

STATE OF HAWAII
LAND USE COMMISSION

Minutes of Meeting

November 30, 1972 - 10:00 a.m.

Kulana Naauao
Hilo, Hawaii

Approved
AUG 30 1973

COMMISSIONERS PRESENT: Goro Inaba, Chairman
Eddie Tangen, Vice Chairman
Alexander Napier
Sunao Kido
Leslie Wung
Stanley Sakahashi
Tanji Yamamura

COMMISSIONER ABSENT: Shelley M. Mark

STAFF PRESENT: Tatsuo Fujimoto, Executive Officer
Ah Sung Leong, Planner
Benjamin Matsubara, Deputy Att. Gen.
Dora Horikawa, Clerk Reporter

The meeting was called to order by Chairman Inaba and persons testifying during today's proceedings were duly sworn in.

HEARING

PETITION BY SIGNAL PROPERTIES, INC. (A72-334) TO RECLASSIFY 57 ACRES FROM AGRICULTURAL TO URBAN AT MOMOUALOA, SOUTH KOHALA, HAWAII

The staff report on this petition was presented by the Executive Officer. Mr. Fujimoto added that the subject request was a portion of a 1,000-acre parcel owned by the petitioner.

Mr. Lester Hawthorne, representing the petitioner, submitted that although the homes were intended primarily for the local market, it would be difficult to reserve priority for this segment once the sales of these homes were placed in the brokers' hands who already have a long list of interested buyers. The petitioner was doing everything in its power to hold the prices down to the \$33,000 to \$35,000 range. It was also brought out that this will be 100% developed and there will be no lot sales. The last increment should be completed around 1974.

Mr. Fujimoto read a letter from the County of Hawaii Board of Water Supply dated October 24, 1972, indicating the developer's willingness to comply with the requirements as set forth in their letter of October 13, 1972 to the developer, and therefore water was available for this development.

It was further noted by Mr. Hawthorne that there were 3 or 4 areas in their plans which would remain in open space and dedicated to the County.

Since there was no other testimony, the hearing on this petition was closed and Chairman Inaba stated that additional information will be accepted within 15 days.

PETITION BY BISHOP ESTATE (A72-343) TO RECLASSIFY 15.4 ACRES FROM AGRICULTURAL TO URBAN AT PUAA 1ST, N. KONA, HAWAII

Mr. Leong, Planner, read the staff report relative to this petition.

In answer to questions raised by the Commissioners, Mr. Leong stated that there had not been sufficient time to conduct an in-depth survey of the vacant lands surrounding the subject property. There was some speculation by the Commissioners that the reason for the undeveloped vacant lands may be due to the lack of action at the County level.

Responding to several questions posed by Vice Chairman Tangen regarding the projected increase in hotel construction, location of the hotels, the need for the apartments, rent price range, etc., Mr. Guido Giacometti, President of Kamehameha Development Corporation, offered the following information.

With the completion of 434 hotel rooms, there will be a total of 1,302 rooms and 48 apartment units. Plans for a 212-apartment condominium complex and another 400 units were presently pending before the Hawaii County, which will result in a total of 4 major hotels in the area. These hotels will be located at Kahaluu and Keauhou Beach. In supporting the need for the proposed development, Mr. Giacometti alleged that in their discussions with their hotel lessees, concern had been expressed over the inadequacy of rental apartment units in the area. It was hoped that the apartments will serve the hotel employees at the lower income level at approximately \$160 to \$200 per month. At this time, it was not expected that the apartments will be sold. The proposed project was a joint venture between the Bishop Estate and the Kamehameha Development Corporation.

Mr. Giacometti acknowledged that Bishop Estate owned other vacant urban lands in Keauhou on which a complex such as the one proposed had been planned. However, due to litigation, it was not possible to develop these lands at the present time.

Since there was no further discussion, the hearing on this petition was closed.

PETITIONS BY C. BREWER & COMPANY'S VARIOUS SUGAR COMPANIES
(A72-337, A72-338, A72-339, A72-340, A72-341) TO RECLASSIFY LANDS
IN THE COUNTY OF HAWAII

The pertinent facts and data relative to these petitions were presented in the staff report read by Mr. Leong, staff planner.

The Commissioners were also apprised of a letter from C. Brewer, dated November 27, 1972, requesting that the petition by Hawaiian Agricultural Company (A72-337) be withdrawn.

In concurrence with the staff's recommendation, Vice Chairman Tangen moved that the hearing on petitions A72-338 through 341 be consolidated as provided for in Section 1.16 of the Land Use District Rules and Regulations, which was seconded by Commissioner Wung and unanimously approved.

Relevant facts pertaining to the reclassification request were brought out during the discussion with Mr. B. W. Baldwin, Manager of Ka'u Development Company. It was established that the petitioner desired to centralize the scattered housing primarily for the purpose of relocating employees in all of the houses in the camps, and also to provide housing for retired senior citizens, single employees and small family units. Moreover, in order to attract and retain employees, it was necessary to make housing available.

With reference to the difference of 35 acres from the petitioner's figure of 190 acres proposed for reclassification and staff's planimetric measurement of approximately 224.6 acres for Area 5, as pointed out on page 8 of staff report, Mr. Baldwin explained that his staff had erroneously failed to include the area identified as "7" on the Belt Collins General Development Plan (see copy in file).

On the subject of the school site, Mr. Baldwin submitted that their discussions with the school authorities had been in terms of exchange of land areas for this purpose.

It was further noted by Mr. Baldwin that there were only 23 plantation homes in the Honomu area proposed for agricultural designation which were being phased out. The remainder of the homes were privately owned with their own cesspools.

Since there was no further discussion, the hearing on these petitions was closed and Chairman Inaba announced that additional data will be accepted within 15 days.

ACTION

PETITION BY FIRST HAWAIIAN BANK, MANAGING TRUSTEE FOR LILIUOKALANI TRUST & PALANI DEVELOPMENT CO. (A72-327) TO RECLASSIFY 100 ACRES FROM AGRICULTURAL TO URBAN AT KEAHUOLU, NORTH KONA, HAWAII

Mr. Fujimoto presented the staff memo recommending denial of this petition at this time; however, that further evaluation of the Kealakehe Urban District be considered during the 1974 Five-Year Boundary Review (see copy of report on file).

Commissioner Sakahashi observed that although staff's recommendation for denial was based on the existence of substantial undeveloped vacant urban lands in the area, this fact was not brought out in the County's recommendation. Mr. Glenn Miyao of the Hawaii Planning staff agreed that vacant urban lands were available; however, due to the lack of activity in these areas, it was the County's contention that these lands were not available for development.

Mr. Fujimoto advised that petitioner's present projects included 60 units in the first phase and 122 units in the second phase. The 100-acre under petition for 216 units would constitute the third phase.

Chairman Inaba summarized that in terms of acreages involved in the petitioner's projects, there were 20 acres in the first increment fully developed; 40 acres in the second increment, for a total of 60 acres; plus another 70 acres unplanned above the road. Mr. Fujimoto added that the availability of water was a major problem in this area. Mr. Miyao advised that in a memo, the Department of Water Supply had indicated that the petitioner will need to increase the booster pumps along Mamalahoa Highway which lift water from the Water Supply's source at Kahaluu to this area.

Mr. Kenneth Young of Palani Development Company submitted that since water was not available in the upper area, they were requesting the 100 acres in the makai area where water was available.

Chairman Inaba commented that he could see no reason for retaining the undevelopable area above the road not serviced by water. Vice Chairman Tangen remarked that for this reason the staff had recommended that the entire area be reviewed during the 1974 boundary review.

In response to a request by Mr. Young to rebut some of the points raised in the staff's memo, Chairman Inaba advised that no additional testimony was allowed during the action meeting; however, it was within the Commission's prerogative to pose questions to the petitioner.

Mr. Larry Matsuo of Park Engineering advised that the County was presently reviewing plans for the 40-acre area (second increment) and the first occupancy should occur in 6 to 9 months. However, on-site improvement plans have received approval from the County.

Vice Chairman Tangen observed that based on petitioner's past performance for the first increment, it would take approximately 1 1/2 years to completely develop the 40 acres. On this basis, the petitioner will not be ready to develop the subject 100 acres for another 1 1/2 years at which time the 5-year boundary review will be underway. Therefore, even if the Commission downzoned the undevelopable 60 acres mauka of the road, it would still give the petitioner sufficient lead time to develop the makai area.

Mr. Miyao commented that it would be immaterial to the County which 40 acres were approved for reclassification since it had recommended approval for the total 100 acres.

On the basis of the foregoing discussion and his opinion that downzoning the undevelopable 60 acres and approval of 40 acres of the petitioned area will not penalize the petitioner, Vice Chairman Tangen moved that 40 acres of the petitioned area, to be determined, be approved, and special consideration be given to the total 100 acres as well as the entire Kealakehe area during the 5-year boundary review. Further, that the Commission consider downzoning the estimated 65 acres in the mauka area, bearing in mind that during the boundary review, if water becomes available to this area, it will be restored to an Urban designation.

Deputy Attorney General Matsubara recommended that the motion to approve and the motion to downzone be separated into two motions.

Thereupon, Vice Chairman Tangen moved to approve ^{urban} zoning for the estimated 40 acres of the petitioned area, to be determined, if the motion is carried.

Chairman Inaba called for a 10-minute recess.

The meeting was again called to order by Chairman Inaba.

Vice Chairman Tangen moved to approve urban designation for the area in the petitioned land from the north boundary abutting Kealakehe School to the proposed drainage channel as outlined on the archaeological features map dated September 7, 1972 for Queen Liliuokalani Village Unit III, and bounded on the east by Palani Road, an area of approximately 40 acres; the exact area to be determined by the metes and bounds as determined by the staff of the area encompassed within the boundaries just stated. The motion was seconded by Commissioner Wung and unanimously carried.

In another motion, Vice Chairman Tangen recommended that the Commission initiate a petition to amend the boundary for the area east of the presently developed lands referred to as the Liliuokalani Village Units I A & B that are presently unzoned by the County and that are in Urban designation into the Agricultural District. It was seconded by Commissioner Wung and unanimously carried.

PETITION BY THE ESTATE OF HANNAH H. FUKUSHIMA (A72-329) TO RECLASSIFY 3.03 ACRES FROM AGRICULTURAL TO URBAN AT WAIMEA, SOUTH KOHALA, HAWAII

A recommendation for denial of the petition was made by staff in its memo to the Commission which was presented by Mr. Fujimoto (see copy of report on file).

Commissioner Wung made a motion to disapprove the petition, which was seconded by Commissioner Sakahashi. The motion was unanimously passed.

PETITION BY THE DEPARTMENT OF LAND & NATURAL RESOURCES (A72-331) TO RECLASSIFY 40.16 ACRES FROM AGRICULTURAL TO URBAN AT KAHEI, NORTH KOHALA, HAWAII

Mr. Leong presented the staff memo recommending approval of the petition (see copy of report on file).

Upon motion by Commissioner Kido, seconded by Vice Chairman Tangen, the petition was unanimously approved.

Since there was no further business, the meeting was adjourned.