

LAND USE COMMISSION
STATE OF HAWAII

Minutes of Public Hearing

Hilo Electric Light Company Auditorium

10:45 A. M. - December 7, 1963

Commissioners

Present:

C.E.S. Burns
Goro Inaba
Shelley Mark
Shiro Nishimura
Charles S. Ota
Myron B. Thompson
Robert G. Wenkam
Leslie E. L. Wung

Absent:

James P. Ferry

Staff

Present:

Raymond Yamashita, Executive Officer
Roy Takeyama, Legal Counsel
Richard Mar, Field Officer
Gordon Soh, Associate Planner

The public hearing was called to order by Chairman Thompson, followed by an opening prayer.

The procedures for conducting the public hearing were outlined by the Chairman.

All persons who were to enter testimonies throughout this public hearing were sworn in by the Chairman.

PETITION OF HAYSELDEN RANCH COMPANY (A(T)62-18), FOR AMENDMENT OF THE TEMPORARY DISTRICT BOUNDARIES FROM AN AGRICULTURAL TO AN URBAN DISTRICT CLASSIFICATION FOR LANDS IN KAU, HAWAII: Described as TMK 9-4-2: 3 and 9-4-1: 8.

Mr. Gordon Soh read the petition submitted by the petitioner; then outlined the area and request involved.

The Chairman asked whether the petitioner or anyone representing the petitioner was present. There was no response.

Mr. Soh gave the staff's recommendation which was for denial.

Commissioner Ota asked whether the statement in the staff's report that the petitioner desires to put in 3 to 9 acres estate lots was from the original application of the petitioner?

Mr. Soh replied in the negative, stating that this information was received in a letter from the Hawaii County Planning and Traffic Commission.

Chairman Thompson added that there is no restriction to prevent the landowners to develop these size lots at the present time. Mr. Soh acknowledged this, stating that it was his understanding that it was perfectly permissible to subdivide into 3 to 9 acre lots in an agricultural district.

Mr. Yamashita stated that according to existing County ordinances any area outside the City limits of Hilo can be subdivided into 7,500 sq. ft. lots. This is the present ordinance. The new ordinance which would prohibit this has passed the first hearing and it is expected to be adopted by the end of this year (December 1963), or early part of next year (January 1964).

Mrs. Baker representing the Hawaii Planning & Traffic Commission was sworn in. She stated that the County Planning Commission will be taking this matter (new ordinance) up a week from this coming Monday (December 16, 1963). She stated that Edgar Hamasu, Director, has recommended 3 acres as the recommended amount, and 1½ acre as an alternative.

Commissioner Nishimura asked whether under the Rural classification of the County that 7,000 is considered the minimum square footage lot?

Mr. Yamashita replied that the County does not have any ordinance for the rural classification, but that the County is intending to have one.

Legal Counsel stated that the statement made by the staff in its report is not exactly true. If the County of Hawaii retains the 7,500 square footage and if the staff's statement holds true than it will make a mockery of the Land Use Law because what is being said in essence is "As long as it is in an agricultural district, this Commission permits the county to go along with its 7,500 square feet in minimum," which ultimately means an agricultural subdivision which is not truly fit for agricultural. Legal Counsel stated that the past Land Use Commission has gone on record that as long as the petitioner uses his land for an agricultural pursuit no matter how big or small the lot is, it is permissible. But to subdivide in an agricultural district for non agricultural purposes is not permissible under the Land Use Law.

Mrs. Baker asked, "What do you do about property of land that is not suitable for agricultural and zoned by the Land Use Commission as agricultural?" Legal Counsel replied that this would be for proper consideration when drafting the boundaries. If it is not fit for agricultural, then possibly an amendment to the boundaries to comply with the other classifications of the land use commission may be proper.

The Chairman stated that he believes that the staff is only pointing out the fact that it is possible under the present ordinances of the County of Hawaii rather than conveying an attitude. He stated that he did not have the feeling that the staff is implying that it is condoning this of this Commission. The Chairman, however, stated that legal counsel's point is well taken, that this Commission should not go on record condoning this attitude as such.

With no other questions or comments to be given, the Chairman announced that this Commission will receive additional comments and protests on this matter within the next 15 days from this hearing and will take action on this matter between 45 to 90 days from this hearing.

The public hearing was closed in the matter of Hayselden Ranch Company.

PETITION OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES (A(T)63-32) FOR AMENDMENT OF THE TEMPORARY DISTRICT BOUNDARY FROM AGRICULTURAL TO URBAN FOR LANDS IN WAIAKEA, SOUTH HILO, HAWAII: Described as TMK 2-1-12: 3 and 2-1-13: 11 & 12.

Mr. Soh read the petition submitted from the petitioner and outlined the area and request involved.

Mr. Paul Tajima, representing the Department of Land and Natural Resources, gave a brief background on the project. He stated that the legislature in 1961 appropriated money (\$25,000) to have a study made of the general picture of the industrial land needs particularly in the Hilo area. In 1962 the legislature appropriated an additional \$300,000 in its capital improvement program for this project but prior to this the first land use commission had filed the preliminary district boundaries and as a consequence this particular area was put in the agricultural district. One of the reasons why this was done was that the Department at that time did not have a subdivision plan on file with the county agency. The initial appropriation of some \$300,000 will put about 50 acres of industrial land on the market. This is strictly significant in that although there are areas other than this particular section now zoned for industrial purposes, the bulk of those lands cannot be put into industrial use immediately because of the small size lots now in residential use. He stated all other lots or land come under the control of the Hawaiian Homes Commission. He stated that generally it is accepted in the community as well as the legislature that this type of development could proceed and provide the relief that the County of Hawaii is seeking, not only in terms of meeting current needs but in terms of providing lands as an inducement for new industries to come into the community.

Commissioner Wung asked whether the State will lease these lands or will they put it out on fee? Mr. Tajima replied, "I cannot express the policy of the Board with respect to this particular development, but my understanding of the Board's thinking at the moment is that lands will be put out on the fee basis, basically for residential purposes. All other lands will probably be put out on lease basis."

Commissioner Nishimura asked, "What are their reasons for just leasing out industrial lands?" Mr. Tajima replied, "The reasons probably are selfish motives, selfish in terms of all the people of the State of Hawaii who have an interest in public lands." He stated that there have been tendencies to indiscriminately dispose of lands in fee and as a consequence there have been

serious problems of readjustments. Another point is the problem of maintaining to all the citizens of Hawaii the increment value which comes about from the process of public influence. This administration feels that this premium or increment value should be preserved wherever possible to the people of the State.

Chairman Thompson asked, "I understand that some of the people from the Hawaiian Homes Commission in this area have been relocated to Panaewa, is the Hawaiian Homes Commission contemplating opening some of their lands for industrial uses?" Mr. Tajima replied, "The reason why some of the Hawaiian Homes people are moving out to Panaewa is not because of this particular development, but because of the extension of the airport. In answer to your second question, yes it is true that there are lands more suitably located for industrial purposes owned by the Hawaiian Homes Land Department. However under the Congressional Act which sets up the Hawaiian Homes Land program there is a 5 year withdrawal. Now it is our belief and the belief of many of our legislators that this particular withdrawal condition cannot be amended at the state level but only through an Act of Congress. In spite of whatever administrative precautions or safe guards, it is our feeling that no financial institution would take the risk of having lands withdrawn in the form of a mortgage. The other thing is that as individuals these people who are going to use earnings or borrowings from families or community financial resources, could hardly expect to amortize substantial improvements over a 5 year period. Until this problem is resolved it is highly questionable whether the Hawaiian Homes Land would be developed for industrial purposes."

Commissioner Wung asked whether these lands are improved at present, or are they in the process of being improved? Mr. Tajima replied in the negative, stating that the only improvement one might call an improvement would be the original grading or site clearing work which was done by the Air Force during the War. Subsequently the National Guard has taken over some of the area, but by and large it is still overgrown with shrubs.

Commissioner Wung stated that his reason for asking is that there appears to be a lot of work being done on the land at present. Mr. Tajima replied that there was no actual construction being done at present. Mr. Yamashita explained that the area Commissioner Wung is speaking of is altogether a different area.

Commissioner Ota asked, "How many lands are available on the market or zoned for industrial development in Hawaii?" Mr. Tajima replied that there is a substantial portion of land in this particular area for various types of uses. However, they are not all available. The reason for this is that most of the area is in residential use and not suitable for the type of industrial uses being talked about.

Commissioner Ota asked whether the state is in competition with a private developer. Mr. Tajima replied in the negative, stating that there are not enough private lands that can be developed or put on the market at this moment.

Commissioner Mark asked about the people who were relocated after the tsunami. Mr. Tajima stated that the original subdivision that was put on the market a year after the tidal wave for the relocation of these people is about 99% filled on state lands. These were disposed of originally on a lease basis with

an option to purchase the lease, which was from a Special Act by the legislature.

Commissioner Wung stated that he did not wish to see all the industrial Hilo area located on state land. He stated that this would mean that the government would be in control of all the industries. He stated that most of the lands zoned as industry is either in state ownership or Hawaiian Homes ownership. Mr. Tajima stated that most of the lots in Kanoelehua subdivision will be owned in fee by the individual.

Mr. Bolinger, representing the Hawaii County Economic Research Development, was sworn in. He stated that the Hawaiian Homes Commission has been considering developing the lands immediate adjacent to the present light industrial area in Kanoelehua. This is the type of land that would be needed by firms which are not truly an industrial operation. The land which is proposed by the State is a development located back from the road which could handle light as well as heavy industry. He, however, felt that this would be an ideal spot for light industry as there was a need for this type of industry.

Mr. Yamashita stated that in the past weeks he has been discussing this particular issue with Mrs. Hale and members of the County Planning staff. He stated that it was indicated that the people are questioning whether this particular area should be zoned urban for industrial purposes because if the State is not going to sell the land then it is nontaxable (which he was not sure whether this was true or not). He stated that they felt if there is a need for industrial lands and the state does not sell, then the people will not get the tax benefits from it. Therefore the question is raised, "Why not zone some other areas in private ownership which will be subject to taxes and which the people will benefit from?"

Commissioner Wenkam stated that when you speak of taxes versus lease rental you would get more from lease rentals than you would from taxes. Mr. Yamashita replied that the result is it would go directly to the Department of Land and Natural Resources rather than through the normal procedures whereby the County would get their share of the taxes.

Mr. Tajima stated that it would be wise to separate the social issues from the economic issues. First of all, as a matter of fact, the State laws and taxation pertaining to state and public lands require payment of real property taxes where a lease is five years or longer. There is no particular difference between a fee of a reasonable manner and payment of taxes for real property. As to county desires in terms of attacking this particular problem, locally through this means or some other means, he felt it was open for discussion. He felt that there was a substantial support by the administration at the state level and by the legislative body to at least attack the problem on this basis.

Commissioner Wenkam stated that it is true, however, that there is none or very little private lands within the area in Hilo that are designated urban for industrial zoning under the general plan, or in a logical location for industrial use; so that the State is, in a sense, playing an important role to open up these lands.

Mr. Tajima presented a report prepared by the joint venture of R. Bush-A. Gerakas, and Sunn, Low, Tom & Hara (copies of this report are on file with the Land Use Commission as well as with the Department of Planning and Economic Development). He stated that this report does point out that there is only a very limited amount of private lands available for industrial development. (Mr. Tajima quoted the section from report which stated this fact).

Commissioner Wenkam asked whether this area in question is zoned or covered within the proposed general plan of Hilo as industrial? Mr. Tajima replied that the original study which was conducted as a basis in setting up the general plan for Hilo did not include this area. He stated that those recommendations and findings would probably change. He stated that this is an area where the original study perhaps did not consider the limitations imposed on the development of Hawaiian Homes Land. In the General Plan Study of Hilo it shows that a substantial area of land under the Hawaiian Homes Department control is zoned for industrial purposes. He stated that from a more realistic standpoint this is not something that can be implemented immediately. He stated that if the County Board of Supervisors were to adopt such a plan now, they would make such adjustments and changes.

Commissioner Wenkam remarked that the proposed general plan includes all of the area that are under question for industrial use which is a logical area for such use. He stated that it is his understanding that the Hawaiian Homes Commission is attempting to get legislative action taken on this 5 year action. He stated that the Commission are in favor of having their lands used for industrial use, so that it is very appropriate that this land in question be zoned for industrial.

Mr. Soh stated that the report prepared by Belt & Collins was prepared on or about the time the 1960 tsunami struck. He stated that the tsunami caused damage to the project, so that the project in several aspects had to begin all over again. The development plan prepared for Hilo showed the parcels in question in an industrial use except for portions which are shown in vacant use. Before the introduction of the allodial title system, we had a feudal title system in existence. So to speak, the government owned all of the land at one time so that private land developed subsequent to the great Mahele. What in fact this particular project may represent is that the government is relinquishing more land to private industry.

Mr. Moore speaking as an individual citizen was sworn in. He supported the need for more industrial land in Hilo.

Mr. Soh gave the staff's recommendation which was in concurrence with the recommendation of the Hawaii County Planning & Traffic Commission that portions of the property in question be retained in an agricultural district consistent with the development plan of the City of Hilo, and granting approval for those lands for urban districting which lie makai of the proposed extension of the Saddle Road.

The public hearing was closed in the matter of the Department of Land & Natural Resources.

PETITION OF DEPARTMENT OF LAND & NATURAL RESOURCES (A(T)63-33), FOR AMENDMENT TO THE TEMPORARY DISTRICT BOUNDARY FROM AGRICULTURAL TO URBAN DISTRICT CLASSIFICATION FOR LANDS IN LALAMILO, SOUTH KOHALA, HAWAII: Described as TMK 6-6-01: 2, 10, 12, 15, 29 & 40; and 6-6-04: 6.

The petition as submitted by the petitioner was read by Mr. Soh. Mr. Soh then gave a description and background of the request and area involved, who was assisted by Mr. Yamashita who outlined and pointed out the area on the map for the Commission.

Chairman Thompson asked, "How many lots are being proposed?" Mr. Tajima replied that there are 455 lots on the preliminary plans. The immediate development plans indicate that lot sizes would be a little more than the county minimum. The initial increment for minimum size lots would be 15,000 sq. ft. Part of the lot will go down into the stream gully areas or at least along the slopes of the ravine and gully. The area is not suitable for putting a house on, but the area will be in planting, and this particular design is well adapted to the topography.

Chairman Thompson asked, "How do the lots compare in size to your present subdivision just beyond Waiakea Junction?" Mr. Tajima stated that he believed the original lots ran in excess of an acre, some of them are 3 acres. But since then we have had a revision which requires the departmental Board of Land & Natural Resources to make lots available in the minimum economic units which in this particular instance would be 15,000 sq. ft. for residential houselots. Chairman Thompson stated that he presumed that the Department has a market analysis for all of these lots. Mr. Tajima replied in the affirmative, stating that in addition to that we have a petition of some 50 signatures of residents not only in the immediate area, but those who can be called Kawaihae residents.

Commissioner Wenkam asked "How does this compare with the proposed general plan prepared for the area by Bush & Gerakas?" Mr. Tajima replied that this is in consistent with the proposed general plan. He stated that the details have not yet been worked out and that this particular plan was prepared before the Bush-Gerakas report was even started. The general categories of land uses are consistent, and from the standpoint of specific developments, these would be subject to the county regulations. He stated that insofar as the residential uses are concerned these are consistent.

Mr. Tajima stated that the legislature had appropriated \$12,000 in 1957 for a preliminary study and this is a follow through of a subsequent appropriation by the legislature in 1962 immediately after the temporary boundaries were adopted by the first Land Use Commission. He stated that the Department has at the moment \$125,000 of special land fund which can be spent under this development.

Commissioner Ota asked, "What is the distance from here to the Rockefeller development?" Mr. Tajima replied "About 15 to 20 minutes driving time." Mr. Tajima stated that this is one of the concerns, not only of the State,

but also the people who are working in the Rockefeller area. He stated that at the moment negotiations are being held concerning the Queen's Hospital lands. He stated that there will be a need for residential lots not only in Kawaihae, but also up in the mauka section where the conditions are considerably different. This area is cool whereas in Kawaihae it is rather warm and dry.

Chairman Thompson asked, "Are they negotiating with the Queen's Hospital lands for development? Where are these lands?" Mr. Tajima stated that there is a new road under construction to Puako and the land on both sides of this particular highway going towards the junction is under the control of the Queen Emma Estate. He stated that much of the lands abutting the Queen's Hospital lands are owned by Richard Smart as well as under the control of Waimea properties. He stated that planning consultants have been engaged for the development of the Rockefeller land as well as the Waimea property land and have combined their efforts in coming up with a comprehensive development plan.

Chairman Thompson asked, "How does that development affect this development?" Mr. Tajima stated that the environmental conditions are not the same. The market differentiates the locational characteristics. The people who want to live down there, will live down there and the people who want to live up here, will rather live up this end. If this were not available, the people would be looking for other places other than Kawaihae. The Chairman asked, "Might not there be an element of competition here?" Mr. Tajima replied that you might call it the same competition that we have in the "automobile industries."

Commissioner Ota asked "What is the land ownership pattern; is it typical of Hawaii Kai, where you have limited number of owners owning most of the parcels?" Mr. Tajima replied in the affirmative, stating that this goes back as a result of a historical pattern of land ownership. The bulk of the land, the entire Kamuela-Waimea area, is owned by Richard Smart. He stated that much of the small ownerships have been brought about by the disposition of the government lands, which includes a substantial area of Hawaiian Homes lands-- these lands, though, are available only within the Hawaiian Homes program.

In answer to a question posed by Commissioner Ota, Mr. Tajima replied that the market at the moment will indicate that if as many as 50 lots were put out at one time, it may go for something like \$5,000 to \$6,000 a lot. This is based on supply and demand. Mr. Tajima stated that he felt that the intent of the legislature as far as the Land Law is concerned was to put them out on a fair basis. He felt that this was a little more than a straight "cut throat" competition. Mr. Tajima stated that there is a concern to make lands available strictly for residential purposes, even to the extent under certain programs of offering a discount of 10% to 15% below the provision price level. Based on these considerations it would not be a surprise if they did go at least for \$5,000 or \$6,000 per lot. He stated that there is no final disposition at the moment, but if these lands are auctioned, there is a chance for the State to get much more than what the value is, whatever value there might be.

Mr. Gordon Soh gave the staff's recommendation which was for granting only a portion of the redistricting request, so that the first increment of the houselot subdivision alone would be redistricted at this time. The staff's recommendation further included that the remainder of the request could be granted at a later time should there prove to be a specific demand for small lots and high standard subdivisions and an added demand for houselots in Waimea.

Mr. Tajima stated that the particular report that the Land Use Commission staff refers to and is filed with the Land Use Commission is a report that was prepared by his particular office. He stated that the necessary amount of historical data that his office had, limited their analysis and therefore the interpretation of these facts can vary depending on the objective of the program. There are a number of other considerations that cannot be predicated and presented, such as the resistance of people now living in the area. There are quite a few residential areas that are very desirable and typical of a small community. There has been quite a considerable resistance in terms of selling prices. The subdivision sales which are mentioned in the staff's report on the east side of Kamuela is located in a relatively wet portion of Kamuela. The portion which has been sold, perhaps not in the scale of the Puna lands, was sold not only to residents of the County of Hawaii but also to nonresidents of the County of Hawaii. For this reason one can't expect to see the type of construction that would be imposed in terms of the condition under this particular development. The department would probably come in with a building requirement for two years and a residential use requirement of the particular purchaser for 5 years at least. The law provides that within this period of 5 years the State would have the first refusal on the sale, and that the State would have the right to buy this particular property on the basis of the present existing market value or the original sale price whichever is lower.

Commissioner Ota asked, "Did the staff consider the Rockefeller development in making its market analysis?" Mr. Soh replied that the market analysis was not made by the staff. Commissioner Ota questioned the statement in the staff's report that there would be about 22 housing units per year between 1960 and 1980. Mr. Soh replied that this was a quote from a report put out by The Department of Land and Natural Resources. Commissioner Ota then asked Mr. Tajima whether this was a reasonable assumption, to which Mr. Tajima replied in the negative, adding that this was in a context of a historical trend and the Department did not consider all of the factors that were known.

Legal Counsel stated that the staff has recommended only approval of an increment. Assuming that this commission goes along with this recommendation, how would this affect the program of the Department of Land and Natural Resources? Mr. Tajima replied that this Commission is charged with the responsibility of drawing up the final district boundaries, and the final district boundaries will be the basis for our initial action. Because of timing a petition for a change in the temporary district boundary was made. But in any event our request will be submitted at the time this Commission conduct its hearing on the final district boundary to convert this entire area into urban. Legal Counsel stated "Assuming in the final district boundaries this Commission does not put the area in an urban district and assuming that

this Commission goes along and grant only the first increment, would that hamper your program in any way so that you cannot develop the entire area?" Mr. Tajima replied that insofar as our immediate plans are concerned the area indicated in red is the area that this department will be working with. The question posed, has raised other secondary questions, at least implications as to whether this is going to stop here or whether in the future this is going to continue. Mr. Tajima felt that this was a peculiar problem. The State taking the leadership in making lands available (residential lands in particular) and on another instances having its hands tied so that it couldn't proceed. He stated "Were we a private landowner, there would be some question as to our intent of going ahead with this kind of development, but in this particular instance we are permitted not only to proceed on this matter of investigating the possibility of getting this land on the market, but at a rate that the market would absorb."

Commissioner Burns asked, "If this Commission limited the area that is to be developed, would it not impose a practical hardship in terms of onsite, offsite improvements which might be geared to larger blocks?" Mr. Tajima replied in the affirmative, stating for certain costs such as your waterlines and whatever drainage facilities that may have to be put in. He added that these costs cannot be borne by the first increment; they have to be prorated.

Mr. Yamashita, presenting the staff's point of view on the matter, stated that the staff's recommendation recommending that only a limited portion of the area be now zoned urban is made to a particular reference on the question of how much of a market is there, and the insinuation that there are large areas of land now zoned urban and would tend to promote scatteration. This question is raised because since 1962 of June (only a little more than a year ago), 548 acres of this area have been developed into residential subdivisions. The point that the staff raises in view of this fact that 548 acres are on the market and none of it being occupied, "Is there any justification for zoning the entire area at this time into urban?" Mr. Yamashita stated that the staff's recommendation does not preclude future actions on the part of this Land Use Commission.

Commissioner Nishimura stated that it seems like most of our planning are on a broad scale. It is not based on practicalities. It is evident that there may be 20 lots at the most this year, and if there is a boom maybe a 100 lots. Here is a plan with 465 lots that may not be sold for 10 to 20 years. Now the Department of Land and Natural Resources is asking that the area consisting of this 400 to 500 lots be zoned to urban, is this justifiable?

Commissioner Inaba stated that in previous experience the State has made available subdivisions in the Lalamilo area and the State has been very successful in opening up these lands. There are a lot of buildings being built because of the State's requirement for building within a certain period of time. He stated that the people have absorbed all of these lots and they have established residences and beach homes.

Commissioner Wenkam remarked, "In respect to the water requirements in the area it was his understanding that the Waimea-Kamuela has not solved their

water supply problem and would not be able to supply a quarter of this residential subdivision." Mr. Tajima replied in the affirmative, stating that fortunately the Department has a water program as part of the Department's function and most of the State's development schedule is based on the availability of water. He stated that the Department cannot prematurely get into a development if there is a shortage of water. He stated that the Department is at the moment in the midst of conducting a water survey study of the entire area. At the moment the Department is drilling exploratory wells to tap not only surface water but also ground water. The initial increment can be supported by existing facilities. There is not sufficient water at the moment for the entire subdivision development. Though the entire subdivision is a permanent plan, only a portion of that is the immediate development plan.

Chairman Thompson asked, "Do you feel as far as the market is concerned for this first increment there will be no problem?" Mr. Tajima replied in the affirmative, stating that they have some 50 odd signatures in the form of a petition and that the matter concerning whether to purchase or lease was being worked on at the moment.

In reply to several questions posed by the Chairman, Mr. Tajima remarked that this is a matter of trying to resolve certain social objectives, and recognizing the conditions which have been imposed by people who own land who are not going to sell or not going to make lands available unless they get what they want. Chairman Thompson asked, "Does the Department feel that the prices that are set by the private subdividers are unreasonable in terms of the cost of their property?" Mr. Tajima stated that he would not say that it is unreasonable. He stated that the market can't stand it in terms of a parcel of land which has no particular requirement available. "If this land is exposed to market in looking for future gain in value as a savings of one type or another, you can get a lot more than \$5,000 an acre." Chairman Thompson asked whether the Department of Land and Natural Resources is planning to gear this market to the residents of this island? Mr. Tajima replied in the affirmative, stating "We cannot restrict this to the residents of the Island of Hawaii but at least can provide this area with leases and certainly the money coming into the County will help if kept and circulated internally."

Legal Counsel was concerned with the recommendation made by the staff and the request asked by the petitioner. He stated that if this Commission follow the staff's recommendation, it would mean that this Commission would approve a portion and reject the other. This would in effect have some affect on the project as proposed by the Department of Land and Natural Resources. Legal Counsel asked the staff if they had considered the recommendation by Harland Bartholomew as a prospectus development of the entire area. Mr. Soh stated that in his recommendation he was careful to recommend that the consultant's had proposed that this area be placed in urban. He stated that in drawing a conclusion and a recommendation, the staff was faced with a problem as to what to do when a report by the petitioner (a memorandum in the petitioner's file) indicated that long term pressures for urbanization in this area were negligible. Mr. Soh remarked that out of conscience the staff could make only one recommendation.

Mr. Tajima stated that there are limitations to any type of market analysis. He stated that any technician can work within the limits of data available and some of these things can't be put in terms of numbers. Obviously if one were to build anything and go on the basis of historical events, he is not going to move as fast as any imaginative idea which could be promoted. This is the uniqueness of man that he wants to do things differently than what has been done in the past.

With no further comments to be given, the Chairman announced that this Commission will be receiving additional comments and protests within the next 15 days and action will be taken 45 to 90 days from this hearing.

The public hearing was closed at 12:00 p.m.