

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)	DOCKET NO. A84-565
)	
HANA RANCH, INC.)	HANA RANCH, INC.
)	
To Amend the Rural Land Use)	
District Boundary to Reclassify)	
Approximately 15.126 Acres,)	
TMK: 1-4-10: 8, 11, 13, 14, 15)	
at Hana, Island of Maui, State)	
of Hawaii into the Agricultural)	
Land Use District)	
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DECISION AND ORDER

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OF THE STATE OF HAWAII

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HANA RANCH, INC.) HANA RANCH, INC.
To Amend the Rural Land Use)
District Boundary to Reclassify)
Approximately 15.126 Acres,)
TMK: 1-4-10: 8, 11, 13, 14, 15)
at Hana, Island of Maui, State)
of Hawaii into the Agricultural)
Land Use District)

DECISION

THE PETITION

This matter arises from a Petition for an amendment to the Land Use Commission district boundary filed on April 13, 1984 pursuant to Section 205-4 of the Hawaii Revised Statutes, as amended, in Part VI, Rule 6-1, of the Land Use Commission's Rules of Practice and Procedure and District Regulation by Hana Ranch, Inc., a Delaware Corporation, which is requesting that the designation of approximately 15.126 acres of land, situated at Hana, Island and County of Maui, State of Hawaii be amended from the Rural to the Agricultural District. The subject property is more particularly identified as Maui Tax Map Key No. 1-4-10: 8, 11, 13, 14, 15.

PURPOSE OF THE PETITION

The Petitioner requests the reclassification of the subject property from Rural to Agricultural in order to reduce the amount of property taxes paid on the subject properties which in turn would reduce Petitioner's cattle ranching operating expenses.

THE PROCEDURAL HISTORY

Due notice of the hearing on this Petition was published on June 27, 1984 in the Maui News and the Honolulu Advertiser. Notice of the hearing was also sent by certified mail to all parties herein on June 27, 1984. No timely application to intervene as a party or appear as a witness was received by the Land Use Commission.

THE HEARING

The hearing on this Petition was held in Kahalui, Maui, Hawaii, on August 1, 1984.

The witnesses presented by the aforementioned parties were as follows:

Petitioner

John I. Hanchett - Vice President, Hana Ranch, Inc.

The County of Maui

Clyde Murashige - Staff Planner

The Department of Planning and Economic Development:

Abe Mitsuda - Staff Planner

POSITION OF THE PARTIES

The Department of Planning, County of Maui - Approval. The Department of Planning and Economic Development - Approval.

APPLICABLE REGULATIONS

Standards for determining the establishment of an Agricultural District are found under Part II, Section 2-2(2) of the State Land Use Commission's District Regulations. Said regulation provides in pertinent part that:

- (1) "A" Agricultural District. In determining the boundaries for the "A" Agricultural District, the following standards shall apply:
 - (a) Lands with a high capacity for agricultural production shall be included in this District except as otherwise provided for in other sections of these regulations.
 - (b) Lands with significant potential for grazing or for other agricultural uses shall be included in this District except as otherwise provided for in other sections of these regulations.
 - (c) Lands surrounded by or contiguous to agricultural lands and which are not suited to agricultural and ancillary activities by reason of topography, soils and other related characteristics may be included in the Agricultural District.
 - (d) Lands in intensive agricultural use or lands with a high capacity for intensive agricultural use shall not be taken out of this District unless the Commission finds either that:

1. such action will not substantially impair actual or potential agricultural production in the vicinity of such lands, and/or
2. such action is reasonably necessary for urban growth.

FINDINGS OF FACT

The Land Use Commission, having duly considered the record in this docket, the testimony of the witnesses and the evidence introduced herein, makes the following findings of fact:

1. The subject property, owned in fee simple by the Petitioner herein, Hana Ranch, Inc., a Delaware Corporation, is located at Hana, Island and County of Maui, State of Hawaii, and consists of approximately 15.126 acres of land more particularly described as Tax Map Key No. 1-4-10: 8, 11, 13, 14 and 15. The subject properties are located approximately four miles south of Hana Town on the Hana Highway in the area between Mokae Landing and Makaalae Point. Parcels 11 and 13 are adjacent and mauka of Hana Highway while parcels 8 and 14 are adjacent and makai of the Highway. Parcel 15 abuts the southern boundary of parcel 14 and is provided access by a twenty foot easement for road and utility purposes. The subject properties have been utilized as cattle pastures since the 1940's. Prior to the 1940's the subject properties were utilized for sugar cane cultivation.

2. The area surrounding the subject properties are primarily owned by Hana Ranch and are used principally for grazing with scattered residential development.

3. The subject properties are presently located within the State Land Use Rural District as reflected on Land Use District Boundary Map M-17, Kipahulu, Maui. The Hana Community Plan adopted by the County of Maui designates the subject parcels as Rural.

4. The subject parcels are located at an elevation between 100 to 200 feet above mean sea level with an average rainfall of approximately 60 to 80 inches per year. The terrain is mostly flat except for Waiokapio Gulch which runs between parcels 13 and 14. Kapia Stream which flows within the gulch is dry approximately ninety-five percent of the time. The subject parcels are not classified according to the Agricultural Lands of Importance to the State of Hawaii (ALISH) system. The U.S.D.A. Soil Conservation Service Soil Survey for the Island of Maui classifies the soils of the subject property as Makaalae silty clay (MID) and Makaalae extremely stony silty clay (MJD) which is primarily used for pasture and water supply. The Land Study Bureau Overall Productivity Capability of soils on the subject properties is D15. This classification signifies a fair productivity

potential for orchard and grazing uses. According to the Flood Insurance Study for Maui County prepared by the Federal Insurance Administration, portions of parcels 13 and 14 abutting Kapia Stream are designated Zone A and are situated within the Kapia Stream flood plain or approximate areas of the 100-year flood. The United States Army Corps of Engineers in correspondence to the Department of Planning and Economic Development have stated that the flood plain does not pose a problem since no structures are being proposed within the petition area. The Corp further states that the proposed activity is consistent with judicious flood plain management.

5. The Petitioner's stated purpose for requesting the reclassification of the subject property from Rural to Agricultural is so that the Petitioner can reduce the property tax paid on the subject property which would in turn reduce Petitioner's cattle operating expenses. Current property taxes assessed on the properties are \$233 per acre or approximately \$3,644.00 in aggregate. If the property is reclassified to agriculture, the property tax assessed would be approximately \$7.00 per parcel which would thereby permit the Petitioner to save approximately \$3,600.00 per year in operating expenses. The subject properties have been utilized for cattle ranching operations since the 1940's by

Hana Ranch, Inc. and its predecessors. Hana Ranch, Inc. utilizes approximately 11,000 acres for its ranching operations which consists of approximately 9,000 head of cattle.

6. Reclassification of the subject properties is not anticipated to have any impact upon the agricultural, archaeological, environmental, visual and recreational resources because Petitioner will be continuing to use the property in the same manner as it has been for approximately the last 44 years.

7. Reclassification of the subject property will not unreasonably burden public agencies to provide necessary amenities, service and facilities since Petitioner will continue to use the property in the same manner as it has been used for the past 44 years.

8. Based on the review of the Petition, the evidence adduced at the hearing and the provisions of Chapter 205 of the Hawaii Revised Statutes, The County of Maui and the Department of Planning and Economic Development have recommended that the reclassification of the subject property be approved.

CONCLUSION OF LAW

Reclassification of the subject property, consisting of approximately 15.126 acres of land, situated at Hana, Island and County of Maui, State of Hawaii, from Rural to

Agricultural and an amendment of the district boundaries accordingly is reasonable and non-violative of Section 205-2 of the Hawaii Revised Statutes.

ORDER

IT IS HEREBY ORDERED:

That the property which is the subject of this Petition in this Docket No. A84-565, consisting of approximately 15.126 acres situated at Hana, Island and County of Maui, State of Hawaii, identified as Tax Map Key No. 1-4-10: 8, 11, 13, 14 and 15 shall be and hereby is reclassified from Rural to Agricultural and the district boundaries are amended accordingly.

DONE at Honolulu, Hawaii, this 4th day of February, 1985, per Motions on August 1, 1984 and December 18, 1984.

LAND USE COMMISSION
STATE OF HAWAII

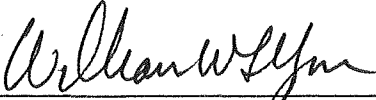
By William W. L. Yuen
WILLIAM W. L. YUEN,
Chairman and Commissioner


By T. Tacbian
TEOFILO PHIL TACBIAN,
Vice-Chairman and Commissioner

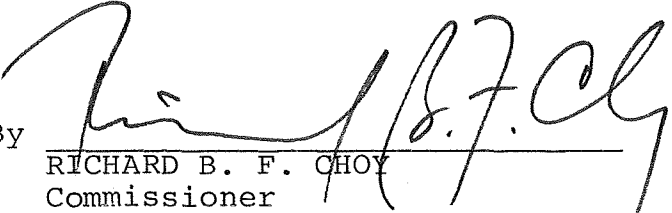
DOCKET NO. A84-565 - HANA RANCH

Done at Honolulu, Hawaii this 4th day of February,
1985, per motions on October 17, 1984 and December 18, 1984.

LAND USE COMMISSION
STATE OF HAWAII

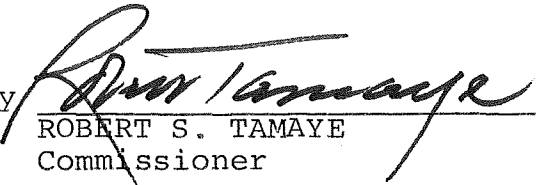
By 
WILLIAM W. L. YUEN
Chairman and Commissioner

By 
TEOFILO PHIL TACBIAN
Vice Chairman and Commissioner

By 
RICHARD B. F. CHOY
Commissioner

By 
LAWRENCE F. CHUN
Commissioner

By 
WINONA E. RUBIN
Commissioner

By 
ROBERT S. TAMAYE
Commissioner

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the Decision and Order was served upon the following by either hand delivery or depositing the same in the U. S. Postal Service by certified mail:

KENT M. KEITH, Director
Department of Planning and Economic Development
State of Hawaii
250 South King Street
Honolulu, Hawaii 96813

TOSH ISHIKAWA, Planning Director
Planning Department
County of Maui
200 South High Street
Wailuku, Hawaii 96793

HANA RANCH, INC.
c/o Mr. John I. Hanchett
Vice President
P. O. Box 158
Hana, Hawaii 96713

DATED: Honolulu, Hawaii, this 4th day of February, 1985.


GORDAN Y. FURUTANI
Executive Officer