

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of)

DEPARTMENT OF GENERAL PLANNING,)
CITY AND COUNTY OF HONOLULU)

To Amend the Agricultural Land)
Use District Boundary to Reclassify)
Approximately 269.454 Acres,)
TMK: 9-4-07: 1 at Waipio, Ewa, City)
and County of Honolulu, Oahu,)
State of Hawaii, into the Urban Land)
Use District)

DOCKET NO. A89-638

DEPARTMENT OF GENERAL PLANNING,
CITY AND COUNTY OF HONOLULU

LAND USE COMMISSION
STATE OF HAWAII
SEP 18 2 30 PM '89

FINDINGS OF FACT, CONCLUSIONS
OF LAW AND DECISION AND ORDER

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The City and County of Honolulu, a municipal corporation of the State of Hawaii, through its Department of General Planning (hereinafter referred to as "Petitioner"), filed a Petition on May 15, 1989, pursuant to Chapter 205 of the Hawaii Revised Statutes, as amended ("HRS"), and the Hawaii Land Use Commission Rules, Hawaii Administrative Rules Title 15, Subtitle 3, Chapter 15, as amended ("Commission Rules") to amend the Land Use District Boundary to reclassify approximately 269.454 acres of land situated at Waipio, Ewa ("the Property") from the Agricultural District to the Urban District for a residential subdivision, golf course, and regional park, referred to as "Waiola Estates/Kipapa Ridge Estates" or the "Project". The Land Use Commission (hereinafter referred to as the "Commission" or "LUC"), having heard and examined the testimony and evidence presented and the arguments of the parties hereto, and the proposed findings of fact, conclusions of law submitted, hereby makes the following findings of fact:

FINDINGS OF FACT

PROCEDURAL MATTERS

1. The Petitioner is the Department of General Planning of the City and County of Honolulu. The Petitioner's principal place of business is 650 South King Street, Eighth Floor, Honolulu, Hawaii 96813.

2. On March 16, 1989, Petitioner filed, served and published a Notice of Intent, Affidavit of Mailing and Affidavit of Publication to file a Land Use District Boundary Amendment in accordance with Subchapter 13 of the Commission Rules.

3. On May 15, 1989, the sixtieth day after Petitioner filed its Notice of Intent, Petitioner filed its petition for district boundary amendment.

4. The petition was served upon the Office of State Planning (hereinafter referred to as "OSP") on May 15, 1989, by Richard D. Wurdeman, Corporation Counsel, and David C. Laxson, Deputy Corporation Counsel, attorneys for the Petitioner.

5. A prehearing conference was held at the Commission's office on June 6, 1989.

6. On June 14, 1989, OSP, who represents the State's interest in this proceeding, filed Motion to Deny Petition, Memorandum in Support of Motion, Affidavits of George Yim, Rene Mansho and Harold S. Masumoto.

7. The Commission held hearings on the Petition on June 15, 16, 19, 20, 21 and 22, 1989, pursuant to notice published on May 16, 1989, in the Honolulu Star-Bulletin, a newspaper of general circulation.

8. On June 15, 1989, the Commission heard arguments on OSP's Motion and deferred action on the matter to June 16, 1989.

9. On June 16, 1989, the Commission, upon motion of Petitioner, and with no objection from OSP, continued action on OSP's motion to June 19, 1989.

10. On June 19, 1989, the Commission heard testimony from Petitioner's witness, Neil Abercrombie, in opposition to OSP's Motion to Deny Petition. The Commission subsequently deferred ruling on said motion and proceeded with the hearing on the Petition.

11. The Commission allowed the following public witnesses to testify on June 19, 1989: Navy Lieutenant Christopher D. Reiling, Jerry Souza, and Councilmember Neil Abercrombie. The Commission allowed the following public witnesses to testify on June 22, 1989: Guy Fujimura, ILWU Local 142; Mary Treuhaft, Executive Vice-President, Manager, Mililani Town Association; Myron Murakami, State Secretary, Hawaii Farm Bureau Federation; Bill Wallace, President, Laie Community Association; Councilmember Rene Mansho; and State Representative Samuel Lee. The Commission also admitted into evidence the written testimonies of Frances Hisashima, W.K. Liu, Robert Heffernan, George A. Turner, Kenneth K. Takenaka, Aaron M. Chaney, Maria Bunye, Guy Fujimura, Randall Iwase, Eric Matsumoto, Mr. & Mrs. Geronimo C. Cabrera, Jerry Souza, Councilmember David Kahanu, Councilmember Neil Abercrombie, Councilmember Rene Mansho, State Representative Samuel Lee, Hardy Hutchinson, Teofilo E. De Aquino, Keith P. Torres, James R. Jervin, Joseph F. Bifano, Bebencio Aggasid, Jose Acosta, John H. Amante, John A. Reid, Henry N.J. Lee, Shogoro Oshiro, Diane Neilsen, James Misajon, Marvin Awaya, Gladys Braine, a June 20, 1989 letter with the signatures of 21 persons, Irene M. DeRyck, Flor Prado, Terry Yamane, Milton Gabato, Eduardo Austria, Aberlado

Nuesca, Elroy Chun, Alfredo and Magdalena Cabras, Christine Rosania and Governor John Waihee.

12. The Commission did not receive any petition to intervene in the proceeding.

DESCRIPTION OF THE PROPERTY

13. The subject Property is situated on the southern portion of the Schofield Plateau in the judicial district of Ewa, Oahu. The Property, located mauka of H-1 Freeway, is bounded on the west and north by Waikele/Kipapa gulch, site of the U.S. Department of the Navy's Waikele Branch, Naval Magazine Lualualei; on the east by Kamehameha Highway and the residential community of Gentry-Waipio; and on the south by fallow sugarcane fields--site of the proposed planned community of Waikele, to be developed by AMFAC/JMB Hawaii, Inc. The communities of Waipahu and Mililani Town are located approximately 2 miles to the south and north, respectively.

14. The petition area is under pineapple cultivation by the Dole Hawaii Division of Castle & Cooke, Inc. According to Petitioner's Exhibit 3, existing site improvements are related to the agricultural operation and include dirt roads and an irrigation ditch.

15. The elevation of the subject property ranges from 310 feet to 425 feet above mean sea level. According to the "Preliminary Drainage Report for Waiola Estates", the petition area generally slopes from north to south on about 2 percent to 4 percent gradients. Steeper slopes up to about 15 percent to 18 percent exist in some depressed gully areas.

16. Mean annual rainfall is 32 inches, with a summer dry season.

17. The U.S.D.A. Soil Conservation Service Soil Survey Report for the Islands of Kauai, Oahu, Maui, Molokai, and Lanai classifies the soil within the petition area as Molokai silty clay loam (Mu).

The Molokai series consist of well-drained soils on uplands, formed in material weathered from basic igneous rock. They are nearly level to moderately steep, and exhibit low shrink-swell potential. Molokai silty clay loam with 3 to 7 percent slopes (MuB) covers most of the subject property. On this soil, runoff is slow to medium, and the erosion hazard is slight to moderate. These soils are used for sugarcane, pineapple, pasture, wildlife habitat, and homesites. They have good suitability for top soil and roadfill.

Molokai silty clay loam with 7 to 15 percent slopes (MuC) occurs in linear patterns along the southern portion of the petition area. This soil occurs on knolls and sharp slope breaks. Runoff is medium and the erosion hazard is moderate.

The soils along the slopes of Waikele/Kipapa Gulch immediately to the west of the petition area are Rock land (rRK), where exposed rock covers 25 to 90 percent of the surface. Rock outcrops and very shallow soils are the main characteristics. Rock land has high shrink-swell potential.

18. The Agricultural Lands of Importance to the State of Hawaii (ALISH) system classifies the parcel as "Prime". The Land Study Bureau Overall Productivity Ratings are A82i and B83i. The "A" rating indicates the highest agricultural productivity, while the "B" rating indicates only minor limitations.

19. According to the petition, the Property is owned in fee simple by Castle & Cooke, Inc., a Hawaii Corporation. The Petitioner proposes to

acquire the subject property in fee from Castle & Cooke, Inc. At the request of the City and County of Honolulu, under a purported threat of condemnation notice from the City's Corporation Counsel, Castle & Cooke, Inc. has authorized the City and County to resubmit a petition to reclassify the petition area. The Office of State Planning does not consider the Castle and Cooke authorization valid in view of the County's apparent failure to obtain proper Council approval to either condemn the property or otherwise initiate the project by providing adequate funding in the City's budget.

20. The petition area includes an easement of 5.879 acres to the Federal government along Kipapa Gulch.

21. The petition area encompasses the land identified as Tax Map Key (TMK) No. 9-4-07: 1.

22. According to the petition, the petition area abuts the Waikele Branch, Naval Magazine Lualualei. According to the U.S. Department of the Navy, they maintain active operations within the Kipapa Gulch bordering the western portions of the petition area. That portion of the petition area is contiguous to the boundary of the Waikele Branch, Naval Magazine Lualualei and the existing blast hazard safety zone emanating from the naval magazine. The Waikele Branch of the Naval Magazine Lualualei handles and stores Department of Defense ordnance, explosives, and ammunition. According to the Navy, these hazard safety zones are established at practical limits and, therefore, do not guarantee absolute safety outside the zone.

23. The Navy recommends that prospective home buyers be informed by a written disclosure statement in the purchase documents that the proposed project is adjacent to the Waikele Branch of the Naval Magazine Lualualei,

which handles and stores Department of Defense ordnance, explosives, and ammunition.

24. According to the U.S. Department of the Navy, the Project will significantly increase the population density adjacent to the Waikale Branch, therefore, it would be prudent to enhance existing security measures to prevent unauthorized persons, especially children, from entering onto Navy land. The Navy recommends that a "clear zone" be established on lands within the petition area abutting the naval magazine. Such a "clear zone" would enhance the safety of the public and the security of the station by minimizing sight obstructions that could obscure entry into Navy lands. Establishment of a "clear zone" would entail the clearing of trees and vegetation taller than 8 inches high on lands within 20 feet of the station boundary (demarcated by an existing chainlink fence), and it could be maintained as part of the golf course.

25. The petition area lies in the Coastal Zone Management Area, but outside of the special management area.

26. According to the U.S. Department of Housing and Urban Development "Flood Insurance Rate Map," the petition area is located in Zone D, an area of undetermined but possible flood hazards.

PETITIONER'S PROPOSED USE OF THE PROPERTY

27. According to the petition, the proposed project (known as Waiola Estates/Kipapa Ridge Estates) is a single-family and multi-family residential subdivision containing approximately 1,345 housing units with appurtenant infrastructure and facilities. The ultimate residential population is expected to be between 3,766 and 4,304 based on household sizes ranging from 2.8 to 3.2 persons.

28. In summary, the following land use allocations have been proposed by the Petitioner:

<u>Use</u>	<u>Acres</u>	<u>Housing Units</u>	<u>Density (Units/Ac.)</u>
Single Family	126.14	850	7
Multiple Family	28.50	495	
Townhouses	(21.80)	(361)	15-20
Apartments (Elderly)	(6.70)	(134)	20
9-hole Golf Course	45.50		
Clubhouse	2.70		
Regional Park	42.00		
School/Playground	5.00		
Childcare Facility	1.00		
Park and Ride Facility	3.00		
Main Roadways	13.70		
Reservoir	<u>1.60</u>	<u> </u>	
Total	269.14	1,345	

29. The site plan for the Petitioner's project, known as Waiola Estates/Kipapa Ridge Estates, shows a 100-foot blast zone setback on the western boundary.

30. According to Petitioner's Exhibit 3, "The development will offer home ownership opportunities to households whose income will not permit them to participate in the conventional home buying market." Sixty percent of the housing units will be made available to those households whose incomes do not exceed 120 percent of the median income established for the Honolulu area by the U.S. Department of Housing and Urban Development (HUD). Of these housing units, twenty percent will be available for sale to low- and moderate-income households and for rent to elderly households whose incomes do not exceed 80 percent of the median income established by HUD. Forty percent will be available for sale to the gap group, defined in the Environmental Impact Statement (EIS) as those households with incomes between 80 percent and 120 percent of median income. The remaining forty percent of the housing units, consisting of 538 single-family units, will be sold at market prices.

31. According to Petitioner's Exhibit 5, the EIS, single-family detached units are expected to have selling prices of \$113,00 to \$121,000 for the affordable units and an average selling price of \$220,000 for the market units. Townhouse units intended for the low- and moderate-income households will be priced from \$62,000 to \$75,000 and from \$90,000 to \$100,000 for gap group income households. These prices reflect 1988 dollars.

32. The golf course will be a municipal 9-hole, par 3 course.

33. According to the petition, the proposed project is expected to be completed over a three-year period beginning in 1991 with on-site and off-site improvements completed by 1993. Site construction is expected by the first quarter of 1992.

34. There is a minor discrepancy among the petition documents with respect to the upper price range for single-family units targeted for gap group households. Petitioner's Exhibit 5 (EIS) identifies this price as \$121,000; Exhibit 6 (Market Assessment) identifies the price as \$125,000.

35. While Exhibit 5 simply indicates that the average price of the market single-family units will be \$220,000 (1988 dollars), the Market Assessment specifies that the price range will be from \$190,000 to \$250,000. OSP notes that the market units in the City's West Loch Estates project are currently priced from \$265,000 to \$387,000. The higher prices are commanded by those units along the municipal golf course. OSP believes that the Petitioner has provided no explanation for the apparently lower market prices at this project, as compared to those at West Loch Estates. The Petitioner has stated that there will be no cap on the prices for market units in the Project.

36. The 42-acre regional park is proposed to be an integral part of the Project and will include a gym, swimming pool, ball fields, and other facilities. The City will be responsible for providing funds for construction, operation, and maintenance.

NEED FOR THE PROPOSED DEVELOPMENT

Residential Demand

37. According to Petitioner's Exhibit 6, "Market Assessment for Waiola", the existing unmet need for housing units ranges from 20,000 to 40,000.

38. By the year 2010, the Market Assessment states that the demand for existing and new residential units is expected to exceed 407,000. The existing inventory of 273,000 as of the end of 1987 results in a total demand by the year 2010 of 134,000 units. Thus, annual demand is projected to be 5,800 units.

39. According to the Market Assessment (p. iii), "The Waiola development has a number of distinguishing characteristics from other developments proposed including a time advantage because it can be fast tracked, a minimum amount of new infrastructure is required (sic). However, the most unique feature of the development is its target market. Sixty percent of the project is devoted to gap group for sale, low/mod for sale, and elderly rental housing. The for sale units are targeted to a wide range of low/mod and gap group incomes and family sizes providing units ranging from one-bedroom apartment to four bedroom homes. The pricing is also spread across the spectrum of gap group incomes and not concentrated at the upper limits of the income range. In short, the Waiola project serves a market that

is not being adequately served now and can do so in a relatively short time. The overwhelming response to the West Loch project is a testimonial to the need for additional projects of this type."

40. First occupancy of the West Loch Estates project is expected in June, 1989.

41. The Market Assessment states that the Waiola project could contribute to mitigating the shortfall of housing units in the following ways: (1) Waiola provides 1,345 primary residential units; (2) Waiola provides units targeted specifically at a gap group where a strong need has been identified; (3) Waiola provides much needed elderly rentals; (4) Waiola provides low/moderate for sale units; (5) Waiola provides needed market priced housing; (6) Waiola can be delivering units within three years; and (7) Waiola can provide a highly acceptable product in a highly acceptable location.

Golf Course Demand

42. According to the Market Assessment, there will be a demand for as many as 32 golf courses on Oahu of which 25 golf courses are projected for the market areas of Ewa, Central Oahu, and Waianae by the year 2010. Demand for municipal golf courses is expected to make up a significant portion of that demand.

43. The Market Assessment also states that the addition of an "18-hole par three" golf facility at Waiola will provide the residents of Oahu with much needed recreational golf opportunities, and that the course is expected to be fully utilized as soon as development of the course can be completed, probably in 1992.

44. While the market assessment refers to a proposed 18-hole golf course at Waiola, the petition proposes a 9-hole facility. According to

Petitioner's market expert and Parks and Recreation Planner Steve Salis, there is a need for a 9-hole course.

45. According to the market expert, the demand for housing and golf courses are not necessarily site specific and could be satisfied at other locations.

Demand for Other Project Elements

46. The Petitioner has not addressed the demand nor has the Petitioner made firm commitments for other elements of the proposed project, such as the child care facility or the school.

47. The demand for a park in Central Oahu is high, according to the Parks and Recreation Department.

PETITIONER'S FINANCIAL CAPABILITY TO UNDERTAKE THE PROPOSED DEVELOPMENT

48. According to Petitioner's Exhibit 3, p. 19, the estimated cost for acquisition and development of the proposed project is \$64,724,000. The testimony of the Director of the City's Department of Housing and Community Development indicates that the project costs are \$64,751,000, which equates to \$48,142 per housing unit.

49. Further testimony by Steve Salis, Advance Planning Branch Chief, City Department of Parks and Recreation, reveals that development costs of the regional park (\$15,000,000) and golf course (\$400,000) must come from the Parks Department budget not the Project's budget. This increases the overall project costs to \$80,100,000. Salis' testimony also indicates that the land acquisition for the park and golf course would be part of the City's overall purchase of the Property for the Project and, therefore, would not come out of the Parks Department budget. There currently are no funds for park development.

50. According to Petitioner Exhibit 3, short-term (4 to 5 year maturity) general obligation bonds will be issued by the City to finance the proposed project. According to the petition, these bonds will be redeemed at maturity by the proceeds from the sale of improved houselots or larger parcels sold to home builders who would develop tracts of land within the project area and provide finished "house-and-lot packages" built to design, construction and cost specifications established by written agreement with the City.

51. The petition states that the project is intended to be fully self-supporting and will not involve taxpayer subsidization. It states that all project costs are to be paid entirely by the persons the Project has benefited. According to Michael Scarfone, however, this applies only to the housing portion of the Project. Excluded are the development cost of a portion of the regional park (32 of the 42 acres) and the 9-hole golf course. These facilities will be developed by the City with other funds.

52. The City Planning Director testified that he was unsure whether acquisition costs of the golf course and 32 acres of park were included in the \$6,736,000 acquisition cost estimate.

53. The total estimated costs are given in the petition as follows:

Pre-development Approvals, Planning and Engineering	\$ 4,600,000
Land Acquisition	6,736,000
Site Improvements Construction	40,370,000
Off-site Construction	\$ 6,560,000
On-site Construction	33,810,000
Indirect Costs	6,958,000

Sales Processing	716,000
Escrow and Closing	885,000
Construction Management	500,000
Financing/Carrying Costs	4,699,000
Administrative Costs	158,000
Contingency	<u>6,060,000</u>
TOTAL	\$64,724,000

These costs are identical to the costs submitted by the Petitioner in the previous petition (IUC Docket No. A88-623), although portions of the project are significantly different.

54. To date, the City Council has not approved any funds for land acquisition and development of the proposed project, with the exception of an appropriation of \$3,000 of "seed money". OSP does not believe the Petitioner can assure the Land Use Commission that it will be able to secure the necessary funding in the amounts and in the timeframe necessary to carry out the project as proposed.

55. City Councilmember Rene Mansho stated that the "seed money" does not imply Council approval of the Project.

56. The Council has not given the project all of the necessary approvals to allow development. As the City's "Board of Directors", the City Council is the City's legislative and policy-making body and can choose to act upon the Petitioner's Project or reject it.

STATE AND COUNTY PLANS AND PROGRAMS

57. The petition area is located within the State Land Use Agricultural District, as reflected on Land Use District Boundary Map O-9, Waipahu.

58. The General Plan of the City and County of Honolulu provides overall guidance to the actions of government, private enterprise, and

individual citizens across a broad spectrum of concerns. It identifies the long range objectives for the general welfare and prosperity of the people of Honolulu and also identifies the broad policies to attain those objectives. One of the more important of those policies affecting land use decisions is the distribution of Oahu's residential population. In January, 1989, the population policy was adjusted in two major ways: (1) to reflect a year 2010 distribution of population, rather than a year 2005 distribution; and (2) to increase the proportional distribution of residential population for Central Oahu and Ewa Development Plan areas.

59. The Property lies within the Central Oahu Development Plan (DP) area.

60. In spite of the recent upward adjustment of the population distribution for Central Oahu, the subject Project cannot be accommodated within the existing population guidelines. In essence, all of the population has been allocated to other projects in the development plan area and none has been allocated for Waiola Estates/Kipapa Ridge Estates.

61. The Petitioner does not have an exemption from the General Plan. Any adjustment to the General Plan must be approved by the Honolulu City Council and the Mayor. No further adjustment of the population policy is expected until after the 1990 Census of Population.

62. The Development Plans, according to the City Charter, are relatively detailed guidelines for the physical development of the Island. They are intermediate means of implementing the objectives and policies of the General Plan in the various parts of the Island. The Development Plans provide for land use and public facilities planning as well as indicate the

sequence in which development will occur. The Development Plans must implement and accomplish the objectives and policies of the General Plan. The Central Oahu Development Plan designates the petition area as Agriculture, as such, the proposed project is inconsistent with the Development Plan.

63. The petition states that "Chapters (sic) 201E-210 and 46-15.1 of the Hawaii Revised Statutes provides (sic) the City Department of Housing and Community Development with the authority to gain an exemption from the City's planning and land use regulations for affordable housing projects", and that the Housing Department will submit to the City Council an exemption request pertaining to the Central Oahu Development Plan and other ordinances, as necessary. At this time, no such exemption has been granted.

64. In light of the City administration's policy to direct growth to the Secondary Urban Center in Ewa, the petition should further justify continued urbanization of Central Oahu.

IMPACT UPON RESOURCES OF THE AREA

Water Resources

65. Over the past 11 years, the IUC has reclassified substantial acreages, about 3,000-3,500, for residential purposes in Central Oahu.

66. According to the petition, the proposed project is situated within the Pearl Harbor Water Management Area. This aquifer serves as the major regional source for all of southern Oahu, as well as portions of Honolulu and Waianae, to which some of the daily draft is transported and consumed.

67. This Pearl Harbor aquifer, in Koolau basalts, is generally an unconfined aquifer, meaning that recharge occurs over the entire area.

68. The water requirements of the proposed project are estimated at 0.85 million gallons per day (MGD) of potable water and 0.17 MGD of nonpotable water.

69. According to the petition, the project's potable water needs will be met through participation in the Board of Water Supply's source development program at the Hawaiian Electric Waiau Water Plant (also known as the HECO Water Tunnel project).

70. As of May 30, 1989, Hawaiian Electric Company, Inc. (HECO) has stated that there is no formal agreement between HECO and the Board of Water Supply to develop and transmit water from the HECO Water Tunnel project (also known as HECO Waiau Water Plant) for Waiola Estates/Kipapa Ridge Estates.

71. To date, the HECO water source is considered a spring and is not included in the sustainable yield calculations for the Pearl Harbor Water Management Area (PHWMA). Waters from this source are used by HECO, the Department of Transportation for irrigation of highway landscaping, and possibly other uses as well. There is a possibility that an accounting adjustment for water from the PHWMA will be made whereby the allocation of water from this source will require the approval of the State Commission on Water Resource Management (CWRM or Water Commission). Should this happen, there is no assurance that the subject project will receive the necessary potable water from the PHWMA.

72. On April 19, 1989, the Water Commission revised the sustainable yields for the Pearl Harbor Water Management Area. The sustainable yield is now 195 MGD, down from 225 MGD. By 1995, the sustainable yield is expected to be reduced even further to 185 MGD. Water demand is fast approaching the

sustainable yield. As such, the timing of source development at sites outside the PHWMA will be critical if all projects currently in line for water allocation are to receive sufficient quantities to allow these projects to proceed with development. There is no evidence to indicate that water for the subject project will be available in the quantities and in the timeframes reflected in the subject petition.

73. According to Petitioner Exhibit 3, page 52, the use of Waikele Stream is proposed as a nonpotable water source for irrigation of the golf course and park. As yet, the Petitioner has indicated that it has not obtained approval from AMFAC/JMB Hawaii, Inc. for the use of Waikele Stream. In addition, three permits will be required: (1) Stream Channel Alteration Permit; (2) Stream Diversion Works Permit; and (3) Petition to Amend the Interim Instream Flows Standard.

74. The State Department of Health (DOH) continues to have serious concerns regarding groundwater contamination that may result from the conversion of agricultural lands to an urban subdivision of over 1,000 homes. This is a critical recharge area for the Pearl Harbor aquifer. Several important drinking water wells are located in the vicinity, including the Board of Water Supply's Waipahu Wells, the Navy's well at the Waikele Military Reservation (used as a back-up well for drinking water), and the Oahu Sugar Waipahu Well.

75. While the precise cause of the Waipahu Wells' contamination by EDB has yet to be determined, two theories have been presented. One is that EDB, used as a lead scavenger in leaded fuels, came from leaking areas near the petition area. Another theory is that EDB came from the application of EDB by the pineapple industry for the treatment of nematodes.

76. Evidence suggests that the cause of the contamination of the Waipahu Wells was the surface application of EDB. For one thing, none of the other compounds associated with petroleum distillates were detected in the water samples that would link the EDB contamination to fuel leakage. Secondly, in addition to EDB, the compound dichloropropene, which is associated with pesticides, has been found in water samples taken from the Waipahu Wells.

77. Thomas Arizumi, Head of the Drinking Water Program in the State Department of Health, stated that the Dole Corporation began applying EDB to the petition area on or about 1977 or 1978. On or about June 1983, EDB was detected in water samples from the Waipahu Wells. Water samplings conducted by the DOH in that geographic area prior to 1983 indicated nondetectable levels of EDB.

78. EDB had been applied to other areas and other pineapple fields in Central Oahu. However, the contamination at the Waipahu Wells is the only situation in which EDB contamination of a potable water system has been linked to agricultural applications of the compound.

79. The State DOH, which has been involved with other agencies in conducting surveillance on the quality of the drinking water supply, has expressed concern about land uses in the petition area. The fact that EDB has been discovered in the Waipahu Wells raises the concern that contamination of these wells needs to be studied to ensure that the wells are not further contaminated or that the situation becomes uncontrollable and unsafe for human consumption. At the present time, it is uncertain as to why EDB was detected in the Waipahu Wells and not in other wells situated in Central Oahu.

80. The contamination of the Waipahu Wells indicates the possibility that groundwater in the area may be susceptible to contamination from surface applications of various chemicals in the petition area. There is concern about the potential for new contamination of the groundwater from applications of pesticides associated with urban activities, such as those proposed in the petition.

81. There are difficulties in assessing the contamination risks associated with the urban activities proposed by the Petitioner. There is apparently no way a government agency can monitor the volume and types of chemicals that are applied to the soil in an urban residential setting.

82. The health consequences associated with contamination of the water supply is dependent on the degree of contamination and the human population's degree of exposure to the contaminant. Some compounds are known to be carcinogenic (causing cancer), mutagenic (causing genetic damage), and teratogenic (causing birth defects).

83. Ingestion of almost any pesticide in large amounts may have an adverse health impact. Diazinon and other organophosphates could cause adverse health impacts at high levels. Chlordane is a suspected carcinogen. The Environmental Protection Agency has issued a health advisory for chlordane.

84. The tendency of a pesticide to contaminate the groundwater may be influenced by several characteristics of the pesticide itself. These characteristics include: its density; solubility in water; ability to bind to soil or organic matter; and stability or persistence (e.g., how long it is stable or how long it will remain intact as a chemical compound).

85. Not all of the pesticides detected in Oahu's groundwater to date--these include DBCP, atrazone, EDB, and TCP--have the characteristics

that would have enabled us to predict which ones were predisposed to leaching through the soil and contaminating the groundwater. For example, each chemical contaminant has varying degrees of solubility, different degrees of tightness to which they bind to soil and organic matter, and different stability. It would be difficult to determine or predict whether a chemical will eventually percolate down to the groundwater.

86. Neither the Environmental Protection Agency (EPA) nor the DOH have established acceptable, safe standards for Diazinon, Roundup, chlordane, or other chemicals mentioned previously.

87. Chlordane, which is applied to the soil during the treatment of termites, is a compound that will be regulated by EPA and the DOH. When it becomes regulated, an aggressive monitoring program will be conducted of the water sources throughout the State for the presence of chlordane. This is expected to begin in summer 1988.

88. Within the next few years, the groundwater supplies will be monitored for increased numbers of compounds or contaminants. After such a wide scan is conducted a better assessment can be made of the presence of those contaminants in the groundwater.

89. The herbicide 2,4-D, an ingredient mainly found in Weed Be Gone, is a suspected carcinogen that the DOH presently regulates. This compound is sold over the counter.

90. Water samples were taken from the Gentry Wells and Crestview Wells for analysis to determine the presence of three urban residential compounds; chlordane, heptachlor, and heptachlor epoxide. The target compounds were nondetectable, or present at less than detection limits. This

signifies that, at the present time, with the laboratory capabilities currently available, these compounds were not detected in those water samples.

91. Experience in the surveillance of groundwater quality has shown that a considerable amount of time must elapse before a compound is detected in groundwater, and before a rise in contaminant levels is noticeable. The Gentry-Waipio subdivision is situated upgradient of the wells and is a fairly new residential project. Therefore, while chlordane, heptachlor, and heptachlor epoxide were not detected in samples taken in December 1986, no statement can be made that the contaminants are not present at low levels or that they will not appear at a future date.

92. According to Dr. John Lewin, Director, State Department of Health (DOH), the detection of contamination of the water supply with specific chemicals is a relatively recent discovery. The development and use of more sophisticated instruments have expanded the capability to detect chemicals where none was previously detected.

93. According to Dr. Lewin, the cost of filtering water for pesticides is enormously expensive. In addition, the filtering process gets increasingly complicated as new chemicals are added to the groundwater.

94. Additional contamination may occur due to the application of pesticides for home and garden uses as well as for the maintenance of the proposed golf course and other uses. In addition, the use of brackish water or grey water for irrigation may contaminate these wells. It must be demonstrated that urban development of this area will not pose a threat of contamination to the groundwater.

95. Dr. Lewin and Daniel Lum of the Department of Land and Natural Resources recommend that urban growth be directed over the caprock in Ewa

because of the relative impermeability of the caprock and because the groundwater there must be treated anyway before it is used for potable purposes.

96. Should the proposed project be approved, proposed new well(s) will be subject to approval by the Drinking Water Program. The DOH is vested with the responsibility to assure that the public water systems in the State are providing water which is in compliance with the State's drinking water rules known as Chapter 20, Title 11, Hawaii Administrative Rules, and are in compliance with all other applicable terms and conditions of Chapter 20.

Agricultural Resources

97. The petition area encompasses some of the most productive pineapple fields on Oahu. The fields are under cultivation by the Dole Hawaii Division of Castle & Cooke, Inc.

98. The proposed development, if approved and constructed, would result in the irreversible loss of approximately 269 acres of prime agricultural lands.

99. The petition area can be irrigated with water from the Waiahole Ditch, the most inexpensive source of water in the Central Oahu and Ewa areas.

100. The Agricultural Lands of Importance to the State of Hawaii (ALISH) Report classified the petition area as "Prime".

101. The Land Study Bureau Overall Productivity Ratings are A82i and B83i. The "A" rating indicates the highest agricultural productivity, while the "B" rating indicates only minor limitations.

102. Castle and Cooke's "Heirarchy of Agricultural Lands Study--Central Oahu Lands", dated March 1984, indicates that the petition area

is within the "prime economical production zone". The report states that the drier, lower and intermediate elevation fields are Castle and Cooke's prime agricultural lands. The study further states that the lower elevation drip fields nearer to Gentry Waipio, which includes the petition area, are characterized by higher temperatures and very rapid growth rates. These better lands join with the Property to form a band of very good agricultural land.

103. According to Castle & Cooke, Inc., (Petitioner Exhibit 13), the phase-out of pineapple lands in favor of urbanization does not adversely impact on pineapple production or jobs since land previously planted in sugar have been given up for new plantings in pineapple. One of the most important concerns is the ability to maintain pineapple production at the same level or to increase production. In order to minimize crop damage, the Dole Company would prefer to be able to harvest its plant crop in late 1990 and a ratoon crop in late 1991.

104. The continued cultivation of the Property and the expressed desire by Castle and Cooke to harvest the area signifies the importance of the Property for pineapple cultivation. According to Dr. Garrod, agricultural expert, the replacement of production elsewhere would probably cost Castle & Cooke slightly more.

105. According to the State Department of Agriculture (DOA), the principal difference between the subject petition and the two earlier petitions (Docket Nos. A86-606 and A88-623) is the mix and density of urban uses. From the standpoint of agricultural impact, the Petitioner's proposal is not significantly different from that described in the previous petitions.

Therefore, DOA's concerns on the earlier petition remain applicable to the subject petition. In pertinent part, they include the following:

- (A) The Preliminary Planning, Project Description and Analysis (May, 1989) states that "...the conversion of these lands to urban use will not affect pineapple production or jobs over the long run since other surplus lands have been converted to pineapple..." (Analysis, page 13). The substitution of pineapple production at Waialua will not in itself replace the prime agricultural land resource lost forever at the subject site.
- (B) The Department of Agriculture is well aware and supportive of the need to develop affordable housing for Hawaii's residents. Consideration should be given to the relationship of the proposed development to the State Agriculture Functional Plan. Specifically, Implementing Action B(5)(c) states that "Until standards and criteria to conserve and protect important agricultural lands are enacted by the Legislature, important agricultural lands should be classified in the State Agricultural District and zoned for agricultural use, except where, by the preponderance of the evidence presented, injustice or inequity will result or overriding public interest exists to provide such lands for other objectives of the Hawaii State Plan".
- (C) Hawaii State Plan priority guideline 226-106(1) states that marginal or non-essential agricultural lands are to

be used to meet housing needs. The subject property does not qualify as marginal or non-essential lands. Also, priority guideline 226-104(b)(2) should be followed, which concludes that agricultural lands of importance should be maintained in the agricultural district.

106. According to DOA's Dr. Paul Schwind, there is a demand for several thousands of acres of agricultural lands by cultivators of pineapple, cacao, coffee, and forage crops and although there are vacant agricultural lands on Oahu and elsewhere in Hawaii, those lands are not necessarily available for agricultural use.

107. With respect to the testimony of Dr. Wayne Iwaoka (Petitioner Exhibit 9), DOA offers that while there is no conclusive evidence that "urban pesticides" have been found in groundwater, there is evidence of pollution of surface waters from pesticides commonly used in adjacent urban areas.

108. In previous testimony on IUC Docket No. A86-606/Department of General Planning, City and County of Honolulu, the U.S. Department of Agriculture, Soil Conservation Service has stated:

"Almost the entire parcel is rated as Prime Agricultural Land. Where irrigated, these soils are well suited to pineapple, sugarcane, and a wide variety of vegetables and other diversified crops."

"Slopes are gentle throughout most of the parcel. The gentle slopes, deep soils, and friable silty clay loams of the Molokai series make these soils very favorable for cultivation."

"Where possible, these broad areas of Prime Agricultural Land should be retained for agricultural use."

109. The Petitioner has not substantially or conclusively demonstrated that the subject 269 acres of prime agricultural land is no longer needed for agricultural purposes.

110. Petitioner has not provided any specific information associated with the replacement acreage.

Air and Aural Quality

111. The petition states that the only significant direct adverse air quality impact that the project is likely to create is the emission of fugitive dust during construction. Off-site impacts will include increased air pollution emissions at electrical generating facilities and at solid waste disposal sites.

112. According to the petition, vehicular traffic generated by the project is expected to have adverse impacts on air quality at critical "hot spots" near major intersections between the project and urban Honolulu. Carbon monoxide levels in excess of the allowable State limit are expected at some locations, such as the Paiwa Interchange.

113. According to the State DOH, the air quality assessment conducted by Barry D. Root for the Waiola Estates Subdivision, dated February 17, 1989, concluded that exceedances of the State one-hour carbon monoxide standard may occur as a result of the proposed project and the completion of already approved projects in the area. The proposed project will cause and contribute to those exceedances. The State eight-hour carbon monoxide standard is not exceeded but the assessment does not use the Environmental Protection Agency's (EPA) recommended meteorological persistence factor of 0.6. A lower factor of 0.4 is used to convert the one-hour values

to the eight-hour values. Calculation with the 0.6 factor indicates exceedances of the State eight-hour standard also. Due to the potential exceedances, additional mitigating actions should be implemented as well as a carbon monoxide monitoring program initiated by the applicant to verify that the State standards, in fact, will not be exceeded.

114. The following issues cited in previous comments by the DOH were not included in the environmental impact statement:

- (A) Noise from activities occurring at the proposed golf course and parks;
- (B) Noise resulting from activities associated with the proposed school and playground;
- (C) Noise from stationary equipment, such as air conditioning/ventilation units and exhaust fans; and
- (D) Noise associated with continuing agricultural operations from surrounding areas.

115. Traffic noise levels attributable to the subject project may adversely impact houses fronting Kamehameha Highway at Crestview and Seaview subdivisions. A minimum wall height of 6 feet may be required along with other noise attenuation measures for two-story homes in the area. The Petitioner has presented no evidence to date indicating that it will be responsible for implementing such measures. According to the petition, a 50-foot setback from the Kamehameha Highway right-of-way is planned for Waiola Estates/Kipapa Ridge Estates homes fronting the highway. This setback is expected to be sufficient to reduce noise levels to the "Moderate Exposure, Acceptable" category from the "Significant Exposure, Normally Unacceptable" category.

Archaeological/Historical Resources

116. The petition states that a field inspection was made of the project area and that structural remains would have been destroyed by the use of the site for agricultural production.

Flora and Fauna

117. The proposed project will involve the clearing of all existing vegetation.

118. According to the petition, the petition area has been greatly modified by agricultural activity, therefore it is highly unlikely that rare and endangered species of flora would remain or proliferate after agricultural use. No flora survey of the petition area was conducted.

119. The fauna is expected to consist of introduced species. It is not clear whether a fauna survey of the petition area was conducted.

ADEQUACY OF PUBLIC SERVICES AND FACILITIES

Roadway and Highway Services and Facilities

120. According to the petition, the traffic generated by the proposed project is expected to increase the inbound AM peak hour traffic by 8.7 percent on Kamehameha Highway; by 2.9 percent on the H-1 Freeway; and 2.2 percent on the H-2 Freeway. During the outbound PM peak hour of traffic, the proposed project is expected to increase outbound traffic demand by 7.8 percent on Kamehameha Highway; by 4.4 percent on H-1; and 4.07 percent on H-2.

121. The Petitioner's Traffic Impact Report concludes that the improvements currently ongoing by private developers and the State, and the park-and-ride facility located in the petition area, will result in an increase of less than 5 percent of the projected peak hour conditions. The report recommends the following traffic improvements:

1. Widen Kamehameha Highway between Waipio Uka Street and Ka Uka Boulevard to two through lanes in each direction with exclusive left-turn lanes at both intersections.

2. Design the project access road approaches at Kamehameha Highway similar to the existing Waipio Gentry access roads opposite Kamehameha Highway.

122. The State Department of Transportation is seriously concerned about the effects of developments such as Waiola Estates/Kipapa Estates on downstream sections of the highway system. The deterioration of traffic conditions on Interstate Route H-1 and the Kamehameha Highway corridor in Pearl City, and on the highway corridors from Middle Street to downtown, remain critical areas of concern. The City and County's help is desired to increase the roadway capacity to and from the Honolulu area and to implement measures on either King Street or Dillingham Boulevard from Middle Street to the downtown central business area to help the existing and future peak traffic period situation. Such measures could include contraflow lanes, a ban on parking and left turns during peak hour periods, or one-way designations. DOT will be considering methods to obtain the Petitioner's and other developers' assistance to fund needed improvements.

123. DOT recommends that the Petitioner be required to have a full-time rideshare coordinator, a rideshare program, and implement traffic management programs such as vanpools, carpool computer matching services, park and ride and daycare facilities, as appropriate.

124. According to DOT, the Petitioner should design the subdivision's internal roadway system to provide easy access to Paiwa Interchange/Paiwa Street. This should serve as the main access to the subdivision; accesses to Kamehameha Highway should be secondary ingress/egress points. Proper coordination with the Waikele developer should be undertaken

regarding this internal roadway design. Paiwa Interchange and Waipio Interchange were designed without any traffic from the proposed Waiola Estates/Kipapa Ridge Estates. Any improvements that may be necessary to accommodate traffic from the petition area should be funded by the Petitioner.

125. DOT also states that the Petitioner should be responsible for widening Kamehameha Highway from 2 to 4 lanes along the frontage of the petition area. The Petitioner should also provide for intersection improvements and traffic signals at the connecting roadways to Kamehameha Highway including the acquisition of any needed rights-of-way.

126. Since the timing of the proposed Waiola Estates/Kipapa Ridge Estates is very important with respect to the highway improvements in the surrounding area, DOT further recommends that occupancy of new homes not be allowed until the following transportation improvements are completed:

- (A) Construction of the Waipio and Paiwa Interchanges and their connecting roadways to the Waiola Estates Subdivision.
- (B) Widening of Kamehameha Highway fronting both the Waikele and Waiola developments including intersection improvements and traffic signals.

127. DOT recommends that the Petitioner be required to coordinate, review, and seek the approval of the DOT, Highways Division, for highway construction plans, especially for the Kamehameha Highway widening and other related roadway improvements. All costs involved for work performed within DOT's existing and proposed rights-of-way shall be borne by the Petitioner.

128. According to the Police Department, additional vehicles from the proposed project can be expected on the roadways, with increased traffic

congestion on Kamehameha Highway and H-1 and H-2 Freeways. The Department hopes that the widening of Kamehameha Highway and the new interchanges planned and under construction will help to ease the flow of traffic. The Department recommends that further study be conducted to develop incentives for motivating residents to use the park-and-ride facilities proposed for the project and others being developed on the Island.

129. In addition, the Police Department recommends that, during the project construction phase, adequate safety and environmental health measures be taken to minimize hazardous conditions to passing motorists and nearby residents.

Sewage Treatment and Disposal

130. According to the petition, the subject Project would generate approximately 0.43 MGD of sewage effluent. The on-site collection system will require construction of a new trunkline in conjunction with the adjoining Waikele project and will connect to the existing Waipahu system which in turn discharges to the Waipahu Wastewater Pump Station. The houses in the southeastern portion of the proposed project, to be developed in Phase 1, will require connection to an existing 18-inch trunkline serving the Gentry-Waipio subdivision. Sewage effluent from the project will receive treatment at the Honouliuli Wastewater Treatment Plant (WWTP) before discharge into the ocean via the Barbers Point Deep Ocean Outfall. According to the petition, the Department of Public Works has indicated that there is adequate sewage treatment capacity at the Honouliuli WWTP for this project.

131. Honouliuli WWTP and the Waipahu Wastewater Pump Station will require additional capacity to accommodate all of the planned development in

Ewa and Central Oahu. Waikele has not applied for nor received a sewer allocation. Connection to municipal sewer facilities must await the expansion of Honouliuli STP, expected in 1993.

132. The Petitioner has stated that if the sewer improvements cannot be timed with the Amfac/Waikele development, that it has the option of putting in its own line.

Solid Waste Disposal

133. According to the petition, refuse collection service for the area is provided by the Department of Public Works Pearl City Corporation Yard. Disposal is handled by the Waipahu Incinerator. Future disposal will be at the H-Power facility currently under construction in Campbell Industrial Park.

Drainage Systems

134. The Flood Insurance Study for the City and County of Honolulu conducted by the Federal Insurance Administration indicates that the project is located in Zone D, an area of undetermined but possible flood hazards.

135. According to the U.S. Department of the Navy, the petition does not adequately address the effects of drainage on Kipapa Stream and the Navy lands. The Navy requests that there be no increase in storm runoff onto Navy lands due to the proposed project.

136. According to the Department of Land and Natural Resources, Division of Aquatic Resources, mitigative measures should be incorporated into the plans to reduce erosion and the release of chemicals, petroleum products, and building materials into Kipapa and Waikele Gulches and Streams, inasmuch as the State's pole-and-line aku fishery relies heavily on baitfish taken in West Loch.

Schools

137. Existing schools will have difficulty accommodating students generated by this project since all elementary schools in the Waipahu area are overcrowded and secondary schools are operating at capacity.

138. Short-term alternatives to mitigate overcrowding include bussing elementary level students to Pearl City area elementary schools or to Kanoelani Elementary, if space is available. In the longer term, a six to eight acre school site located in the petition area and closer to the Waikele subdivision is preferred by the Department of Education (DOE).

139. DOE has indicated that it will not be possible to have a new school completed for the subdivision until the 1994/1995 school year at the earliest. Based on DOE's past experiences, a minimum of four to five years are required to establish a new school.

140. Waipahu Intermediate and Waipahu High Schools will require portable classrooms to meet the immediate impact. Additional permanent buildings will need to be constructed for the long-term period.

141. According to DOE, timely appropriations by the Legislature in concert with the Petitioner's development schedule cannot be assured.

142. The year-by-year projection of student enrollment attributable to a particular residential project is difficult to predict because of the uncertainty associated with the project's development and sales schedules, which in turn influences actual occupancy. The uncertainty of whether the subject project will receive full approval and funding from the Honolulu City Council to allow the project to be built, as represented to the Land Use Commission, increases the difficulty for DOE in planning for its facilities and services.

Parks and Recreation Services and Facilities

143. The Petitioner proposes to develop and maintain a 45.5-acre, 9-hole golf course and a 42-acre regional park within the petition area.

144. The regional park, considered an integral part of the Project, would consist of a district park with swimming pool, gym, tennis courts, play courts, lighted baseball and softball fields, and soccer field. In addition, it would include more field space and other facilities that would be determined in consultation with the community. To date, there is no evidence that the Petitioner has obtained a commitment to fund the improvements for the regional park.

145. The park would serve Waipahu, Mililani, Waikele, Crestview, Waipio Gentry, and Waiola.

146. The park is not currently designated on the DP Public Facilities Map.

147. In the early 1980's a large regional park was considered for the Waikele-Waiola properties. In 1983, this 800-acre "golden triangle" park site was designated with a park symbol on the development plan public facilities map. This project was to include recreational facilities as well as a fruit tree farm. In 1986, the DP Park designation was removed because of the Waikele housing proposal.

148. Public support has been expressed for retaining the open space of the petition area and for developing a park on the entire property.

Police and Fire Protection Services

149. The petition area is located within the area serviced by the Pearl City Police Station which is currently operating at capacity. The

Petition states that additional manpower, equipment and facilities will be made available.

150. According to the Petition, current fire protection services are not considered adequate for the proposed location due to response times and distances of existing stations. Fire protection for the subject project is expected to improve when a proposed City fire station for Waikele is constructed.

151. The Petitioner has presented no testimony to indicate that the proposed fire station will be built for the timely integration with the Waiola project.

Electrical and Telephone Services

152. According to the petition, the electrical and communication improvements required for the project can be supported by off-site improvements that are within the normal scope of activities for the utility companies. The integration with Waikele has not been discussed.

CONTIGUITY OF THE PROPOSED RECLASSIFICATION

153. The subject property is contiguous to the site proposed for the planned community of Waikele (Docket No. A85-594: Amfac Property Development Corp.) to consist of 2,640 housing units, a 12-acre commercial center, a 42-acre business center, an 18-hole golf course, a public elementary school site, and park and recreation areas.

154. The residential communities of Gentry Waipio, Crestview, and Seaview are situated to the east.

155. Across Kipapa Gulch to the west are pineapple fields cultivated by the Dole Hawaii Division of Castle & Cooke, Inc.

156. The U.S. Navy maintains active operations within Kipapa Gulch bordering the southern half of the subject property.

CONFORMANCE WITH THE HAWAII STATE PLAN

157. The proposed reclassification does not conform with the following objectives, policies, and priority guidelines of the Hawaii State Plan relating to agricultural lands and the implementing actions of the State Agriculture Functional Plan:

Objectives and Policies

226-7(b) (6) "Assure the availability of agriculturally suitable lands with adequate water to accommodate present and future needs."

Priority Guidelines

226-103(c) (1) "Provide adequate agricultural lands to support the economic viability of the sugar and pineapple industries."

226-104(c) (2) "Make available marginal or non-essential agricultural lands for appropriate urban uses while maintaining agricultural lands of importance in the agricultural district."

226-104(c) (2) "Encourage urban growth primarily to existing urban areas where adequate public facilities are already available or can be provided with reasonable public expenditures, and away from areas where other important benefits are present, such as protection of important agricultural land or preservation of life styles."

226-106(1) "Seek to use marginal or non-essential agricultural land and public land to meet housing needs of low- and moderate-income and gap-group households."

Implementing Action

B(5) (c) "Until standards and criteria to conserve and protect important agricultural lands are enacted by the Legislature, important agricultural lands

should be classified in the State Agricultural District and zoned for agricultural use, except where, by the preponderance of the evidence presented, injustice or inequity will result or overriding public interest exists to provide such lands for other objectives of the Hawaii State Plan."

The proposed reclassification would take out from cultivation a highly productive agricultural area. The petition area is considered, by all measurements of quality and productivity, to be important agricultural land. It has fertile soils, low incidences of cloud cover, high levels of insolation, and inexpensive irrigation water. Pineapple is currently being cultivated on the Property.

158. The proposed reclassification does not conform with the following objectives, policies, and priority guidelines of the Hawaii State Plan and the objectives of the State Health Functional Plan relating to critical environmental areas, environmentally healthful conditions, and natural resources:

Objectives and Policies

- | | |
|---------------|--|
| 226-11(b) (1) | "To achieve the land-based, shoreline, and marine resources objectives, it shall be the policy of this State to: Exercise an overall conservation ethic in the use of Hawaii's natural resources." |
| 226-19(b) (5) | "Promote design and location of housing developments taking into account the physical setting, accessibility to public facilities and services, and other <u>concerns of existing communities and surrounding areas.</u> " (Emphasis added.) |
| 226-20(a) (2) | "Maintenance of sanitary and environmentally healthful conditions in Hawaii's communities." |

Priority Guidelines

- 226-104(c) (10) "Identify critical environmental areas in Hawaii to include but not be limited to the following: watershed and recharge areas; wildlife habitats (on land and in the ocean); areas with endangered species of plants and wildlife; natural streams and water bodies; scenic and recreational shoreline resources; open space and natural areas; historic and cultural sites; areas particularly sensitive to reduction in water and air quality; and scenic resources."
- 226-104(c) (9) "Direct future urban development away from critical environmental areas or impose mitigating measures so that negative impacts on the environment would be minimized."

Objectives

- A "To prevent degradation and enhance the quality of Hawaii's air, land and water."
- H "To reduce the amount and intensity of noise to acceptable levels."

The Project will be developed over the largest fresh water aquifer on Oahu. Past contamination of the Waipahu wells indicate the possibility of additional groundwater contamination, should the petition area be urbanized. Due to the importance of this well and the underlying groundwater resource, this area can be considered a possible critical environmental area. The Petitioner has not submitted evidence to assure that this project safeguards the groundwater resources or increases the environmental quality of the surrounding communities.

159. The State Housing Functional Plan contains the following objectives and policies:

Objectives and Policies

C "Increase development of rental housing units for the elderly and other special need groups to afford them an equal access to housing."

C(1) "Effectively use public resources to provide rental housing projects for elderly and handicapped persons."

160. This housing plan proposes the integration of special needs housing in new and existing neighborhoods. Special needs housing is generally defined as housing for persons for whom social problems, age, or physical or mental handicaps impair their ability to live independently and for whom such ability can be improved by more suitable housing conditions. The housing plan advocates that developers of residential projects should make at least one percent of the total number of units in the project available for special needs groups. The Housing Finance and Development Corporation recommends that at least 13 of the affordable units in the petition area be set aside for those with special housing needs. Aside from the 130 units proposed for elderly rentals, the Petitioner has not indicated that other special need groups will be accommodated in the Project.

CONFORMANCE WITH HAWAII LAND USE COMMISSION RULES

161. With respect to project completion, the Petitioner has submitted no evidence that it is authorized to and is able to complete the subject project as represented in the petition. The Petitioner has insufficient funds to proceed with the project. The proposed project is also not in compliance with the City's General Plan and the Central Oahu Development Plan.

162. The proposed reclassification does not conform to the following provisions Chapter 205, Hawaii Revised Statutes, as amended. The corresponding section in the Land Use Commission Rules is Section 15-15-77:

- SEC. 205-17 Land Use Commission decision-making criteria.
In its review of any petition for reclassification of district boundaries pursuant to this chapter, the commission shall specifically consider the following:
- SEC. 205-17(1) The extent to which the proposed reclassification conforms to the applicable goals, objectives, and policies of the Hawaii state plan and relates to the applicable priority guidelines of the Hawaii state plan and the adopted functional plans;
- SEC. 205-17(2) The extent to which the proposed reclassification conforms to the applicable district standards; and
- SEC. 205-17(3) The impact of the proposed reclassification on the following areas of state concern:
- (A) Preservation or maintenance of important natural systems or habitats;
 - (B) Maintenance of valued cultural, historical, or natural resources;
 - (C) Maintenance of other natural resources relevant to Hawaii's economy, including, but not limited to, agricultural resources;

163. The proposed reclassification would take out from cultivation a highly productive agricultural area. The petition area is considered, by all measurements of quality and productivity, to be prime agricultural land. It has fertile soils, low incidences of cloud cover, high levels of insolation, and inexpensive irrigation water. The Property is currently planted in pineapple. Urbanization of the Property would represent a loss of an agricultural resource.

164. As indicated previously, there are unanswered questions concerning the possibility of groundwater contamination and potential adverse effects on public health. Any potential overriding public interest associated with the provision of affordable housing is dampened by these issues, and weakens the justification for reclassifying prime agricultural land.

165. The petitioner does not conform to Commission Rule 15-15-19, regarding the standards for Agricultural District boundaries. The rule states:

In determining the boundaries for the "A" agricultural district, the following standards shall apply:

- (1) It shall include lands with a high capacity for agricultural production except as otherwise provided in this chapter;
- (2) It may include lands with significant potential for grazing or for other agricultural uses except as otherwise provided in this chapter;
- (3) It may include 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;
- (4) Lands in intensive agricultural use for two years prior to date of filing of a petition or lands with a high capacity for intensive agricultural use shall not be taken out of this district unless the commission finds either that the action:
 - (A) Will not substantially impair actual or potential agricultural production in the vicinity of the lands or in the county or state; or
 - (B) Is reasonably necessary for urban growth.

The Property has a high capacity for agricultural production.

The Land Study Bureau rates the Property as "A", the highest productivity; DOA rates it as "Prime Agricultural Land".

166. According to DOA, there is a demand for "Prime Agricultural Land" for agricultural purposes.

The Property is adjacent to Kipapa Gulch which is currently in the Agricultural District. Lands west of the Property beyond Kipapa Gulch are planted in pineapple.

Petitioner failed to demonstrate that the removal of the Property from agricultural production will not impair actual or potential agricultural production in the vicinity or on the island.

Petitioner has not demonstrated that the Subdivision is reasonably necessary at this location. Alternate sites for this type of housing are available in Ewa.

Petitioner failed to adequately demonstrate that there is a lack of sufficient reserve areas for urban growth in other locations in order to justify reclassification of the Property for urban growth.

Petitioner has failed to show that the Subdivision would not adversely impact groundwater resources.

167. The Petitioner has submitted no evidence to indicate that it is currently authorized and able to acquire and develop the petition area as described in the subject petition. Unlike the petitions for two other "fast track" housing projects processed by the Commission under Chapter 15-15, Hawaii Administrative Rules, and Section 359G-4.1, HRS, (West Loch Estates, IUC Docket No. A87-616, and Kapolei Village, Docket No. A88-622), no substantial funds for either land acquisition or development have been allocated by the Honolulu City Council and the State Legislature. Only \$3,000 in seed money for planning, land acquisition, and construction have been allocated in the fiscal year 1989-90 budget.

168. No authorization for condemnation of the petition area has been approved by the City Council.

169. The Revised Charter of the City & County of Honolulu, Section 5-412(3) states, in part:

"No public improvement or project, or subdivision or zoning ordinance shall be initiated or adopted unless it conforms to and implements the development plan for the area..."

170. This January, the Honolulu City Council amended the General Plan (GP) and the Central Oahu Development Plan (DP). As a result, the population guidelines in the GP were increased and several residential projects previously approved for reclassification by the IUC received DP approval. Waiola Estates/Kipapa Ridge Estates, however, cannot be accommodated within the population guidelines of the GP. Further, the project is currently inconsistent with the Central Oahu Development Plan which designates the petition area "Agriculture".

171. Correspondence from and testimony of Councilmember Rene Mansho, who represents District I which encompasses the petition area, indicates that there are concerns about this proposed project in the City Council. Furthermore, community opposition to/lack of support for the Petitioner's proposal continues to exist, as evidenced in letters from the Gentry Waipio Community Association, the Mililani Town Association, the Waipahu Community Association, the Hawaii Society/American Institute of Architects, and the ILWU Local 142.

172. As expressed in previous testimonies for petitions to reclassify the subject property (Docket Numbers A86-606 and A88-623), there continues to be serious concerns about: the vulnerability of the petition area to additional groundwater contamination; the presence of the Waipahu Wells immediately downgradient of the petition area; the loss of some of the most productive pineapple fields on Oahu; the availability of sufficient amounts of potable and nonpotable water supplies to meet the proposed projects

needs; traffic impacts; noise impacts; potential exceedence of State standards for carbon monoxide; and the current and anticipated lack of sufficient school facilities to accommodate students in a timeframe consistent with the Petitioner's development schedule; and the coordination of planning and improvements with the adjacent Waikele planned community.

CONFORMANCE WITH COASTAL ZONE POLICIES AND OBJECTIVES

173. The proposed reclassification of the Property for the development of the Project conforms to the policies and objectives of the Coastal Zone Management Program, Chapter 205A, Hawaii Revised Statutes, as amended.

RULING ON PROPOSED FINDINGS OF FACT

Any of the proposed findings of fact submitted by the parties not adopted by the Commission herein, or rejected by clear contrary findings of fact herein, are hereby denied and rejected.

Any conclusion of law herein improperly designated as a finding of fact should be deemed or construed as a conclusion of law; any finding of fact herein improperly designated as a conclusion of law should be deemed or construed as a finding of fact.

CONCLUSIONS OF LAW

Based upon the foregoing, this Commission concludes upon a preponderance of the evidence, pursuant to chapter 205, Hawaii Revised Statutes, as amended, and the Commission Rules, that the reclassification of approximately 269.454 acres from the Agricultural District into the Urban District at Waipio, Ewa, Oahu, Tax Map Key Number: 9-4-07:1 for a residential subdivision, upon fulfillment of preconditions hereinafter specified, is

reasonable and not violative of sections 205-2 and 205-16, Hawaii Revised Statutes; is consistent with the policies set forth in chapters 205, 205A and 226, Hawaii Revised Statutes; and meets the criteria established in section 205-17, Hawaii Revised Statutes and Commission Rule 15-15-77 and all other laws appertaining.

ORDER

IT IS HEREBY ORDERED that the Property, being the subject of this Docket No. A89-638 filed by the Department of General Planning, City and County of Honolulu, consisting of approximately 269.454 acres situate at Waipio, Ewa, Oahu, Hawaii, and identified as Oahu Tax Map Key No. 9-4-07: parcel 1, for reclassification from the Agricultural District to the Urban District, shall be approved for reclassification from the Agricultural District to the Urban District upon fulfillment of the following preconditions to the satisfaction of the State Land Use Commission, provided that any action to develop this real property shall first require further affirmative action by the Land Use Commission to accept the fulfillment of the preconditions and to reclassify the land from the Agricultural District to the Urban District.

A. Preconditions. Reclassification of the petitioned property shall become effective only upon a satisfactory showing to the Land Use Commission that:

a) Petitioner has obtained, not later than twelve months from the date of this order, a Resolution of the City Council of the City and County of Honolulu to authorize the taking of the land for the project by the power of eminent domain of the City and County of Honolulu in accordance with the Department of Housing and Community Development, Land and Housing

Development Program Rules and Regulations Section I-10(c), Section 101-13, Hawaii Revised Statutes, and in accordance with Section 3-110 of the Charter of the City and County of Honolulu.

b) The project conforms to and implements the population guidelines of the County General Plan and the County Development Plan in accordance with Section 5-412 and 5-413, Revised Charter of the City and County of Honolulu; or that the County has obtained from the City Council an exemption from its General Plan and Development Plan requirements as may be authorized under applicable provisions of law.

c) The infrastructure for the project appears on the public facilities map and is designated as "proposed funding (within 6 years)", in accordance with Section 32.1.2, Revised Ordinances of Honolulu.

d) That the Petitioner, in conjunction with the City Council, shall consider, investigate, and pursue alternative sites for the proposed affordable housing project in Ewa or other areas in the City and County which:

1. have less significant agricultural value than the petition lands, which are prime lands for the production of pineapple.

2. which will not require changes in the General Plan population projections.

e) That the Petitioner shall obtain a letter of commitment from Castle and Cooke that it shall not cite, rely upon, or use as basis for any argument the order herein in any future petition that Castle and Cooke may file for the petition area.

B. Conditions. The reclassification of the property is subject to the following conditions:

1. Petitioner shall provide opportunities for families with an income of 120% or below of the median income in the City and County of Honolulu, as established by the United States Department of Housing and Urban Development, for 60% of the units proposed to be constructed in the project, or 807 units approximately, as follows:

	<u>Units</u>	<u>Type</u>	<u>Size</u>	<u>For</u>
a.	134	Apt.	Studio & 1 BR	Elderly
b.	135	Townhouse	1 & 2 BR	Low/Moderate
c.	226	Townhouse	2 & 3 BR	GAP
d.	<u>312</u>	Single Family	3 & 4 BR	GAP
	<u>807</u>			

2. Petitioner shall fund a study to review the potential for groundwater contamination resulting from the urbanization of the Property which shall be completed prior to development of the subject property unless the State Department of Health, after review of the proposed study's scope, makes a determination that development and construction within a specified area will not cause groundwater contamination to wells in the area. It is specifically ordered that development shall not occur until the study, if required by the Department of Health, shows to the satisfaction of the Department of Health that groundwater contamination will not occur as a result of the proposed project, or until the Department of Health makes a determination that development or partial development may be allowed.

3. Any urban development within the Property shall be subject to further review and subsequent approval by the Department of Health as may be authorized by law. In addition, the Department of Health may require

appropriate mitigative measures and conditions relating to the proposed development's impact on the groundwater resources of the area.

4. Petitioner shall develop an additional water source in coordination with Hawaiian Electric Co., Inc. from the source owned by the latter company to supply potable water to the water system of the Board of Water Supply of the City and County of Honolulu in an amount sufficient to supply the needs of the project when fully developed, which source must be approved by the State Department of Health.

5. Petitioner shall develop a non-potable source of water to irrigate the golf course within the project in cooperation with Oahu Sugar Company, Ltd. and/or Castle & Cooke, Inc.

6. Petitioner shall engage the services of a qualified golf course manager to oversee the irrigation of the golf course and the park within the project and qualified in the application of fertilizer and pesticides on those areas.

7. Petitioner shall coordinate any wastewater treatment transmission facilities with those from Amfac/JMB's Waikele project and shall insure that the Honouliuli Sewage Treatment Plant can accommodate the subject project in addition to prior commitments to other approved projects. Petitioner shall not allow occupancy of any residential units prior to resolution of issues with Amfac/JMB.

8. Petitioner will comply with all rules, regulations, orders, and requirements promulgated or made by the Department of Public Works of the City and County of Honolulu or the State Department of Health with respect to the treatment of wastewater from the project and the transmission of wastewater to the treatment facility.

9. Petitioner shall coordinate any drainage improvements in the project with drainage improvements and requirements in Amfac Inc.'s Waikele project, and will not allow occupancy of any residential units prior to resolution of issues with Amfac/JMB.

10. Petitioner shall participate in an air quality monitoring program and a water quality monitoring program, as determined by the Department of Health, State of Hawaii.

11. Petitioner will comply with the requirements set forth in Chapter 343, Hawaii Revised Statutes, and shall undertake measures to mitigate impacts on the environment which may be established by the process of that Chapter.

12. Prior to occupancy of any residential units, (a) the Paiwa Interchange shall be completed; (b) the Waipio Interchange shall be completed; (c) the widening of Kamehameha Highway to a four-lane divided highway with turning lanes fronting Kamehameha Highway shall be completed. Prior to occupancy of any residential units, (a) the Petitioner shall widen Kamehameha Highway to a four lane divided highway with turning lanes along the entire length of the project fronting Kamehameha Highway; (b) the Petitioner shall coordinate its reports with the Department of Transportation, and if the Paiwa Interchange is determined to be inadequate, contribute to expanding the capacity of the Paiwa Interchange and ramps to accommodate the increased traffic volumes generated by the project; (c) the Paiwa Street access to the Paiwa Interchange from the project via the Ka Uka Road extension will be constructed in coordination with Amfac/JMB's Waikele project and shall be operational. The Petitioner shall fund and construct any other necessary

improvements as determined by the State Department of Transportation to mitigate impacts from the subject project. These improvements shall be implemented on a schedule acceptable to and approved by the Department of Transportation.

13. Petitioner shall appoint and fund a transportation coordinator whose function is the formation, use, and continuation of alternative transportation opportunities that would maximize the use of existing and proposed transportation systems. This will include construction and operation of a park and ride facility or other activities to encourage transit use or ridesharing. These activities and facilities shall be implemented on a schedule acceptable to and approved by the State Department of Transportation.

14. Land within twenty feet of the Waikele Branch, Naval Magazine Lualualei station boundary demarcated by an existing chain link fence shall be cleared of trees and vegetation taller than 8 inches high and maintained as part of the golf course.

15. Development of the Property shall include a minimum setback of 50 feet along the boundary fronting the Kamehameha Highway to mitigate the impact on air quality and increased noise levels.

16. Petitioner shall set aside a six to eight-acre site acceptable to the State Department of Education within the project for school use, and bear the cost of infrastructural improvements.

17. Petitioner shall construct and operate a child/day care center within the project.

18. Petitioner shall construct and operate a nine hole, par three public golf course within the project with construction to be initiated concurrently or before construction of the first residential unit.

19. Petitioner shall construct and operate a regional park as represented on the record and defined in the rules and regulations of the Department of Parks and Recreation of the City and County of Honolulu. The regional park shall be developed as an integral part of the Kipapa Ridge Estates project and shall include such amenities as a gymnasium, swimming pool and ballfields as represented on the record, and shall be initiated concurrently with or before construction of the first residential unit.

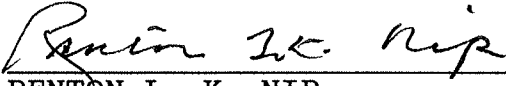
20. Petitioner shall immediately stop work and contact the State Historic Preservation Office, Department of Land and Natural Resources, if any archaeological resources such as artifacts, shell, bone, or charcoal deposits, human burial, rock or coral alignments, pavings or walls are encountered during the development of the project.

21. Petitioner shall submit an annual report to the Land Use Commission and the Office of State Planning, State of Hawaii, detailing the status of the project and Petitioner's progress in complying with the conditions set forth above.

DOCKET NO. A89-638 - DEPARTMENT OF GENERAL PLANNING, CITY AND
COUNTY OF HONOLULU

Done at Honolulu, Hawaii, this 18th day of September 1989,
per motion of June 29, 1989.

LAND USE COMMISSION
STATE OF HAWAII

By 
RENTON L. K. NIP
Chairman and Commissioner

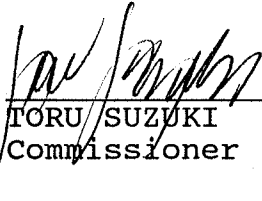
By 
LAWRENCE F. CHUN
Vice Chairman and Commissioner

By (absent)

ALLEN K. HOE
Commissioner

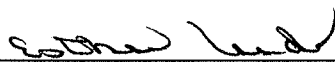
By 
SHARON R. HIMENO
Commissioner

By 
TEOFILO PHIL TACBIAN
Commissioner

By 
TORU SUZUKI
Commissioner

Filed and effective on
September 18, 1989

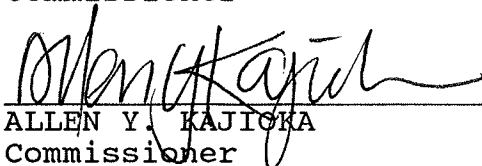
Certified by:


Executive Officer

By (opposed)

ROBERT S. TAMAYE
Commissioner

By 
FREDERICK P. WHITTEMORE
Commissioner

By 
ALLEN Y. KAJIOHA
Commissioner

BEFORE THE LAND USE COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Petition of	)	DOCKET NO. A89-638
	)	
DEPARTMENT OF GENERAL PLANNING,	)	DEPARTMENT OF GENERAL PLANNING,
CITY AND COUNTY OF HONOLULU	)	CITY AND COUNTY OF HONOLULU
	)	
To Amend the Agricultural Land	)	
Use District Boundary to Reclassify	)	
Approximately 269.454 Acres,	)	
TMK: 9-4-07: 1 at Waipio, Ewa, City	)	
and County of Honolulu, Oahu,	)	
State of Hawaii, into the Urban Land	)	
Use District	)	
_____	)	

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Findings of Fact, Conclusions of Law and 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:

HAROLD S. MASUMOTO, Director
Office of State Planning
State Capitol, Room 410
Honolulu, Hawaii 96813

CERT. DONALD A. CLEGG, Chief Planning Officer
Department of General Planning
City and County of Honolulu
650 South King Street
Honolulu, Hawaii 96813

CERT. RICHARD D. WURDEMAN, Attorneys for Petitioner
Corporation Counsel, and
DAVID C. LAXSON
Deputy Corporation Counsel
Department of the Corporation Counsel
City and County of Honolulu
Honolulu Hale
530 South King Street
Honolulu, Hawaii 96813

DATED: Honolulu, Hawaii, this 18th day of September 1989.



ESTHER UEDA
Executive Officer