BEFORE THE LAND USE COMMISSION

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OF THE STATE OF HAWAII

In the Matter of the Petition of)

SHIRAISHI, ET AL.

DOCKET NO. A76-422

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For the Reclassification of Certain Lands Situated at Kapaa Homestead, Second Series, Kapaa, Island of Kauai.

DECISION AND ORDER

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DECISION

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 Rural approximately 61.968 acres situated at Kapaa Homestead, Second Series, Kapaa, Island of Kauai, was heard by the Land Use Commission in Koloa on January 13, 1977 and in Lihue on February 3, 1977. Clinton I. Shiraishi, Kenneth Shioi and Co., Ltd., Kauai Builders, Ltd., the Kauai County Planning Department, and the Department of Planning and Economic Development of the State of Hawaii were admitted as parties in this Docket. The Commission, having duly considered the record in this Docket, the Proposed Findings Of Facts And Conclusions Of Law submitted by the Petitioners, the Response To Petitioners' Proposed Findings Of Facts And Conclusions Of Law submitted by the Kauai County Planning Department, and the Response To Proposed Findings Of Facts And Conclusions Of Law Of Petitioner And County Of Kauai submitted by the Department of Planning and Economic Development, hereby makes the following findings of facts and conclusions of law.

FINDINGS OF FACT

1. The parcels of land which are the subject of this Petition are owned in fee simple by the following three owners: Clinton I. Shiraishi (Tax Map Key 4-4-10: Parcel 1), containing approximately 20.176 acres; Kenneth Shioi & Co., Ltd. (Tax Map Key 4-4-10: Parcels 9 and 16-23, inclusive), containing approximately 21.132 acres; and Kauai Builders, Ltd. (Tax Map Key 4-4-10: Parcel 10), containing approximately 20.66 acres. All combined, there are approximately 61.968 acres which are the subject of this Petition. The subject parcels are situated in the Kapaa Homestead, Second Series, Kapaa, Kauai. More specifically, the subject parcels are located to the south of Olohena Road between Puuopae and Kamalu Roads.

2. The subject parcels are situated within close proximity to the urban center of Kapaa, which is only four

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miles away, and the urban center of Lihue, the seat of the county government, which is only 10 miles away.

3. The subject parcels are within a State Land Use Agricultural District and are adjacent to the existing State Land Use Rural District Boundary (Nonou Development). The subject parcels are separated from the Rural District by Kamalu Road which is a reasonable line of demarkation between a State Land Use Rural District and an Agricultural District. The remaining boundaries of the subject parcels are contiguous with lands which are within an Agricultural District.

4. The subject parcels are designated agriculture on the County of Kauai General Plan.

5. The subject parcels are of uniform slope, averaging less than five percent. Since the lands are gently sloping, surface runoff from Parcels 9 and 16 to 23, flows in the westerly direction while the runoff from Parcels 1 and 10 flows in the easterly and southerly directions. During heavy rainfalls temporary ponding occurs for a short period but there are no flood hazards on the subject parcels. The mean annual rainfall is 75 inches. The elevation of the subject parcels is approximately 325 to 380 feet above sea level.

6. All household liquid waste will be disposed

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of in cesspools. Solid waste will be collected and disposed of at approved dumps.

7. The subject parcels are removed from tsunami inundation. Also, there are no known historic or archaeological sites on the subject parcels. As this area has been in continuous agricultural use for pineapple cultivation or grazing, there is no endangered fauna or flora on the subject parcels.

8. The dominant soil on the subject parcels is the Puhi silty clay loam on slopes between three to eight percent as mapped by the Soil Conservation Service. There is a small acreage along Kamalu Road, mapped as Lawai silty clay on slopes from zero to eight percent. The Land Study Bureau Bulletin No. 9 (Detailed Land Classification - Island of Kauai), issued in 1967, classifies the soils on the subject parcels as Class C lands, fair productivity lands and not prime agricultural lands which are generally considered to be lands having an overall productivity rating of A or B under the Land Study Bureau's Detailed Land Classification system. With irrigation, however, the subject parcels would be Class B lands. These soils are deep, well drained, nonstony and fair in productivity, requiring heavy applications of fertilizers and fungicides. The Land Study Bureau classifies the subject parcels as C78 as far as agricultural productivity is concerned. According

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to Land Study Bureau Bulletin No. 9, C78 is described as Class C, unirrigated land which is rated fair. The Land Study Bureau classifies the subject parcels as Class B for pineapple land. If the lands were used for vegetable production, the land is rated as Class C, fair productivity.

9. The Department of Agriculture, State of Hawaii and the U.S. Soil and Conservation Service have designated the subject parcels as prime farmlands under their newly adopted classification system. The U.S. Soil and Conservation Service classifies land into three categories: (1) prime farmland; (2) soils of State-wide significance; and (3) unique lands. The determination that the subject parcels are prime farmlands was, under the new U.S. Soil and Conservation Service classification system, based primarily on technical soil science analysis and not upon production.

10. The soils on the subject parcels are well adapted to machine tillage being nonstony, deep, well drained, and on nearly level to gently sloping terrain. Soil reaction is very acid having been developed in the high rainfall belt. For any sustained production of commercial crops very intensive farm management practices are required. For vegetable and orchard crop productions, intensive fertilization programs must accompany frequent

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application of fungicides to control plant diseases that are prevalent in high rainfall and high humidity area. Farming on the subject parcels could prove to be feasible, however, in that workability of the soil is more important than inherent fertility of the soil.

11. The predominant agricultural land use in this area is grazing of livestocks. Lands that were cultivated in pineapple have either been subdivided for residential use, converted to pasture or other agricultural uses, or remain fallow. Approximately 1,062 acres of land in the area are dedicated for agricultural use. Of that number, approximately 62 acres have been dedicated for vegetable, pineapple or orchard uses which represents only six percent of the entire dedicated area. The balance, or 1,000 acres, is dedicated to pasture use. There are large acreages of agricultural lands suited for agriculture uses on Kauai in areas other than the subject parcels. Reclassification of the subject parcels for rural use will not result in any loss to the agricultural economy of Kauai.

12. The cost of public services will be minimal in that such services are within reasonable distance from the subject parcels. The Waipouli Fire Station is only three and one-half miles away. Elementary and high schools are readily available at Kapaa which is approximately four and one-half miles away or Lihue which is approximately

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10 miles away. The new Kauai Community College at Puhi is only 11 miles away.

13. Since the subject parcels are adjacent to an existing Rural District, the development will not lead toward scatterization and it will minimize public facilities costs; public facilities costs are about the same or lower if the subject parcels are developed as one-half-acre lots as compared to one-half-acre lots along the mauka-makai axis of Kuamoo Road which the County of Kauai has identified as the preferred direction of growth.

14. The subject parcels are served by Puuopae Road which has a 20-foot wide pavement, Olohena Road which also has a 20-foot wide pavement and Kamalu Road which has an 18-foot wide pavement. Puuopae and Olohena Roads have recently been widened by the County. Olohena and Puuopae Roads are adequate for a two-way flow of traffic within an agricultural-oriented community. Kamalu Road is very minimally safe for conveying two-way, high volume traffic. The landowners have dedicated strips of land 10 feet wide along their parcels for road widening purposes totalling 1.002 acres.

15. Electricity and telephone lines are readily available and run adjacent to the subject parcels.

16. There is an eight-inch waterline along Olo-

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hens Road, an eight-inch waterline along Kamalu Road, a six-inch waterline along Puuopae Road, and a water tank with a 200,000-gallon capacity approximately one-half mile from the subject parcels. There is adequate capacity and source of water to serve the subject parcels for domestic use. The County Board of Water Supply stated that approximately 750 gallons of water per day is the average figure allotted per lot; based on this figure, there is enough water for 745 new lots if the water is used primarily for water for 745 new lots if the water is used primarily for water for 745 new lots if the water is used primarily for water for 745 new lots if the water is used primarily for

17. The landowners intend to develop the lands themselves by consolidating the subject parcels and subdividing them into approximately 100 one-half-acre lots, which they plan to sell at today's price of approximately \$25,000.00 to \$35,000.00 per improved lot. If there is a demand for a house and lot package, the Petitioners may of approximately 800 square feet at today's cost of \$30.00 per square foot for a total cost of approximately \$24,000.00 per house and a total cost of approximately \$25,000.00 per house and a total cost of approximately \$55,000.00 or note for a house and lot package.

18. The development costs for on-site and off-site improvement costs will be approximately \$853,000.00 including \$15,000.00 facility reserve charge which will be paid to the County Water Department and \$50,000.00 park dedication

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fee which will be paid to the County of Kauai; the developers will pay for all the on-site and off-site improvements.

19. In 1975, the population for Kauai was estimated at 31,800. By 1980, the population is projected to be 36,700 and 41,300 by 1985. The Postal Vacancy Survey released on March 26, 1976 for Kapaa indicates a vacancy percentage of 0.6, which was based on 1,767 housing units with only 11 vacancies.

That there is a demand for one-half-acre 20. lots in this area within the price range proposed by the Petitioners, as evidenced by the many inquiries from interested purchasers and by the nonavailability of one-half-acre lots within this area. There is a demand for one-half-acre lots in this area for people who want a lot big enough to build a home and do some backyard farming. The Petition signed by approximately 485 residents of the County of Kauai supporting reclassification of the subject parcels for the stated reason that there is a need for one-half-acre residential-agricultural lots in the area evidences this demand. Also, there is a lack of demand for larger lots because of high cost. There are approximately 21 one-half-acre improved lots in the Rural District presently available for sale. There are 90 lots in the Rural District that have received tentative approval by the County. It has been substantiated

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that these 90 lots and the 100 one-half-acre lots which will be created if this Petition is approved, can be marketed within five years in that the demand for rural lots in this area is believed to be sufficient to absorb several hundred lots over the next three years.

21. The Petitioners have over 20 years of experience in the development and construction business and have proven capability and have the financial capacity to complete the project.

22. The proposed development will contribute towards the economic development of Kauai by providing employment during the construction phase. It has been substantiated that there is an unemployment rate of 35-45% in the construction industry on Kauai today.

23. Development of the subject parcels for rural use will not have any significant adverse effect upon the agricultural, natural, environmental, recreational, scenic, historic, or other resources of the area.

CONCLUSIONS OF LAW

1. The Petitioners have substantiated a need for additional 100 one-half-acre rural lots in this district and reclassification is reasonably necessary to accommodate

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growth and development.

2. Reclassification of the subject parcels to the Rural District will have no significant adverse effect upon agricultural, natural, environmental, recreational, scenic, historic or other resources of the area.

3. The subject parcels are in reasonable proximity to basic services such as police and fire protection, schools, telephone, electrical and water services so that the development will not unreasonably overtax public facilities and expenditures.

4. Reclassification of the subject parcels, approximately 61.968 acres situated at Kapaa Homestead, Second Series, Kapaa, Island of Kauai, from Agricultural to Rural, and amendment of the District Boundaries accordingly to permit the proposed development is reasonable, not violative of Section 205-2, H.R.S., and is consistent with the Interim Statewide Land Use Guidance Policies and Criteria established pursuant to Section 205-16.1, H.R.S.

ORDER

IT IS HEREBY ORDERED:

That the property which is the subject of the Petition in this Docket No. A76-422, approximately 61.968

acres situated at Kapaa Homestead, Second Series, Kapaa, Island of Kauai, identified by Tax Map Key Nos. 4-4-10:1, 4-4-10:9, 4-4-10:10, 4-4-10:16-23, inclusive, shall be and hereby is reclassified from Agricultural to Rural and the District Boundaries are amended accordingly.

DONE at Honolulu, Hawaii, this <u>13th</u> day of June, 1977, by Motion passed by the Commission on May 11, 1977 in Honolulu, Hawaii.

> LAND USE COMMISSION State of Hawaii

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Vice Chairman and Commissioner

CHARLES

Commissioner

CARRAS

JAMES CARRAS Commissioner

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Commissioner

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SHINSEI MIYASATO Commissioner

EDWARD YANAI Commissioner