designated open space for playground and park use . . (inaudible) . . They have also stated that there may be a commercial site of 5 acres in the future within the development.

CHAIRMAN CHOY:

Any questions, Commissioners?

COMMISSIONER:

How soon could you get started on this project?

DONALD:

Well, our zoning . . . if it is zoned, there is no timetable. However,

DONALD (Cont'd.)

we can go no further unless it does.

COMMISSIONER:

What I'm asking you now is . . . assume that I made a motion that I approve something like that subject to your restrictions and he would have to get, let's say, within a year. Is that possible?

DONALD:

We are not able at this time to specify development times. Your Commission can.

COMMISSIONER:

Would this be an unfair request of the petitioner?

DONALD:

We can only speak for . . (inaudible) . . and if you were to zone this urban . . (inaudible) . .

COMMISSIONER:

How long would it take you to grant it?

DONALD:

To grant it would take 2 or 3 months, I believe, assuming we had the meets and bounds. Now if you took away your urban designation . . .

COMMISSIONER:

Now I'm going to follow your recommendation. In other words, your recommendation is that you've granted that zoning, but you wouldn't grant the next zoning unless he'd finished 50% of the first, right?

DONALD:

Right.

CHAIRMAN CHOY:

I'd like to ask one question, Donald. The housing suggested seemed

CHAIRMAN CHOY (Cont'd.)

to be of a very minimum size, each unit. Is there an ordinance in the County . . . a stipulation . . . of what your minimum size residential area is in the dwelling units?

DONALD:

Square footage?

CHAIRMAN CHOY:

Yes.

DONALD:

Per structure?

CHAIRMAN CHOY:

Yes. Is there a minimum?

DONALD:

Oh, I couldn't say now.

CHAIRMAN CHOY:

Five hundred square feet?

DONALD:

It depends on how many bedrooms and whether it's a combined kitchen and . . .

CHAIRMAN CHOY:

Let's say a single bedroom unit. Is it 500 square feet?

DONALD:

I think it might be more. I think it might be around 600.

CHAIRMAN CHOY:

Because all of the houses suggested seem to be very much undersized, like 650 square feet. I guess it varies with different counties.

Any other questions?

COMMISSIONER:

Do we have a guarantee of the type of development that would take place within this area as far as run-off control, sewage . . .

DONALD:

On sewage, right now the State Health Department says we can't have water. Well, all multiple dwellings now days have to come in with the . . . some sort of sewer treatment plant. They do not pass cesspools for high density.

COMMISSIONER:

This total project is how many acres now again?

DONALD:

One hundred eighty-four.

COMMISSIONER TANGEN:

Donald, you said if they had multi-dwelling units, they'd have to have a sewage treatment plant.

DONALD:

That's right.

COMMISSIONER TANGEN:

Suppose that they put in all single-family dwelling units. What . . . ?

DONALD:

Then each one . . . the Board of Health regulations . . (inaudible) . .

CHAIRMAN CHOY:

Would the petitioner like to come forward?

PETITIONER:

Mr. Chairman, members of the Commission, my name is (inaudible) and I represent the petitioner, Dr. McCoy, and I also . . (inaudible) . . I will

PETITIONER (Cont'd.)

call upon Mr. Russell (inaudible), the architect for the development . . (inaudible) . . and he will be able to answer all of the questions that you have concerning this development on a technical basis.

Just to give a little background on this, this entire area was the subject of a general plan amendment and this is now in the process of being adopted by the County Council.

Just to answer a few specifics in the staff report, at the time the original application was filed, we were talking about 2 non-contiguous parcels. This . . (inaudible) . . is still owned by . . (inaudible) . . and this was a question that was brought out at the time of our application and they asked us to contact the landowners and see whether they would go along or what their feeling was. And they have also . . (inaudible) . . So, in effect, we are talking about a contiguous . . (inaudible) . . and I don't know whether it is in order at this point to ask that this application be amended to include the (inaudible) area, but this is our intention.

We feel that there is a definite need in Kona for this type of development that we are proposing. We are talking about a total . . (inaudible) . . and we feel that we stand to offer the people in Kona residences at a modest rate. I hesitate to use the terms low-cost or low-income.

There may be other urban lands in Kona but the cost of these lands is so high that there is a definite need for this type of development to make available to the people of Kona.

And we have committed to the Commission here a development schedule which we'll try to adhere to. I will ask Mr. (inaudible) to give you all the details on this . . (inaudible) . .

MR. (?):

Thank you. Mr. Chairman, members of the Commission. I would like to just describe briefly where the project is in relation to Captain Cook's Village.

CHAIRMAN CHOY:

Mr. Harris, we've all visited the site, so you might go into the specifics.

MR. HARRIS:

Very good. Mr. Chairman, I would like to answer a few questions regarding the staff report.

Number one, the comment was made that ample urban land already existed in the area. It's very true and we're well aware of that. However, we do not . . . have not seen . . . (inaudible) . . . as rapidly as we possibly can once the approval has gone through the Council. The land has serious limitations for urban development other than . . . (inaudible) . . .

Our intent with this development, as you can see, is called a planned unit development which is a combination of cluster housing and units that . . . (inaudible) . . . can utilize the areas that are reasonable for development. (Few sentences totally inaudible.)

The area in question is not substantially conforming to the County general plan. We hope that question has been answered by the County and hopefully, that will be amended.

Another problem would be justification of the need for reclassification at this time to be in order. Through the research that we have done in the Kona area, we feel it is, and I would like to read a letter, if I may, from the County of Hawaii Department of Research and Development from John Farias, Director. "Dear Mr. (inaudible): Thank you for your

MR. HARRIS (Cont'd.)

letter of July 2nd. We got it on July 7th. I hope this letter will not take that long to get back to you. As you requested, we did some research as to the housing situation in the Kona area. At the present time, the Office of Economic Opportunity is conducting a County-wide survey which will include information on housing. However, the . . (inaudible) . . We are happy that you continue to work with . . (inaudible) . . With regard to your question, we supply the following: No. 1. There is not sufficient amount of housing available on the South Kona district. Captain Cook is experiencing the same, if not larger problems . . (inaudible due to paper rustling) . . this has happened virtually to every area. Those houses that ordinarily would be available for workers in a low-income bracket . . (inaudible) . . A department study showed that . . (inaudible) . . Therefore, not only will housing be a strain if not adequately taken care of, but problems could be further compounded by the ever-increasing demand of . . (inaudible) . . . request for answers on housing problems. There are approximately 1,300 acres zoned residential or . . (inaudible) . . This acreage can accommodate approximately 5,000 homes on 17, 18 . . . for 17,000 or 18,000 people. It is (inaudible) to assume, however, that housing will be built . . (inaudible) . . There are a host of other factors involved, including speculations. While the housing starts to report a new high, it has not kept up with the demand and the new interest ceiling will take its toll in the County of Hawaii for the last quarter. Needless to say, we would not expect homes to be completed within a reasonable time to satisfy the demand. The distances between Captain Cook and the resort areas of Kailua and Keahou are 11 and 7 miles, respectively. This, in our opinion, creates an excellent opportunity

MR. HARRIS (Cont'd.)

for a (inaudible) community for workers in our resort area. It is highly likely that the civic center, shopping center and other (inaudible) will expand both in terms of employment and (inaudible) in the next few years. However, again, . . (inaudible) . . housing with reasonable rates and in reasonable proximity to these certain areas. We cannot overemphasize the need for housing. Rental rates are becoming increasingly prohibitive. The greatest opportunity in Kona for a building company is to satisfy the . . (inaudible) . . and that is a company with . . . (inaudible) . . Unless the company is extremely well financed or financed with government money . . (inaudible) (inaudible) . . however, would be the ideal situation. We hope this information will help you. Sincerely, John Farias."

After this letter from . . (inaudible) . . a document in September of this year indicating that Kona could accommodate 1600 housing units if they would be built. So these are some of the things . . . some of the reasons that we feel that we can keep . . (inaudible) . .

What we are planning, as I explained, are accommodations in individual housing and cluster housing under Hawaii County Ordinance No. 33. This ordinance . . (inaudible) . . is a comprehensive site plan and is productive of optimum adaptation of development to the land by allowing diversification in all . . (inaudible) . . various uses of the buildings, structures, open spaces and yards and the building line and the lot line for this particular . . . these properties . . (inaudible) . . that the intent of the ordinance be observed.

We indicated the housing will be approximately \$19,000 to \$20,000 and our off-site costs would be about (inaudible). The cost would be

MR. HARRIS (Cont'd.)

. . (inaudible) . . This is a cost that is reasonable for the area.

I'd like to answer another question regarding the size of the units. A one-bedroom apartment of approximately 650 square feet . . (inaudible) . . In the housing units, we would like to keep them to a size of about 800 or 900 square feet and again, these figures are not definite. Once we get into the architectural planning, they may vary a little bit.

The construction schedule, assuming that we were to receive approval, we would plan . . (inaudible) . . As far as the time schedule, this particular map and all of the units indicated . . (inaudible) . . approximately 1,100 units. At our last Planning Commission meeting, it was recommended that this density be reduced and it has been to our satisfaction . . . to a total of around 600 units, approximately. The first year we would propose 75 units, the second year 100 units, the third year 125 units, and complete 25 units a year until the entire 600 units would be completed in approximately 5 years. This is a conservative estimate that we could . . (inaudible) . .

Are there any questions about any of this?

CHAIRMAN CHOY:

Do the Commissioners have any questions?

COMMISSIONER:

Did I misunderstand you? You say 25 units a year.

MR. HARRIS:

No, I meant 25 additional units. The first year we would have 75 units, the second year an additional 100 units and so on. After 5 years it would total approximately 600 units.

COMMISSIONER TANGEN:

A representation has been made that these two properties are not

COMMISSIONER TANGEN (Cont'd.)

contiguous because of an agreement with the property owners in between. Now, is that agreement for . . . with those property owners, was that just to join with you in seeking County of Hawaii's amendment to the general plan for urban zoning, or is there an agreement to develop? Will that property be developed? Do you have the property or is anyone else in that property in between prepared to develop as you are?

MR. HARRIS:

There are some owners . . . there are several owners in there. Some of the owners are willing to go ahead with development and all of the owners are . . . (inaudible) . . . for development.

COMMISSIONER TANGEN:

But you do not have an agreement with them that now makes for development purposes the two pieces of property contiguous. You would still have this property in several ownerships in between so that you would be developing the one piece and the other piece, and the piece in between would still not be developed necessarily.

MR. HARRIS:

That could be if all of the owners did not join in the ultimate agreement. However, each of these units is designed so that they can be developed independently. And the roadway circulation that we have indicated to the various sections can work within the district . . . this parcel and also this parcel.

CHAIRMAN CHOY:

Any other questions? If not, thank you, Mr. Harris. Do you have . . . is Mr. Zimmerman going to . . . ?

MR. ZIMMERMAN:

I don't have anything further unless there might be some questions.

CHAIRMAN CHOY:

Thank you. No.

UNIDENTIFIED:

(Some comments were made by an unidentified individual but the voice was too soft and sporadic in tone to be deciphered through the static of the tape recorder.)

CHAIRMAN CHOY:

Thank you.

PETITIONER:

I just wanted to summarize. Our general plan is to include . . (inaudible) . . but our recommendations verbally include is strictly include 20 or 25.

CHAIRMAN CHOY:

What are you saying . . . 20 or 25 acres?

PETITIONER:

Between 20 and 25, because we know that he is going to have to make it sort of self-supporting enough that . . (inaudible) . . If the middle portions are not developable because of the ownership, certainly we can't go in there.

CHAIRMAN CHOY:

This is an incremental approach now. How incremental approach . . . If we accepted the concept of that, does that mean that automatically we go from one unit to the second unit to the third unit each time they come back to us for a rezoning?

PETITIONER:

Yes, because we're . . .

CHAIRMAN CHOY:

Are you on the same basis as we are?

PETITIONER:

Right. We're only recommending 20 to 25 . . . May I clarify this?

I think we are on the same wave length but maybe I didn't say it correctly. I have a copy of the ordinance that is being proposed and I will leave one for the Planning Commission.

My understanding of what has happened in the County Planning Department as far as their recommendation to the County Council is that they have recommended that this entire area be put into this urban type use under the general plan. Now, to change this general plan . . . before we build -- actually build -- we will have to go back to the County and ask for specific zoning in certain areas and at that time they will impose the conditions that they may have on the 20 or the 25 acres, depending on perhaps the contour of the land.

My request to this Commission here is that like the County . . . the County has gone and amended the general plan for the whole amount of acres so we do not have to apply to them again for amendment to the general plan, but we'll have to go to them from time to time for these increments. Now if this Commission could see its way clear to go and urbanize the whole area, then we would have to only go to the County for each change and zoning application. Otherwise, a certain amount is granted as Mr. (inaudible) has recommended to you, and the next increment, we will have to come to the Commission again to have this urban zone for the single petition for rezoning.

CHAIRMAN CHOY:

Thank you. Any questions? If not, the chair will entertain a motion.

COMMISSIONER:

Mr. Chairman, I would like to move that we accept the County's recommendations of 20 acres.

CHAIRMAN CHOY:

Any second? I think the motion should be on the basis of what is drawn on the map as unit 1. That would be much clearer.

COMMISSIONER:

I second it.

CHAIRMAN CHOY:

Any discussion? Petitioners, can you live with unit 1?

PETITIONER:

Is there a condition on the time limitation?

CHAIRMAN CHOY:

No. Well, we are automatically under the 5 year.

COMMISSIONER:

Are we going with the recommendation of the County on their recommendation of the time limitation?

CHAIRMAN CHOY:

We have our own regulation.

COMMISSIONER:

The motion was to follow the County.

CHAIRMAN CHOY:

What is your motion? Your motion is to grant unit 1.

COMMISSIONER:

Yes.

CHAIRMAN CHOY:

With no time stipulation.

COMMISSIONER:

Just the 5 years.

CHAIRMAN CHOY:

Actually, we come to our own regulation of 5 years. And you seconded it?

COMMISSIONER:

Right.

CHAIRMAN CHOY:

It has been moved and seconded that we grant unit 1. Any other discussion? If not, are you ready for the question?

COMMISSIONER:

Question.

CHAIRMAN CHOY:

Poll the Commissioners, Rom.

MR. DURAN:

Commissioner Nishimura.

COMM. NISHIMURA:

Aye.

MR. DURAN:

Napier.

COMM. NAPIER:

Aye.

MR. DURAN:

Tangen.

COMM. TANGEN:

Aye.

MR. DURAN:

Yamamura.

COMM. YAMAMURA:

Aye.

MR. DURAN:

Wung.

COMM. WUNG:

Aye.

MR. DURAN:

Inaba.

COMM. INABA:

Aye.

MR. DURAN:

Choy.

CHAIRMAN CHOY:

Aye.

MR. DURAN:

Motion is carried, Mr. Chairman.

CHAIRMAN CHOY:

Thank you.

PETITIONER:

Thank you very much.

CHAIRMAN CHOY:

Well, you can see that the Land Use Commission doesn't just give land away.

Now, shall we just go right on ahead with our hearing? We finished all of our action and let's go into A69-230, First Hawaiian Bank.

MR. DURAN:

Mr. Chairman, gentlemen of the Commission. (The November 20, 1969 staff report re: A69-230 - First Hawaiian Bank, Managing Trustee for Lilioukalani Trust, was read verbatim. Please see file for report.)

Let me call your attention to the maps here for orientation purposes. Again, the Kailua-Kona urban district shown in pink, the Kailua-Kona Airport, Kailua Bay, the conservation areas shown in green, the urban area of Keakehe along the shoreline, and the urban area of the school.

The property in question is shown in yellow in this location in this portion of the conservation district and this portion of the agricultural district. The Kona-Kawaihae Road is at this location.

CHAIRMAN CHOY:

Rom, what is that white area?

MR. DURAN:

The white area is where all the agricultural area is as well as the surrounding (inaudible).

Now what was the latest word we received from the Highway Department regarding the . . (inaudible) . .

MR. LEONG:

(Comments inaudible. There is a high screeching sound on the tape which obliterates much of the conversation. It is sporadic and comes and goes.)

MR. DURAN:

While we're talking about it, this right of way is 80 feet and it's proposed that it be widened to 300 feet, and the proposal is to take an additional 124 feet on the makai side, 96 on the mauka side. This would then give the necessary right of way for (inaudible). That's the latest word that we've received from the Highway Department.

CHAIRMAN CHOY:

In other words, you're recommending the rezoning of that area within that green . . . ?

MR. DURAN:

We are recommending that the heavy industrial area be rezoned at this time, with the necessary reserve above the existing highway for the widening of that highway.

CHAIRMAN CHOY:

Donald, do you have any statement?

DONALD:

Yes, I have, Mr. Chairman.

This afternoon, the Planning Commission was discussing this particular problem. It's not a problem; it's a particular application. And I would like to describe that our staff recommendation is to approve it and . . . (inaudible) . . . We are in accordance with your staff on this 300 foot corridor. We are also suggesting that between . . . (inaudible) . . . 500 feet of buffer zone. We're imposing 500 feet wherever industrial happens to be adjacent to residential. We are also saying that . . . (inaudible) . . . computed the densities and the net . . . (inaudible) . . . Anyway, we're after 15 acres of park space to be . . . (inaudible) . . . 9 acres of park space and playgrounds.

We feel that this application is a good one. We were asking for a consideration of this entire area . . . (inaudible) . . .

COMMISSIONER NISHIMURA:

This being the approach to the village of Kailua, I hope that if this is so, the County would take enough precaution to preserve and to enhance the natural beauty of this area by making these people plant enough trees

COMMISSIONER NISHIMURA (Cont'd.)

to screen this area . . . this industrial area . . . because an industrial area is really a blight on any community. And if we're not going to do this, I would put my no vote on this industrial development but I don't think anybody or any group that would be moving into the district would want to see something like this. This is really close to the airport, and I think this should be given reconsideration by the County.

CHAIRMAN CHOY:

Is there enough soil there to make heavy plantings?

DONALD:

Well, that would be something about which I would be . . . (inaudible) . . . The County is much more responsible than you would think. The general plan is a 20 year thing. The zoning is only contingent upon the availability of water and roads . . . (inaudible) . . . and we've been imposing setbacks and what not.

CHAIRMAN CHOY:

Donald, how do you arrive at a 500 foot buffer zone?

DONALD:

Well, the applicant himself . . . it varies. He (inaudible) his area.

CHAIRMAN CHOY:

I mean, 500 feet width would become no man's land. You couldn't use it for a park or . . .

DONALD:

No, you could. We're saying also that where it is a good proportion, it could be used as a park. We're saying there must be this minimum of 500 feet which may be used to comply with our park requirements.

CHAIRMAN CHOY:

Any questions? If not, would the petitioner come forward? Would you like to state your petition?

MR. HELBER:

Mr. Chairman, members of the Land Use Commission, my name is Larry Helber. I'm with Belt Collins and Associates in Honolulu, and I am representing the Lilioukalani Trust.

What I'd like to do is very briefly refer to this map here . . . or maps . . . which is basically what's on the wall, but I think it's a little clearer here because it's (inaudible). The above one deals with the existing land uses as they are today. The black boundary area outlines this land which we are requestin reclassification. Now, the existing land . . (inaudible) . . quarry and the access road into the quarry site. There is an industrial development . . . it's a light industrial development . . . in this area. The 2 shades show an area that is being developed now and one that is planned as expansion. Red implies a commercial district or a commercial area that's at the intersection of the Kawaiahae-Kailua Road and Palani Road here. This down here deals with the land uses as we are requesting now. The gray is the industrial area representing about 300 acres. The yellow and the orange represents the residential, the orange as multi-family and the yellow as single-family.

The things I would like to point out in terms of the uses of the proposed . . . In fact, I think that all of us are aware there is a generated need for industrial and there is a need today for residential. The industrial areas here we feel are appropriate because we do have the County dump at the boundary line here and adjacent to the property which is part of the Trust holdings. We also have an existing quarry at this

MR. HELBER (Cont'd.)

location, with an access road into that area. We are close to a developing light industrial area. It has a (inaudible) facility. It also is served by utilities, and we do have utilities along over here. The fact that we have industrial here, we have a quarry here, and we also have a dump here does lend itself to industrial use. It's of a moderate slope. There are certain utilities available and so forth. So we feel it's appropriate for industrial uses and heavy industrial uses.

When you go into this area here, we are proposing residential. Again, we certainly feel there's a need for residential land uses. Right now there is a group of multi-family apartments being constructed at this point here shown in orange. We feel that this is appropriate for this type of use. It's adjacent to an urban center. There are commercial uses. There are other multi-family uses close to it. And so the proximity to urban complex is appropriate, we feel. We see this as not condominiums but as apartments which are rented out to residents. They are not sold to other people who in turn rent them out. So we are looking at this as satisfying at least a moderate income level of people and hopefully of a lower, also.

Down here is red implying a commercial site. We feel that the uses are appropriate. When we talk about things such as development standards and so forth, I would like to indicate that development standards have been developed for this light industrial area here and when I say development standards, I'm talking about building setbacks, I'm talking about parking, landscaping, sign requirements and so forth. We also see this type of control followed by the owners within this heavy industrial area.

MR. HELBER (Cont'd.)

Good planning would dictate an area of some type between the two land uses, and this is what we have considered here now. We have not necessarily considered the 500 foot strip. We haven't pinned that down because we're still dealing with essential and general land use ideas, but we do feel it's appropriate that there be some barrier and we would like to see this as a useable type of land area that acts as a barrier also. It would be the same type of thing along the main highway here. Now certainly we would agree that screening is an appropriate thing, particularly when this is going out to an airport, the gateway of the air.

We have done this same type of thing in this light industrial in terms of screen plantings and so forth, and this is being carried out now in the reviews of various people coming to develop parts of that land.

I would be certainly happy to answer any questions of a specific nature. Also, Mr. Stevenson is here, with First Hawaiian Bank; he also will be available for questioning.

CHAIRMAN CHOY:

On that light industrial area . . . and the dark area . . . what is the dark area?

MR. HELBER:

The dark area implies part of the industrial development under construction.

CHAIRMAN CHOY:

And the other area is to be extended?

MR. HELBER:

That is being finalized. The final drawings are being processed but I think we'll get them . . (inaudible) . .

CHAIRMAN CHOY:

By bringing heavy industrial right up to the belt road, it seems like it's very poor planning. Would it be possible to cancel the light industry area here and go into probably something much more in keeping with the development around it and take light industry along that . . . heavy industry. Use light industry as a buffer between heavy industry and that highway. Would that . . . ?

MR. HELBER:

Mr. Chairman, our control point was 300 feet from the right of way.

CHAIRMAN CHOY:

But your planners indicate that heavy industry would come right up to the road alignment with a little buffer zone.

MR. STEVENSON:

Well, we got into the industrial business not by design but by trying to pressure and help people, frankly. Because I think I said to the Commission back in July when you had the boundary redesignation that we were in here with over 60 applications for some 25 lots.

COMMISSIONER:

Why don't you extend that area then if you have so much demand? The old site.

MR. STEVENSON:

Here? We are extending. We're talking about . . . As I said, we have chosen not to put into the one-acre, two-acre area in here anything except the passive type of industrial which we've been able to control by

MR. STEVENSON (Cont'd.)

devisive leases and the language in the documents. Whereas we've got people here . . . you've got to be specific. Right now we've got 3 applications from businesses in the Kailua-Kona area that have to move. There is the Captain Cook Building Supply, there's the . . .

COMMISSIONER:

Look at all the lands you have there and you insist that you don't have enough area.

MR. STEVENSON:

Here? This is not zoned. And what we're trying to do is work with the State on the ultimate redevelopment of the airport.

CHAIRMAN CHOY:

You're thinking that some day that will all be resort area.

MR. STEVENSON:

Sure.

CHAIRMAN CHOY:

What I'm trying to get at is to downgrade this industrial area that you have at the present and concentrate more into this area that you propose for industry.

MR. STEVENSON:

We've got about a half million dollars tied up there right now. That's hard money; that's not borrowed money.

CHAIRMAN CHOY:

Well, if you've gone that far, we don't want to jeopardize your position.

Excuse me, Rom; in this rezoning, what we have to do is just zone it urban . . (inaudible due to other people speaking) . .

CHAIRMAN CHOY (Cont'd.)

Are there any other questions? If there are no other questions, we'll close the hearing and thank you. You have 15 days to add to your testimony and we'll have to act within 45 to 90 days.

MR. STEVENSON:

Thank you.

CHAIRMAN CHOY:

Rom, is there anything else?

MR. DURAN:

While we're dealing with Lilioukalanai Trust, let's go back to . . .
(inaudible due to paper rustling and other people speaking) . . .

We have a letter request for a boundary interpretation. When we reviewed our district boundaries, we had a request to rezone this triangular piece of property because a new post office and bank was proposed in this triangle. And you will recall at the time, this was the existing urban district line and followed existing boundary lines and excluded this parcel which goes beyond this point. However, at this point we have the Kawaiahae-Kailua Road coming through and . . . (inaudible) . . . Well, they've since developed their site plans and find that it's necessary to straddle this line. This was the line that we established connecting a point here and here to allow that construction. But their site plans involve this area and they've since been working with the County and with the Highway Department on the possible needs for the right of way lands for this intersection. The Highway Department has indicated that they could live with this proposal and the County has requested a setback for the widening of Palani to this extent. So what is being proposed now is a boundary interpretation of this line to permit that originally proposed

MR. DURAN (Cont'd.)

development that will follow this line. So what would happen then is that this red area would go into the urban area from agriculture and this blue area from urban to agriculture, and that would be a setback. The total area is 2.6 acres.

CHAIRMAN CHOY:

Now what we did today was this?

MR. DURAN:

Right and that's about what you wanted. This is about the new urban line here, right.

CHAIRMAN CHOY:

So we would have this funny piece here. I think the intention at that time was that we go out to this . . .

MR. DURAN:

We would end up with this sliver which would be acquired by either the County or the State for right of way purposes. And then this line would disappear because it would then go to the center line.

CHAIRMAN CHOY:

Alex, your motion was to put this into the urban . . .

MR. DURAN:

Well, you're making a boundary interpretation.

CHAIRMAN CHOY:

I think it should be just a correction of . . . We don't need a motion then, just an understanding by the Commissioners.

MR. DURAN:

Let the record show that there is no disagreement. Now this brings up another question because we're working with this alignment over here which is the existing turning radius for the existing road which is 80

MR. DURAN (Cont'd.):

feet wide. Now if they're talking about coming down here, that would be
125 . . .

COMMISSIONER:

No. No. This is the 300 foot width is what we're talking about.

MR. DURAN:

Are they working on the basis of the 96.4?

COMMISSIONER:

Yes.

MR. DURAN:

So there's not going to be any urban land, huh?

CHAIRMAN CHOY:

Are we all in agreement? It's just a matter of understanding where
the boundary is corrected to.

Now, any other business?

MR. DURAN:

A meeting will be in Honolulu on the 5th which . . . (inaudible) . . .

We're scheduling our meeting at 1:00 o'clock.

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