

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
PUKALANI HEIGHTS ASSOCIATES ) DOCKET NO. A81-514  
To Amend the Agricultural Land Use )  
District Boundary to Reclassify )  
Approximately 28.8 Acres, )  
TMK 2-3-11:1 and 2 at Pukalani, )  
Island and County of Maui, into )  
the Urban Land Use District )  

---

DECISION AND ORDER

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	
	)	
PUKALANI HEIGHTS ASSOCIATES	)	DOCKET NO. A81-514
	)	
To Amend the Agricultural Land Use	)	FINDINGS OF FACT,
District Boundary to Reclassify	)	CONCLUSIONS OF LAW,
Approximately 28.8 Acres,	)	DECISION AND ORDER
TMK 2-3-11: 1 and 2 at Pukalani,	)	
Island and County of Maui, into	)	
the Urban Land Use District	)	
	)	

---

FINDINGS OF FACT, CONCLUSIONS OF LAW,  
DECISION AND ORDER

This proceeding was initiated pursuant to Chapter 205, Hawaii Revised Statutes, and the Rules of Practice and Procedure of the Land Use Commission, State of Hawaii, to amend the Land Use District Boundary of certain lands consisting of approximately 28.8 acres, Tax Map Key 2-3-11: 1 and 2, (hereinafter referred to as the "subject property") situated at Keahua, Pukalani, Island and County of Maui, from the Agricultural District to the Urban District. The Land Use Commission (hereinafter, the "Commission"), having heard the testimony and reviewed the documentary evidence at the hearing on November 23 and 24, 1981 and on February 2, 1982, and having duly considered the record, the proposed findings of fact and conclusions of law submitted by the parties, and the responses made thereto, hereby makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

PROCEDURAL MATTERS

1. Pukalani Heights Associates (hereinafter "Petitioner"), a Hawaii general partnership, filed its petition for a land use district boundary amendment on August 24, 1981.
2. The hearing on the petition was commenced on November 23, 1981, in Wailuku, Maui and was continued on

February 2, 1982, in Kahului, Maui pursuant to notices published on October 14, 1981 and January 11, 1982 in the Maui News and Honolulu Advertiser.

3. L. D. MacCluer, Plantation Manager, Maui Pineapple Co., Ltd.; John Bose, II, Maui Group Chairman, Sierra Club; and Mitsugi Yamamura, President, Maui Pineapple Growers' Association testified as public witnesses during the hearing.

4. There were no petitions for intervention.

#### DESCRIPTION OF THE SUBJECT PROPERTY

5. The subject property is located at Pukalani in the Makawao District on the Island of Maui, makai of Haleakala Highway at its junction with Lower Kula Road, and approximately 1,500 feet mauka of the Pukalani Terrace Country Club Estates Subdivision.

6. The subject property contains approximately 28.8 acres of land and is identified by Tax Map Key 2-3-11: 1 and 2. The subject property consists of a water-tank lot of approximately 2,530 square feet, remnant pineapple fields, and unused open land.

7. The subject property is owned by Harry M. Pires, Isabelle P. Chung, Raymond M. Pires, Margaret P. Cabrinha, William M. Pires, Agnes P. Delima and Evangeline P. Higginbotham, as equal tenants-in-common. The fee-simple owners have granted Petitioner an option to purchase the subject property, and have also authorized the boundary amendment petition in question.

8. Petitioner is a Hawaii general partnership comprised of Royal Hawaiian Corporation and its wholly-owned subsidiary, Royal Hawaiian Syndicates, Inc. The principal stockholder of Royal Hawaiian Corporation is Mr. Gilbert Ikeda.

9. The Haliimaile silty clay loam soil associated with the subject property has an overall productivity rating of "C" or "fair" for agricultural uses, according to maps prepared by

the Land Study Bureau in 1967.

10. The subject property is classified as Prime Agricultural Land under the State Department of Agriculture's Agricultural Lands of Importance to the State of Hawaii (ALISH) classification system.

11. Elevations on the subject property range from approximately 1,630 feet at the northwestern boundary to approximately 1,740 feet at the southeastern boundary. The terrain slopes gently downward and westerly from Haleakala Highway with an average slope of 7 percent. The annual rainfall amounts to 30 to 50 inches.

#### PROPOSAL FOR DEVELOPMENT

12. The Petitioner proposes to develop approximately 119 residential lots ranging in size from 7,700 square feet to 12,200 square feet. Petitioner proposes to develop one (1) acre of the subject property for a recreational area, which will include a swimming pool and tennis courts.

13. The proposed streets within the subdivision will have right-of-ways 44 feet wide with roadways 28 feet wide, grassed shoulder areas on both sides 8 feet wide, and a sidewalk on one side. The streets will be asphalt paved with concrete curbs and gutters constructed to county standards.

14. Haleakala Highway affords access to the proposed subdivision. Petitioner proposes to widen the existing pavement, construct a concrete curb and gutter, and plant a planter-buffer easement 10 feet wide along the Haleakala Highway. Vehicular access is not to be permitted from lots abutting the Haleakala Highway.

15. The Petitioner estimates that development costs will total \$1,862,335 with an overhead electrical system or \$2,002,335 with an underground electrical system (1981 dollars). The cost of improvements is less than \$17,000 per lot (excluding

land costs). This estimate includes \$610,710 for general grading and roadway; \$297,575 for on-site water improvements; \$371,050 for the on-site drainage system; \$106,500 for the off-site drainage system; \$416,500 for the off-site water system; and \$200,000 for underground or \$60,000 for an overhead electrical and telephone system.

16. The Petitioner estimates that the fee simple selling prices of the lots will range from \$50,000 to \$85,000 depending upon lot size and location. The Petitioner intends to construct house-and-lot packages conforming to FHA and VA minimum standards on a portion of the lots.

17. The Petitioner intends to market the lots and house-lot packages to middle-income families currently residing on the Island of Maui. The Petitioner intends to offer house-and-lot packages for sale at prices affordable to a family of four with an annual income of \$25,000 (1980 dollars) using FHA 245 graduated payment mortgage financing.

18. The Petitioner will offer 10 percent of the lots for sale at cost or below cost to low- and moderate-income households.

19. The Petitioner estimates that it will obtain the necessary government approvals and will start construction on the proposed subdivision by September 1983. The Petitioner estimates that construction will be completed in September 1984. Sales of lots in the proposed subdivision will commence in 1983.

#### STATE AND COUNTY PLANS

20. The subject property is situated within the State Land Use Agricultural District as reflected on Land Use District Boundary Maps M-7, Paia and M-8, Puu O Kali.

21. The proposed development conforms to the County of Maui's Makawao-Pukalani-Kula General Plan, and also conforms to the proposed Makawao-Pukalani-Kula Community Development Plan as

recommended by both a citizens advisory committee and the Maui Planning Commission.

#### NEED FOR GROWTH AND DEVELOPMENT

22. The Makawao-Pukalani area has experienced rapid population growth from 2,695 residents in 1970 to 6,875 residents in 1980. The Petitioner estimates future population growth at a rate of 4.9% to 6.6% per year, or a minimum of about 336 persons per year during the next two decades in the Makawao-Pukalani area.

23. The inventory of urban-zoned land in the Makawao area is insufficient to meet the projected demand for housing in the next ten years.

#### IMPACTS ON RESOURCES OF THE AREA

##### Agricultural

24. The Department of Agriculture classifies the subject property as prime agricultural land on its Agricultural Lands of Importance to the State of Hawaii (ALISH) map for the area. However, the soil on the subject property is assigned an Overall Productivity Rating of Class C under the Land Study Bureau's Detailed Land Classification System.

25. Pineapple was formerly cultivated on the subject property. Commercial pineapple production is no longer economically feasible because of insufficient acreage, shallow and rocky soil, inadequate water supply, and fungus infestations that cause rotting of the pineapple plants. Only 22 of the 28.8 acres can be considered tillable, and the per-acre yield of pineapple from the property in the past has been substantially below production levels of other pineapple fields on Maui.

26. The change in classification from agricultural to urban use will not result in a decrease in pineapple production in the region because the independent grower that formerly used

the site has recently commenced farming pineapple on 40 replacement acres in Omaopio.

#### Natural Resources

27. There are no rare, threatened or endangered species of flora or fauna on the site.

#### Archaeological and Historical Resources

28. Because the site has been used for pineapple cultivation, there are no known archaeological or historic resources in the area.

### ADEQUACY OF PUBLIC SERVICES AND FACILITIES

#### Firefighting Services

29. County provides fire service from the Makawao Fire Station, located 1/2 mile to the north. The response time to the proposed subdivision is estimated at 3 minutes.

#### Police Services

30. County police have established ten beats in the central Maui area serving approximately 342 square miles. The beat within which the proposed subdivision is located is bounded by Baldwin Avenue in Paia to the top of Haleakala, and south to Kanaio.

#### Schools

31. Three public schools serve the Makawao-Pukalani area: Pukalani Elementary (grades K-6), Makawao Elementary and Intermediate (grades K-8), and Maui High School (grades 9-12). Pukalani Elementary is located approximately 1.2 miles from the proposed subdivision.

32. Existing and planned school facilities will accommodate the anticipated increased student enrollment generated by

the proposed development.

#### Recreational Facilities

33. Three parks are located within three miles of the project site: Pukalani Park, Makawao Park and Makawao School Park; and the developers will contribute \$12,000 to the County for park use. In addition, the proposed project will include a recreation area for the subdivision residents which will contain a swimming pool and tennis courts.

#### Utility Services

34. Electrical, telephone, and cable TV service for the proposed subdivision is available from existing overhead lines along Haleakala Highway. Utilities within the site will be underground.

#### Water

35. Residents of the proposed subdivision will consume approximately 69,600 gallons of water per day, based on an estimated population of 371 people and a water consumption rate of 187.6 gallons per person per day. This represents a 5% increase over current water consumption of 1.35 mgd, which is still below estimated sources and storage capacities of the Makawao-Pukalani area.

36. Petitioner proposes to build off-site water improvements for the development including a pumping assembly, a watermain along Haleakala Highway, and a 150,000 gallon storage tank located at an elevation of 1,900 feet. Petitioner proposes to build on-site water improvements, including distribution lines, water meters for each lot, and fire hydrants spaced at 350 feet maximum in accordance with county standards. The proposed source is sufficient to provide water supply and pressure sufficient for domestic and fire protection needs of the proposed development.



### Sewage Facilities

37. The proposed subdivision will utilize cesspools on the individual lots to be constructed in accordance with state and county standards.

### Solid Waste Disposal

38. The County of Maui will collect refuse from the proposed development once per week for disposal at the nearby Makawao Sanitary Landfill.

### Roadway and Highway Facilities

39. Haleakala Highway, a Federal Aid Primary (FAP) highway, provides access to the subject property. The proposed subdivision will not cause significant traffic congestion. The capacity of Haleakala Highway is not exceeded at the present time.

40. The proposed Pukalani bypass of Haleakala Highway is projected to be completed by 1985, or approximately contemporaneously with the completion of the proposed development. The new bypass will alleviate the projected increase in traffic of an estimated 123 vehicles per day on Haleakala Highway.

### Drainage

41. The topography of the site averages a 7 percent slope dropping in the northwestern direction. The proposed project is not located in a flood zone.

### Commercial and Employment Facilities

42. The Pukalani Terrace Shopping Center, located approximately 1/2 mile from the proposed subdivision, contains a supermarket, drugstore, hardware store, restaurant, savings and loan association and other retail stores. A bank, restaurants, real estate brokers, medical offices, and service stations are also located less than 1/2 mile from the proposed subdivision.

SCATTERIZATION OR CONTIGUITY OF DEVELOPMENT

43. The subject property is appropriate for an urban classification, because it is contiguous to an urban district, and existing urban services and facilities.

COMPLIANCE WITH STANDARDS FOR DETERMINING DISTRICT BOUNDARIES

44. The areas adjoining the proposed subdivision to the west have reached "city-like" concentrations of people, structures, streets and urban levels of services. The proposed subdivision is in close proximity to centers of trade and employment facilities.

45. The Petitioner has demonstrated the economic feasibility of the project and its financial capacity to complete the proposed subdivision.

46. The proposed subdivision is close to basic government services.

47. The proposed subdivision will not have a significant, adverse effect upon agricultural, natural, environmental, recreational, scenic, historic, or other resources in the area.

48. Based upon reasonable estimates of population growth, the proposed subdivision will help to provide sufficient reserve areas needed for urban growth in the Makawao-Pukalani area over the next ten years.

49. The topography and proposed drainage improvements are adequate and reasonably free from the danger of floods, tsunami, unstable soil conditions, and other adverse environmental effects.

50. The subject property is a logical extension of urban growth for Pukalani. Urbanization will not contribute to scattered or spot urban development, nor will it necessitate an unreasonable investment in public supportive services.

51. The proposed development conforms to the Maui County General Plan for the area.

RULING ON PROPOSED FINDINGS

Any of the proposed findings of fact submitted by Petitioner, or any other party to this proceeding, not included herein, or rejected by clearly contrary findings of fact herein, are hereby denied and rejected.

CONCLUSIONS OF LAW

Pursuant to Chapter 205, Hawaii Revised Statutes, as amended, and the Rules of Practice and Procedure and District Regulations of the Land Use Commission, State of Hawaii, the Commission finds that the proposed boundary amendment conforms to the standards and guidelines established for the Urban District by the State Land Use District Regulations, is reasonable, is not violative of Section 205-2, Hawaii Revised Statutes, as amended, and is consistent with the Hawaii State Plan, as set forth in Chapter 226, HRS, as amended.

ORDER

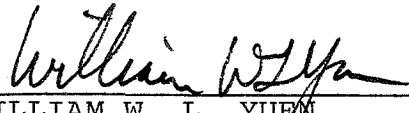
IT IS HEREBY ORDERED that the property which is the subject of the petition of Pukalani Heights Associates in this Docket Number A81-514, consisting of approximately 28.8 acres of land situated at Pukalani, Makawao, Island and County of Maui, State of Hawaii, more particularly identified as Maui Tax Map Keys 2-3-11: 1 and 2, shall be and is hereby reclassified from the Agricultural District to the Urban District, and the Land Use District Boundaries are hereby amended accordingly; subject, however, to the following condition:


That the Petitioner shall offer for sale, or cooperate with either or both the Hawaii Housing Authority or the County of Maui, to offer for sale on a preferential basis at least ten percent (10%) of the total single-family houselots and/or house-and-lot packages to be developed within the subject property to residents of the State of Hawaii who shall have low and moderate

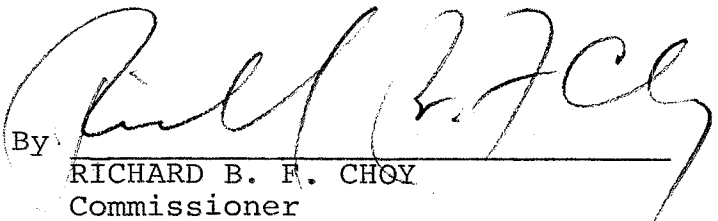
family income as determined by the Hawaii Housing Authority or the County of Maui from time to time. The preferential single-family houselots or house-and-lot packages shall be offered for sale at prices not exceeding prices that enable such purchasers to qualify for state-assisted financing (e.g., Act 105 or Hula Mae) or federally-assisted financing (e.g., FHA 245) intended to encourage home ownership by low and moderate income households. This condition may be fully or partially released by the Commission as to all or any portion of the subject property upon timely motion and provision of adequate assurance of satisfaction of this condition by the Petitioner.

Done at Honolulu, Hawaii, this 27th day of May, 1982,  
per motion on May 5, 1982.


LAND USE COMMISSION  
STATE OF HAWAII

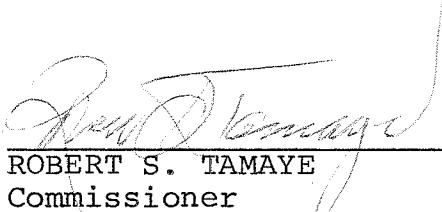
By   
WILLIAM W. L. YUEN  
Chairman and Commissioner


By   
CAROL B. WHITESELL  
Vice Chairman and Commissioner

By   
RICHARD B. F. CHOY  
Commissioner

By   
SHINSEI MIYASATO  
Commissioner

By   
TEOFILO PHIL TACBIAN  
Commissioner

By   
ROBERT S. TAMAYE  
Commissioner

By   
EDWARD K. YANAI  
Commissioner

BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition of )  
PUKALANI HEIGHTS ASSOCIATES ) DOCKET NO. A81-514  
To Amend the Agricultural Land Use )  
District Boundary to Reclassify )  
Approximately 28.8 Acres, )  
TMK 2-3-11: 1 and 2 at Pukalani, )  
Island and County of Maui, into )  
the Urban Land Use District )  
\_\_\_\_\_ )

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Land Use Commission's Decision and Order was served upon the following by either hand delivery or depositing the same in the U.S. Postal Service by certified mail:

HIDETO KONO, Director  
Department of Planning and Economic Development  
State of Hawaii  
250 South King Street  
Honolulu, Hawaii 96813

ANNETTE CHOCK, Deputy Attorney General  
Department of Attorney General  
Capital Investment Building  
Penthouse, 850 Richards Street  
Honolulu, Hawaii 96813

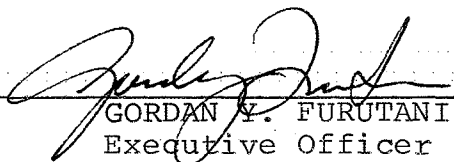
TOSH ISHIKAWA, Planning Director  
Maui Planning Department  
200 South High Street  
Wailuku, Maui, Hawaii 96793

H. RODGER BETTS, Corporation Counsel  
Office of the Corporation Counsel  
County of Maui  
200 South High Street  
Wailuku, Maui, Hawaii 96793

B. MARTIN LUNA  
Ueoka & Luna  
2103 Wells Street  
Wailuku, Maui, Hawaii 96793

PUKALANI ASSOCIATES  
Waikiki Business Plaza  
Suite 205, 2270 Kalakaua Avenue  
Honolulu, Hawaii 96815

DATED: Honolulu, Hawaii, this 12th day of July, 1982.

  
GORDAN Y. FURUTANI  
Executive Officer