

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)
)
 HONOKAA SUGAR COMPANY,)
) DOCKET NO. A75-404
 For Reclassification of Certain)
 Lands Situated at Honokaa, Island)
 of Hawaii)
 _____)

DECISION AND ORDER

This matter, being a proceeding initiated by Honokaa Sugar Company pursuant to Section 205-4 of the Hawaii Revised Statutes to consider a Petition to reclassify from Agricultural to Urban approximately 42 acres of land situated at Honokaa, Island of Hawaii, and amend District Boundaries, was heard by the Commission at Hilo, Hawaii, on February 12, 1976. Honokaa Sugar Company, the Hawaii County Planning Department, and the Department of Planning and Economic Development, State of Hawaii, were admitted as parties. The Commission having duly considered the record in this Docket, the Petitioner's Proposed Findings of Fact and Conclusions of Law, and the Objections and Comments to Petitioner's Proposed Findings of Fact and Conclusions of Law submitted by the Department of Planning and Economic Development, now makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. The subject property is owned in fee simple by the Petitioner and comprises a total land area of approximately 42 acres of land situated in Honokaa, Island of Hawaii, Hawaii, identified by Tax Map Key No. 4-5-10:80 and a portion of Tax Map Key No. 4-5-10:31, currently classified as within the Agricultural District. The subject property, which is contiguous with the existing Honokaa Urban District, is mauka of the Honokaa Hospital and is between the Hawaii Belt Highway and the old Mamalahoa Highway.

2. The Land Study Bureau productivity rating for soils in the area is "C", moderate production capability. The subject land lies at the 1400-foot contour and is approximately 2.5 miles mauka of the Honokaa coastline. According to the Soil Survey Report, December 1973, U.S. Department of Agriculture Soil Conservation Service, soils in the area consist of well-drained silky clay loam formed in volcanic ash. Surface layer and sub-soil are ten inches and approximately forty inches, respectively. Permeability is moderately rapid and runoff is slow to medium. The subject land slopes from 6 to 20 percent and is free from the dangers of flood, tsunamis, and other unstable soil conditions and adverse environment effects.

3. The subject land is in sugar cane production. The County of Hawaii zoning designation is Agricultural forty acres (A-40a). Surrounding land

uses include Honokaa School and Honokaa town to the north and northeast, Kao Homestead Residential Sub-division immediately to the east, and sugar cane land to the west and south. On the County of Hawaii General Plan Land Use Pattern Allocation Guide Map, the subject land is designated for Alternate Urban Expansion.

4. It is the policy of the Petitioner to provide an opportunity to own homes on its land in and around existing urban areas to Petitioner's employees who reside in rented plantation camp houses remote from existing urban centers, services, and activities. There is, however, a shortage of land classified as Urban and owned by the Petitioner in the Honokaa area which could be subdivided into houselots for sale to its current and future employees, including approximately 125 former Paauehau Sugar Company employees and pensioners. There are 85 acres of land classified as Urban and owned by the Petitioner in the area of Honokaa which are not in urban use, but because of their topography the potential residential density of 20 of these 85 acres is minimal and only 58.6 acres of the 65 acres which were classified as within the Urban District by this Commission in 1974 in Docket No. H74-1 are actually usable for residential lots. Of the 42 acres which are the subject of this Petition, only 33 acres are actually usable for residential lots.

5. The Petitioner proposes to develop the subject land and the 85 acres of undeveloped Urban land which Petitioner owns in the area, including 65 acres which were classified as Urban by this Commission

in 1974 in Docket No. H74-1, into 280 residential lots (plus or minus three lots per acre) for sale primarily to its current and future employees and pensioners.

6. One hundred sixty-two (162) of the Petitioner's hourly employees who reside in rented plantation camp houses and thirty (30) supervisory and salaried employees have expressed interest in the purchase of houselots subdivided from these lands. Interest in such a subdivision has since 1974 been continuously expressed by a committee composed of representatives from Petitioner, Petitioner's employees and the employees' union.

7. Several independent cane growers in the Kalopa area who previously contracted with Honokaa Sugar Company to process cane have sold their cane land to persons who have neither grown nor intend to grow cane. The utilization of these cane lands for residences and the foreseeable sale of the approximate 2,000 acres of cane land owned by independent growers which remain in the area as a result of land values higher than agricultural land values, not only substantially reduces the cane production upon which Honokaa Sugar Company depends but also adversely affects continued cane production by Honokaa Sugar Company on its adjacent cane lands by reason of the inherent conflict between scattered spot residential uses and agricultural uses. A proposal by Petitioner to exchange some of the Urban classified lots subdivided from these lands for acreage in cane owned by independent growers in the Kalopa area in order to insure the continued utilization for cane production of some portion

of these 2,000 acres of land owned by independent growers has been favorably received by five of the independent growers.

8. The proposed development of the subject land and exchange of lands with independent growers will be accomplished within five years from the date of approval of this Petition. The requested Urban classification conforms with the County of Hawaii General Plan Land Use Pattern Allocation Guide Map wherein the subject land is designated for Alternate Urban Expansion.

10. The proposed development would conform to the County of Hawaii General Plan housing goal of providing needed housing for individuals of all income, age, and ethnic groups and would implement courses of action specified in housing elements of the General Plan by providing Petitioner's employees with centralized housing in and around an existing urban area. The County of Hawaii Planning Department recommends approval of the Petition.

11. All essential public services and facilities such as sanitation and police and fire protection which are necessary for urban development are or will be available to the subject land. An adequate water source will be provided either through an off-site well which the County of Hawaii is considering or through an on-site reserve tank system. A hospital, schools, and playground facilities are within walking distance of the subject land. Public agencies providing such services and facilities will not be unreasonably burdened by the proposed development.

12. While the subject land would be withdrawn from the production of cane, once the plantation camps are vacated the Petitioner intends to utilize the lands on which they are situated for production of cane which would result in return to agricultural use of approximately 30 acres presently used for residential purposes although classified as Agricultural.

13. The proposed development will not have any adverse effect upon the environment, agriculture, historic, scenic or other resources in the area.

14. As design permits, and in accordance with State of Hawaii Department of Transportation recommendations, direct access to the subject land will be provided from old Mamalahoa Highway only.

15. The proposed development will provide needed housing accessible to existing employment centers and will assist in providing a balanced housing supply for all economic and social groups.

16. Reclassification will not substantially impair actual or potential agricultural production in the vicinity of such lands and reclassification is reasonably necessary to accommodate urban growth in Honokaa.

CONCLUSIONS OF LAW

Reclassification of the subject property, approximately 42 acres situated at Honokaa, Island of Hawaii, 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 needed housing accessible to existing employment centers, and with the State's Land Use District Regulations.

ORDER

IT IS HEREBY ORDERED:

That subject to the following conditions the property which is the subject of the petition in this Docket No. A75-404, approximately 42 acres situated at Honokaa, Island of Hawaii, identified by Tax Map Key No. 4-5-10:80 and a portion of Tax Map Key No. 4-5-10:31, shall be and hereby is reclassified from Agricultural to Urban and the District Boundaries are amended accordingly:

1. Only Theo. H. Davies Company, Limited, Honokaa Sugar Company, or a wholly owned subsidiary of either may develop the land as proposed by the Petitioner;

2. All other conditions being equal, preferences should be given to the existing employees and pensioners as to the location and the time of sale of the proposed development lots;

3. Development phasing should occur in the direction makai to mauka, thereby insuring that lands above the improved Mamalahoa Highway will remain in cane as long as feasible, subject to crop cycling and development plans and other conditions of economy;

4. That Petitioner convert the lands upon which the plantation camps are situated to agricultural use as soon as practicable, and that until all of the lots subdivided from the subject property and the 85 acres already classified as Urban have been sold or exchanged, the Petitioner shall each and every year following the date of this order submit to the Commission a report disclosing for the preceding year the number of such lots on to which the Petitioner's employees and pensioners have moved, the number of acres of Petitioner's land which have been converted from employee camp housing to cane and contributory uses, the number of such lots which have been exchanged with independent growers for acreage in cane, and the number of acres of land in cane acquired by Petitioner by exchange with independent cane growers.

Done at Honolulu, Hawaii, this 28th day of May, 1976, by Motion passed by the Commission in Hilo, Hawaii, on April 14, 1976.

LAND USE COMMISSION
STATE OF HAWAII


By *Eddie Tungen*
Commissioner Tungen, Chairman

Stan Sakahashi
Commissioner Sakahashi, Vice-
Chairman

James R. Carras
Commissioner Carras

Bill Duke
Commissioner Duke

Commissioner Machado


Commissioner Oura


Commissioner Whitesell


Commissioner Yamamura

Commissioner Yanai