STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES P. O. BOX 621 HONOLULU, HAWAII 96609 91 DEC 20 P12:30 DEC 18 1991

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BOARD OF LAND AND NATURAL RESOURCES

WILLIAM W. PATY, CHAIRPERSON

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Ref.: LM-GM

JOHN WAIHEE

GOVERNOR OF HAWALL

Ref. to: KA-91:2038

Mr. Brian Choy, Director Office of Environmental Quality Control State of Hawaii 220 South King Street, 4th Floor Honolulu, Hawaii 96813

Dear Mr. Choy:

Subject: Notice of Determination/Negative Declaration for JEAN S. SHAK, Hanapepe, Kauai, <u>TMK: 1-9-11:12</u>

We are submitting a completed Form #91-1 together with four (4) copies of an environmental assessment with negative declaration for the above. The following information is provided in support of this determination:

1. Name of Accepting Agency:

State of Hawaii Department of Land and Natural Resources Division of Land Management 1151 Punchbowl Street, Room 220 Honolulu, Hawaii 96813

Preparing Applicant:

Jean S. Shak P.O. Box 1 Hanapepe, Hawaii 96716

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Mr. Brian Choy Page 12 1991

### 2. Brief Description of Proposed Action:

Mrs. Shak has applied for a revocable permit to use 5,672 square feet of State-owned land for parking purposes. Mrs. Shak is the owner of the Seto Market located adjacent to the subject State property. As the market is located in the Hanapepe Historic District, Mrs. Shak has been working with the Historic Preservation Division to restore the structure for use as a dwelling unit and a restaurant. There will be no activity of any kind that would necessitate altering the natural topography of the land.

3. Determination:

We have determined that a negative declaration is appropriate and an Environmental Impact Statement is not required.

4. Reason for Supporting Determination:

The proposed use poses no known significant, short or long term, adverse impacts which cannot be mitigated. No endangered or threatened species will be affected. The significance of anticipated environmental impacts has been adequately evaluated and disclosed within the environmental assessment.

- 5. Agencies consulted in the preparation of the environmental assessment:
  - --Department of Land and Natural Resources, Division of Water and Land Development and Historic Preservation Division

--Office of Hawaiian Affairs

--County of Kauai, Planning Department and Public Works Department

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#### Enclosures

cc: Kauai District Land Office Kauai Land Board Member

1992-01-08- KD-FED Shal Revocal Franking Purpose, Harge

for

Revocable Permit for Government Land at Hanapepe, Kauai, Hawaii

I. Applicant

Approving Agency

Jean S. Shak P. O. Box 1 Hanapepe, Kauai 96716

Division of Land Management Department of Land and Natural Resources

II. Project Description

Location: Hanapepe, Kauai, Hawaii Tax Map Key 1-9-11:12

Proposed Action: Application for a Revocable Permit for State Land to be converted into a small parking lot.

Subject parcel is needed to meet additional Remarks: off-street parking spaces required for a proposed restaurant in a restored building adjoining the subject parcel.

III. Description of Affected Environment

Existing use: Land is presently being used for maintenance of a flood dike by the County of Kauai and for recreation by a few people.

Surrounding Land Use: Subject parcel is bordered by the Seto's Market building on one side and by the Hanapepe River and a flood dike on the other sides.

Historical: "There are no significant architectural sites on this property" according to the State Historic Preservation Division.

Utilities and Service: There are no utilities on the property.

IV. Probable Impacts

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Short & Long Term: As a parking lot, it's impact would be contingent upon the number of customers which will be generated by the restaurant. Success of the restaurant in serving and attracting people to the west bank of the Hanapepe River may help to stimulate business on that side of the town and encourage others to begin to consider the possibilities of what is possible and necessary to revitalize the town. It may also help to establish desirable standards for restoring other historic buildings in the area. If this enterprise is

successful, it may encourage the Hanapepe Merchant's Association to plan for and provide public parking for all businesses in the town. Lack of parking presently hampers further growth for most businesses in the area because of the historical nature of the town. It appears that the limited size of the Seto's Market building and the subject parcel will preclude the development of any real traffic problems in its vicinity.

# V. Alternatives of Proposed Action

There are no alternatives at the present time. The only other State of Hawaii land available for parking does not meet the 200 feet proximity required by the Comprehensive Zoning Ordinance. Private property for lease or rent in the proximity is not available.

# VI. Irreversible and Irretrievable Commitment of Resources

The granting of the proposed Revocable Permit for subject parcel would make it feasible for the owners of Seto's Market to arrange for a significant investment in the restoration of the building. The feasibility factor is directly related to the time required to recoup one's investment. Less intensive use of the building would not justify the costs involved in restoring the building.

### VII. Mitigating Circumstances

Arrangements can be made for the workers employed by the County of Kauai to continue to access the river bank through the Seto property as they are currently doing. Others interested in recreation will still have the use of the river bank beyond the location of the subject parcel. The liability factor will be mitigated by closing the parking area during periods of potential flooding based on reports from the National Weather Service.

# VIII. Findings and Determination

It appears that there will be no significant effect on the physical environment since no alteration to the subject parcel is being considered other than to pave this small area at its existing level. The effect on social and economic conditions may be considered positive if the business enterprise is successful and may be considered to have had no effect whatsoever if it fails.

#### IX. Contact

Mr. W. Mason Young, Land Management Administrator Division of Land Management Department of Land and Natural Resources P. O. Box 621 Honolulu, Hawaii 96809

#### SETO'S MARKET

Description of Proposed Use, Improvement, Alteration, and/or Construction

Alteration and/or Construction: The Seto Market building is currently on the State of Hawaii list of potential historic sites. An application for registering this building for placement on the Hawaii Register of Historic Places is being submitted to the State. Consequently, approval is requested for total restoration of the building to its original design as of 1921 in accordance with guidelines set forth for rehabilitating historic buildings.

Use: Return building to original restaurant and food service use.

## Justification for Variance and Use Permit

Building Variance: Repairs not exceeding 20% of the replacement cost of the building per year as limited by the Comprehensive Zoning Ordinance of the County of Kauai is highly impractical in view of the advanced stage of decay in this building and the extensive repairs required. If this building is to be saved, total restoration is the only rational and practical solution when the time, effort, and money which needs to be expended are taken into consideration.

Use Variance: The history of use of this building is as follows:

- 1. Restaurant, bakery, grocery store 2. General merchandise store

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- 3. Bridgeside Steakhouse Restaurant, meat market
- 4. Meat market, grocery, liquor store 5. Convenience store, liquor store

The present owners of this building have been approached by parties interested in purchasing this property expressly for the purpose of utilizing the building as a restaurant as well as to provide other food services. Comments from residents in this area support the idea that the best and most viable use for this building is for it to be used as a restaurant to serve Hanapepe and nearby communities. It appears the time has come for this building to be restored and, in effect, circle back to its original use.

Negotiations are currently in progress with the Department of Land and Natural Resources to lease additional space to meet the requirements for parking spaces if this building is to be used as a restaurant.

