

July 21, 1965

Mr. Richard E. Devine ✓
W. H. Shipman, Ltd. ✓
230 Kekuaaoa Street
Hilo, Hawaii

Dear Mr. Devine:

This is in reference to the problem posed by your special permit application SP65-13 and your letter of June 4, 1965. The problem has been under advisement for some time and we apologize for the delay.

However, we have been experiencing a rather serious staff shortage and was not able to handle your issue as expeditiously as we normally would. Mr. George Moriguchi succeeds to the position of Executive Officer on Friday, July 23, 1965 and we expect him, together with a staff member, to visit you in about a week to resolve the issue. We will call you early next week to set up a meeting for this purpose.

Your continuing cooperation on this and other matters is sincerely appreciated.

Sincerely yours,

RAYMOND S. YAMASHITA
Executive Officer

cc: Chairman M. Thompson
Hawaii Planning Commission

June 15, 1965

Mr. R. E. Devine, Treasurer
W. H. Shipman, Limited
230 Kekuanaoa Street
Hilo, Hawaii

Dear Mr. Devine:

This letter is to acknowledge your letter dated June 4, 1965. We had hoped to provide you with a more detailed answer by this time but find that the issues you raise need further consideration.

We hope to provide you with a comprehensive reply shortly.

Very truly yours,

RAYMOND S. YAMASHITA
Executive Officer

RSY:km
cc: Mr. M. Thompson

W. H. SHIPMAN, LTD.

230 KEKUANAOA ST. • HILO, HAWAII

All done.

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June 4, 1965

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State of Hawaii
LAND USE COMMISSION

Mr. Raymond S. Yamashita
Executive Officer
Dept. of Planning & Economic Development
Land Use Commission
426 Queen Street
Honolulu, Hawaii 96813

Dear Mr. Yamashita:

Following our phone conversation this afternoon I am writing you as suggested concerning the special permit request SP65-13 of W. H. Shipman, Ltd. to urbanize approximately 30.8 acres in six scattered areas in and around the village of Keaau. Your staff report recommended denial of this petition.

As explained to you by phone, five of these six parcels are existing plantation camps which were formerly part of a master lease to Puna Sugar Company, Ltd., which lease expired on December 31, 1964. These campsites were not included in the area now leased to Puna Sugar Company under their new lease effective January 1, 1965. The principal reason for this, according to my understanding, is the general desire of all plantations to get out of the housing business. Accordingly, prior to the expiration of the old lease, an agreement was reached between W. H. Shipman, Ltd., Puna Sugar Company, Ltd., the I.L.W.U. and others representing residents in these camps that W. H. Shipman, Ltd. would lease each camp to a hui of residents in the camp, each camp area as a separate lot. In other words, W. H. Shipman, Ltd. was not interested in leasing individual houses and the area occupied by each house to individual residents. The rental of each campsite was on the basis of \$25.00 per acre per year plus property taxes. The association or hui representing each camp agreed to prorate the total rental to each house and collect this rental and taxes and pay it to W. H. Shipman, Ltd.

I think it is obvious that the situation here is of a social nature rather than an economic one. Most of these camp residents, according to my understanding, are either employees or pensioners of the Puna Sugar Company. Most of them are on the elderly side. The houses in these camps were sold to the individual residents by the Puna Sugar Company for a very nominal sum several years ago on the understanding that they would have to move the houses or abandon them at the expiration of the plantation lease with W. H. Shipman, Ltd. as Puna Sugar Company could not guarantee that W. H. Shipman, Ltd. would be willing to lease to individuals.

The union and other representatives of the employees, as well as Puna Sugar Company, however, did approach W. H. Shipman, Ltd. with the resultant agreement that W. H. Shipman, Ltd. would lease each camp as one parcel. The houses are generally old and consequently have little or no resale value. As a result, the cost of acquiring an additional parcel of land and moving these houses thereon is practically impossible for most of the present owners.

Mr. Raymond S. Yamashita

June 4, 1965

Frankly, W. H. Shipman, Ltd. explored with the Union the possibility of opening up a tract of land somewhat removed from the present Keaau Village on the Puna Road where these substandard houses could be moved and not be a blight on adjoining property. This, too, proved impractical if not impossible.

It is not the intention of W. H. Shipman, Ltd. nor the Union representatives to try to perpetuate this camp housing situation but rather as present tenants pass on or move away, to gradually phase out this usage of the camp areas.

In line with this thinking, the lease term is for a period of ten years with an option to renew for an additional period if the housing use of the areas has not been phased out at that time. These, then, are the reasons for requesting a zoning change and, I believe, essentially why the County Planning & Traffic Commission recommended approval.

In the case of the 6th parcel, specifically Lot B, containing 1.8 acres, Tax Map Key 1-6-03: Por.8, this is the residence of the plantation physician. It has been used as a residence for many many years and recognizing this the County Master Plan proposes to zone it residential. Here, too, the resident physician, Dr. Steuermann, has purchased this house from the plantation and desires to lease or purchase the individual lot from W. H. Shipman, Ltd.

We are constantly besieged and beseeched by individuals in these camps as well as their attorneys as to when the camp leases will be executed. Our surveyors have prepared the necessary maps for submission to the Land Court creating separate lots for these six parcels but we have not filed our petition with the Land Court in the hopes that your land Use Commission would grant approval to the rezoning.

We do appreciate your willingness to restudy the situation and we hope you will be able to recommend a course of action to us.

Yours very truly,

W. H. SHIPMAN, LTD.



R. E. Devine, Treasurer