BEFORE THE LAND USE COMMISSION OF THE STATE OF HAWAII

In the Matter of the Petition of)
 LIHUE PLANTATION COMPANY,)
 LIMITED)
DOCKET
For the Reclassification of)
Certain Lands situated at Lihue,)

Island of Kauai.

) DOCKET NO. A75-402

DECISION AND ORDER

BEFORE THE LAND USE COMMISSION OF THE STATE OF HAWAII

In the Matter of the Petition of)

LIHUE PLANTATION COMPANY,)

LIMITED)

DOCKET NO. A75-402

For the Reclassification of Certain Lands situated at Lihue, Island of Kauai.

DECISION AND ORDER

This matter, being a proceeding pursuant to Section 205-4 of the Hawaii Revised Statutes, to consider a Petition to Amend District Boundaries and reclassify from Agricultural to Urban approximately 34 acres of land situated at Lihue, Island of Kauai, was heard by the Commission at Lihue, Kauai, on February 20, 1976. Lihue Plantation Company, Limited, Kauai County Planning Department, and the Department of Planning and Economic Development, State of Hawaii, were admitted as parties in this Docket. The Commission having duly considered the record in this Docket, the proposed Findings of Fact, Conclusions of Law, and Decision and Order submitted by the Petitioner, the County of Kauai's Proposed Amendment to Findings of Fact, Conclusions of Law and Decision and Order, and the Comments of Department of Planning and Economic Development, State of Hawaii, on Petitioner's Proposed Findings of Fact and Conclusions of Law, hereby makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

- 1. The subject property is located at Lihue,
 Kauai and is identified by Tax Map Key No. 3-5-01:6. The
 total area of the parcel is 1,152 acres and the area proposed
 for reclassification is approximately 34 acres. The subject
 property is located at the junction of Rice Street and the
 newly-completed bypass highway, both being public highways.
 It is bordered by Rice Street on the west, by the bypass
 highway on the northwest, by cane which extends to the
 existing Lihue Airport runway on the east, and by a
 gully on the southeast.
- Agriculture Land Use District and is contiguous to the Urban Land Use District, which includes the Lihue Industrial Park to the northwest, residential areas to the west now under development or proposed for development, and undeveloped areas to the south. Areas to the north and east of the subject property are within the Agriculture Land Use District and are either in cane production or are undeveloped.
- 3. The Kauai General Plan, adopted by the County of Kauai in 1971, designates approximately 31.0 acres of the subject property as an Industrial District, with the remainder area, a narrow strip of approximately 3.0 acres along the northeasterly boundary, being designated as a part of the Agriculture District. The proposed Lihue Development Plan, which is pending approval by the Kauai Planning Commission, is intended to amend and update the General Plan for the Lihue area, and designates an

industrial use for all of the subject property. The said 3.0-acre portion of the property was the subject of a recent public hearing by the Kauai Planning Commission upon Petitioner's application to amend the General Plan designation with respect thereto, from Agriculture to Industrial. The primary purpose of the amendment is to provide an access road from the new controlled-access, by-pass highway into the subject property to accommodate the proposed industrial development.

- 4. The topography of the subject property is generally flat, with an average slope of approximately four per cent. Its land surface elevations run from approximately 120 to 150 feet above sea level. Soil conditions of the area, including the subject property, are indicated by the United States Department of Agriculture Soil Conservation Service as Lihue silty clay, 0-8% slopes; Lihue gravelly silty clay, 0 to 8% slopes; and Lihue gravelly silty clay, 8-15% slopes. These soil types have a capability classification of IIe and IIIe. The shrinkage-swell potential of these soil types is moderate and their corrosivity is low. Identical soil conditions found in the existing industrial park have not posed any problems.
- 5. Petitioner proposes to develop the subject property as a subdivision for limited industrial uses in accordance with Section 3.04 of the County's Comprehensive Zoning Code. Based upon the minimum lot size of 10,000 square feet allowable under the Comprehensive Zoning Ordinance for a Limited Industrial District, a maximum

of slightly over 100 lots could be developed from the subject property. However, a mix of lot sizes is contemto accommodate varying and actual demands for specific limited industrial uses (e.g. the need indicated by Citizens Utilities Company, a Kauai public utility, for a two or three-acre size lot in the Lihue area). Accordingly, the demand for specific lot sizes will be reflected in Petitioner's subdivision application to the County, at which time the number of lots will have been determined. On-site and off-site improvements of the development will include drainage, road, water distribution and sewage collection systems, and water and sewer connections to transmission lines. A whollyowned subsidiary of Amfac, Inc. other than Petitioner will actually develop the property. The Annual Report of Amfac, Inc., including consolidated financial statements, establishes its financial capability to undertake the proposed development.

- 6. Surface waters from the subject property, together with waters from other surrounding lands, totalling approximately 100 acres will follow existing natural drainage patterns. No new drainage would be created from what existed before.
- 7. The subject property is located within the County master plan domestic water and waste water (i.e. sewer) service areas for Lihue. Based on County standards, average-day water and sewage requirements for the proposed industrial development is 4,000 gallons per gross acre per day. By these standards, water and

sewer requirements for the subject property of approximately 34.0 acres will be 136,000 gallons per day. With respect to sewer and water, the following stipulations between the respective counsels for the Petitioner, the State Department of Planning and Economic Development, and the Kauai County Planning Department were made in the presence of County officials, Mr. Akira Fujita, Director of the Department of Public Works, and Mr. Larry Nishikawa, Deputy Manager-Chief Engineer, Department of Water Supply, and said stipulations were admitted herein:

AS TO SEWER:

- (i) That there is an existing agreement between the County of Kauai and the Petitioner dated July 15, 1969, under which the Petitioner is entitled to a balance credit of 30 acres for sewer service.
- (ii) That the County of Kauai is developing plans to expand the sewering capacity for the Lihue area from 500,000 gallons per day to 1.5 million gallons per day; and that such plans are substantially completed.
- (iii) That if those plans are implemented by construction, the 1.5 million gallons per day capacity will be available on or about 1979-1980.
- (iv) That there is a reasonable probability that the subject property will be serviced by that expansion, based upon the foregoing agreement.
- (v) That during any interim period before the County sewer expansion is completed, an on-site equivalent sewer treatment conforming to County and State requirements can be implemented.

AS TO WATER:

- (i) That the existing water sources are not adequate to service the subject property.
- (ii) That there is, however, an existing well at the old Lihue Grammer School which can be put into production as soon as public and/or private funds are made available for that purpose.
- (iii) That there will be 110,000 gallons per day from that well which will be available to the subject property.
- (iv) That the peak day demand for the subject property is 204,000 gallons per day.
- (v) That additional waters sufficient to cover the 94,000 gallon per day shortage for the subject property is reasonably expected to become available on or about 1979.
- (vi) That the Petitioner will meet all requirements of the County Water Department as a condition for water service.
- (vii) That these stipulations are limited to the land use proceedings in Docket No. A75-402.

Based on the foregoing stipulations, the Department of Planning and Economic Development, State of Hawaii, has concluded that utility requirements for the proposed development have reasonably been met.

8. Almost all of the post-World War II urban development in the Town of Lihue was done by Amfac, Inc. Among them is the existing Industrial Park, which was developed in 1963. The Industrial Park, which is located

on the opposite side of the by-pass highway from the subject property, consists of 24 lots, all of which are occupied by lease tenants and fee owners. The County Planning Department was verified that "There does not exist one vacant lot in the present Lihue Industrial Park, and we have received citizen inquiries as to the availability of additional industrial lots on the subject property." Letter-applications for lots in the proposed development have also been received by Petitioner. Apart from such letter-applications, well over a dozen individuals have contacted Amfac either personally or by telephone to express their need for industrial lots. Citizens Utilities Company of Kauai, for example, presently maintains a business office and baseyard at Eleele and another baseyard at Kapaa; and, in order to effect cost-savings and improve the efficiency of its operations, Citizens Utilities is actively seeking a 2-3 acre industrial lot in Lihue on which to locate its main business office (requiring approximately one and one-half acres) operations. A comparison analysis between Kauai and Maui, as comparable islands in terms of land area, population, agriculture, etc., indicates that there are 337 acres of light industrial zoned lands on Maui, versus 63 acres on Kauai. The light industrial zoned acreage to population ratio is 7.6 acres per 1,000 population for Maui, and 2.0 acres per 1,000 population for Kauai. The proposed development of the subject property will contribute toward fulfilling a County need for additional industrial areas, and said property is a logical site for industrial expansion.

- 9. The improved lots within the proposed development will be sold in fee simple at prices to be determined at the time of sale by appraisal of fair market value. It is estimated that the entire development would be completed and sold within a period of four to four and a half years and that the expected sales absorption rate is 15 acres immediately upon commencement of sales and 5 acres per year thereafter. The sales program is projected to commence about mid-1978, with occupancy anticipated at the end of 1979. The Petitioner does not intend to sell the 34 acres to just one person.
- are the Lihue police station (approximately 1.5 miles), the Lihue fire station (approximately 1.0 mile), Lihue business center (1.5 miles), the County sewer treatment plant to be expanded to a capacity of 1.5 MG, as aforesaid (approximately 600 feet), and the Lihue airport (1.5 miles). The site possesses ideal proximity to both Lihue Airport and Nawiliwili Harbor and is therefore a location which is advantageous to businesses which rely upon both air and shipping freight services.
- 11. By a sampling study made by Petitioner of on-site employment, it is estimated that a light industrial development of the type proposed will generate approximately 15 jobs per acre, or about 510 jobs for the subject property.
- 12. The displacement of cane by the proposed development will not result in any loss of agricultural employment; nor will it otherwise have any adverse effect

upon Petitioner's agricultural activity, inasmuch as the area of the subject property is only about .19 per cent of Petitioner's total (cane) growing lands of 17,700 acres, which includes cane land recently acquired by Petitioner under a lease from Gove Farm Company. Nor will reclassification of the subject property substantially impair actual and potential agricultural activity in the vicinity.

13. Environmental effects of the proposed development are as follows: As to ground water, no adverse effect is forseen, inasmuch as the lava structure underlying the subject property is very poor, permeable Koloa volcanic series and there is no major acquifer under said property; as to flora, there will be a displacement of such common wild plants as lantana, guava, bull grass, etc., but no known endangered plant species are involved; as to fauna, there will be a displacement of rodents which usually inhabit cane fields, but no endangered animal species are involved; as to natural hazards, the subject property is not within a tsunami or flood zone, nor does it possess unstable soil conditions. Since the subject property is under cane cultivation, no effect upon recreational resources is involved. There are no scenic viewpoints on the property, nor is it adjacent to or within the range of a scenic outlook. Nor are any historical or archaeological features known to exist on the property. The noise generated from existing flight patterns of aircraft landing at and taking off from Lihue Airport affect the subject property to some degree. However, the State

Department of Transportation has plans to construct a new north-south runway at Lihue Airport, which plans, when implemented, will relieve the subject property from undesirable noise. The State Department of Planning and Economic Development has determined that the existing flight pattern is not anticipated to be a major problem because the proposed new runway will remove flight traffic from the area of the subject property.

- 14. The subject property is not within the shoreline setback area nor is it within the coastal zone (special) management area.
- vis the County's General Plan, the proposed Lihue Development Plan, and the policies and criteria under the Interim Statewide Land Use Guidance Policy, the County Planning Department and the State Department of Planning and Economic Development, respectively, have recommended that the said Petition be approved by this Commission.

CONCLUSIONS OF LAW

Reclassification of the subject property, approximately 34 acres situated at Lihue, Island of Kauai, from Agricultural to Urban and amendment of the District Boundaries accordingly to permit the proposed development is reasonable, not violative of Section 205-2, HRS, and consistent with the interim policies and criteria established pursuant to Section 205-16.1, HRS, particularly subsection (5) thereof which provides a preference for petitions which will provide permanent employment.

ORDER

IT IS HEREBY ORDERED:

That the property which is the subject of the petition in this Docket No. A75-402, approximately 34 acres situated at Lihue, Island of Kauai, a portion of parcel 6 identified by Tax Map Key No. 3-5-01, shall be and hereby is reclassified from Agricultural to Urban and the District Boundaries are amended accordingly.

Done at Honolulu, Hawaii, this 2nd day of June, 1976, by motion passed by the Commission on May 13, 1976, in Lihue, Kauai.

LAND USE COMMISSION, STATE OF HAWAII

EDDIE TANGEN

Chairman and Member

STANLEY SAKAHASHI Vice Chairman and Member

TAMES CARRAS

Member

CHARLES DUKE

Member

COLETTE MACHADO

Machado

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CAROL WHITESELL
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