

<b>SPECIAL PERMIT</b>	
Petition Received	APR 24 1978
Maps	
Action Span	4/24/78 - 6/0/78
Action Date	
Recordation	5/25/78 BMS



July 5, 1978

Mr. Sidney Fuke  
Planning Director  
Hawaii Planning Department  
25 Aupuni Street  
Hilo, Hawaii 96720

Dear Mr. Fuke:

Subject: SP78-298 - Suisan Company, Limited

In reference to our letter to you dated May 17, 1978, enclosed is a copy of the Decision and Order on SP78-298 for your information and records.

Sincerely,

GORDAN Y. FURUTANI  
Executive Officer

Encl.  
cc: Suisan Company, Ltd.

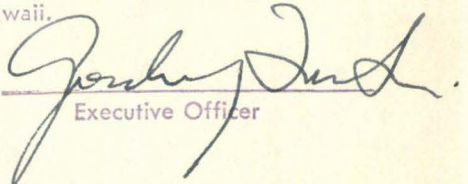


BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition )  
for Special Permit of Suisan )  
Company, Ltd. )  
\_\_\_\_\_ )

SP78-298  
SUISAN COMPANY, LTD.

This is to certify that this is a true and correct copy of the  
Decision and Order on file in the office of the State Land Use  
Commission, Honolulu, Hawaii.

July 5, 1978 by   
Date Executive Officer

DECISION AND ORDER



BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition )	
for Special Permit of Suisan )	SP78-298
Company, Ltd. )	SUISAN COMPANY, LTD.
_____ )	

The Land Use Commission of the State of Hawaii having duly considered the entire record in this matter, makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. The Petition for Special Permit was filed by Suisan Company, Ltd., to allow the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii, Tax Map Key 2-4-49: parcels 21 and 22.
2. The subject property is located along the northeast side of Kealakai Street approximately 0.60 mile from the Stainback Highway.
3. The petitioner proposes to construct three (3) single story structures to house fruit processing, freezer/cooler storage, and office/retail uses. Plans for off-street parking and landscaping have also been submitted to the Hawaii Planning Department.
4. The subject 2.8 acre property is a portion of two (2) adjoining lots comprising approximately 20.48 acres that the petitioner intends to lease from the State of Hawaii. The remaining acreage of the two (2) parcels is to be utilized for the cultivation of lilikoi and guava.
5. The County of Hawaii's General Plan Land Use Pattern Allocation Guide Map designates the area as Orchard.



The property is presently zoned Agricultural-10 acres.

6. The Land Study Bureau's Overall Master Productivity Soil Rating for Agricultural use is Class "E" or Very Poor for the subject property. The subject site is not classified as Agricultural Lands of Importance to the State of Hawaii by the State Department of Agriculture.

7. The use of land surrounding the subject property include nursery operations and the Hale Nani Police Academy pistol range. Much of the surrounding land area is unused.

8. An environmental assessment has been completed for the proposed project. The assessment concluded that the proposed use will not result in any significant environmental impact, thus a Negative Declaration was filed.

9. The petitioner has stated that the proposed processing facility would be an important support facility to the orchard industry of the County. The petitioner has also stated that the proposed use would further both the County of Hawaii's and the State's policies to promote the diversified agriculture industry, to promote economic growth on the Neighbor Islands, and to promote developing industries with employment potentials.

10. The Hawaii County Department of Water Supply has stated that water for the proposed development is available from the 8-inch waterline along Kealakai Street.

11. The Hawaii County Department of Public Works has stated that the existing frontage road to the subject site is County maintained with 18' wide pavement width in good condition.

12. The State Department of Health has cited the applicable public health regulations that the proposed development must comply with.

13. The Hawaii County Police Department, Department of Research and Development, and State Department of Agriculture



had no objections to the proposed use.

#### CONCLUSIONS OF LAW

1. "Unusual and reasonable" uses other than those which are permitted in an agricultural district may be permitted by Special Permit pursuant to HRS Chapter 205-6, and the State Land Use Commission District Regulation, Part V.

2. The approval of the subject request would be consistent with the State Land Use Law and Regulations. The intent of these statutory provisions is to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people of Hawaii. The purpose of the subject request is to allow the establishment of a processing plant for fruits such as guava and lilikoi. The proposed use would directly support regional agricultural activities, in this particular case orchard crops. The proposed use is intended to service farmers in the area by buying, processing and marketing their products. An integral aspect of agriculture is the distribution of the product from the grower to the consumer. The proposed use would provide this essential link. As such, it will benefit the overall agricultural use of other lands in the region and will further the objectives of the Land Use Law and Regulations.

Futhermore, the area under consideration has soils with low productivity ratings for conventional agriculture. The use of such lands for supportive agricultural facilities in an accessible area will not increase pressures to convert lands with high agricultural potential to nonagricultural uses. In addition, the petitioner intends to utilize the remainder of the parcel for fruit orchards.



3. The proposed use will further the State's and the County's policies of encouraging and supporting agricultural activities, inasmuch as it is an essential agricultural support facility. Approval of the subject request will also directly implement the County General Plan. The General Plan Economic Element explicitly states that the County shall assist the expansion of the agricultural industry, especially diversified agriculture. The Economic Element also calls for the diversification of the County's economy. The establishment of the fruit processing plant is in concert with these General Plan policies in that it would provide essential support services for one form of diversified agriculture.

4. Although there will be some alteration of the existing character of the land, such alteration is not expected to adversely affect surrounding properties. The subject property is currently vacant. Adverse effects from the proposed use will be mitigated through existing rules, regulations and requirements. In addition, the petitioner intends to utilize a portion of the adjacent area for fruit orchards.

5. The proposed use will not unreasonably burden public agencies to provide facilities and services. All essential services and facilities are available to the subject site. In addition, approval of the subject request would allow the petitioner to relocate portion of an existing facility from an area which is now heavily congested. Relocation of the existing facility to the area under consideration will not involve the provision of additional services than are now needed.

6. The use described in the petition is an unusual and reasonable use pursuant to HRS Chapter 205-6 and State Land Use Commission District Regulation, Part V.



DECISION AND ORDER

IT IS HEREBY ORDERED:

That Special Permit Number 78-298, for the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii, Tax Map Key 2-4-49: parcels 21 and 22, be approved subject to the following conditions:

1. That the effective date of the Special Permit shall be upon approval of the Board of Land and Natural Resources to lease the subject area, but in no event not more than 3 years from the State Land Use Commission's action.
2. That the use of the subject area shall be limited to the processing of fruits and the sale of products processed on the premises. Office use within the proposed facility shall be ancillary to the fruit processing activities.
3. That the petitioner or its authorized representative shall submit plans to the Planning Department for preliminary plan approval within one (1) year from the effective date of the Special Permit.
4. That construction of the proposed facilities shall commence within one (1) year from the receipt of final plan approval and shall be completed within two (2) years thereafter.
5. That the petitioner shall submit a metes and bounds description of the 2.8<sup>+</sup> acre area to the Planning Department prior to the receipt of final plan approval.
6. That all other applicable rules and regulations, including those of the Department of Health, shall



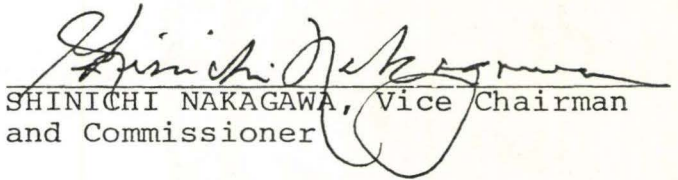
be complied with.

7. That should any of the foregoing conditions not be met, the Special Permit may be deemed null and void.

DATED: Honolulu, Hawaii, July 3, 1978.



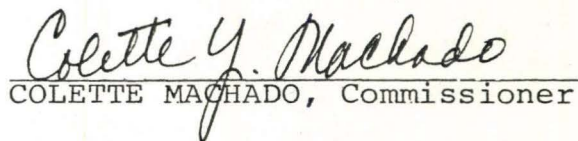
C. W. DUKE, Chairman and Commissioner



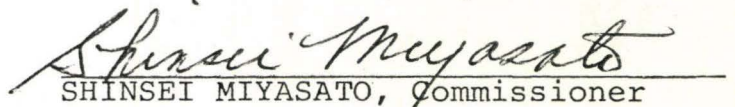
SHINICHI NAKAGAWA, Vice Chairman and Commissioner



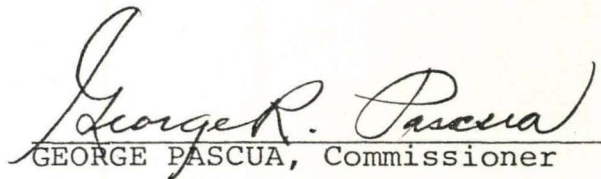
JAMES CARRAS, Commissioner



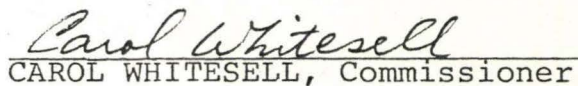
COLETTE MACHADO, Commissioner



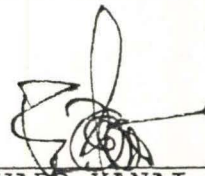
SHINSEI MIYASATO, Commissioner



GEORGE PASCUA, Commissioner



CAROL WHITESELL, Commissioner



EDWARD YANAI, Commissioner



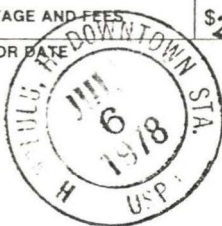
No. 179490

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO				
Sidney Fuke				
STREET AND NO.				
25 Aupuni Street				
P.O., STATE AND ZIP CODE				
Hilo, Hawaii 96720				
POSTAGE			\$ 1.06	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE		.80¢	
	OPTIONAL SERVICES	SPECIAL DELIVERY	¢	
		RESTRICTED DELIVERY	¢	
		RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED	.45¢
			SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
			SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		¢	
TOTAL POSTAGE AND FEES			\$2.31	
POSTMARK OR DATE				









BEFORE THE LAND USE COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Petition )	
for Special Permit of )	SP78-298 - SUISAN
<u>Suisan Company, Limited )</u>	COMPANY, LIMITED

CERTIFICATE OF SERVICE

I hereby certify that a copy of the Land Use  
Commission's Decision and Order was served upon the  
following by certified mail:

Sidney Fuke, Planning Director  
Hawaii Planning Department  
25 Aupuni Street  
Hilo, Hawaii 96720

Rex Y. Matsuno, President  
Suisan Company, Limited  
P. O. Box 366  
Hilo, Hawaii 96720

Dated: Honolulu, Hawaii, this 5<sup>th</sup> day of July, 1978.

  
GORDAN Y. FURUTANI  
Executive Officer  
Land Use Commission



May 17, 1978

Mr. Rex Y. Matsuno, President  
Suisan Company, Ltd.  
P. O. Box 366  
Hilo, Hawaii 96720

Dear Mr. Matsuno:

The original of the attached letter is on file in the office of the Hawaii County Planning Department, 25 Aupuni Street, Hilo, Hawaii.

Please be advised that failure to comply with any of the delineated conditions of approval, particularly those relating to time, shall be reason for termination of the Special Permit. The Land Use Commission will not consider any request for time extension which is filed after the stipulated commencement or expiration dates.

A copy of the staff memorandum is herewith enclosed for your information. The Land Use Commission's Decision and Order on SP78-298 will be forwarded to you at a later date.

Sincerely,

GORDAN Y. FURUTANI  
Executive Officer

GYF:jy  
Encls.



May 17, 1978

Hawaii Planning Commission  
25 Aupuni Street  
Hilo, Hawaii 96720

Attention: Mr. Sidney Fuke, Planning Director

Gentlemen:

At its meeting on May 11, 1978, the Land Use Commission voted to approve a Special Permit request by Suisan Company, Ltd., Hawaii (SP78-298) to allow the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farms Lots, 2nd Series, Waiakea, South Hilo, Hawaii, Tax Map Key 2-4-49: 21 and 22.

Approval of this Special Permit is subject to the conditions imposed by the Hawaii County Planning Commission. Please be advised that the petitioner's failure to comply with any of the delineated conditions of approval, particularly those relating to time, shall be reason for termination of the Special Permit. The Land Use Commission will not consider any request for time extension which is filed after the stipulated commencement or expiration dates.

A copy of the staff memorandum is herewith enclosed for your information. The Land Use Commission's Decision and Order on SP78-298 will be forwarded to you at a later date.

Sincerely,

GORDAN Y. FURUTANI  
Executive Officer

GYF:jy  
Encl.  
cc: Suisan Company, Ltd.



May 17, 1978

Department of Planning and  
Economic Development  
State of Hawaii  
250 South King Street  
Honolulu, Hawaii 96813

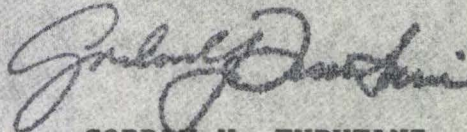
Attention: Mr. Hideto Kono, Director

Gentlemen:

At its meeting on May 11, 1978, the Land Use Commission voted to approve a Special Permit request by Suisan Company, Ltd., Hawaii (SP78-298) to allow the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farms Lots, 2nd Series, Waiakea, South Hilo, Hawaii, Tax Map Key 2-4-49: 21 and 22. Approval of this Special Permit is subject to the conditions imposed by the Hawaii County Planning Commission.

Please note that a copy of the Land Use Commission's Decision and Order on this matter is on file at the Commission's office.

Sincerely,



GORDAN Y. FURUTANI  
Executive Officer

GYF:jy  
Encl.

cc: Department of Taxation, Hawaii  
Tax Maps Recorder, Dept. of Taxation  
Property Technical Office, Dept. of Taxation  
Real Property Tax Assessor, Dept. of Taxation  
Office of Environmental Quality Control  
Division of Land Management, DLNR



No. 179492

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL

(See Reverse)

SENT TO				
Rex Y. Matsuno				
STREET AND NO.				
P. O. Box 366				
P.O., STATE AND ZIP CODE				
Hilo, Hawaii 96720				
POSTAGE			\$ 41	
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE		80 ¢	
	OPTIONAL SERVICES	SPECIAL DELIVERY	¢	
		RESTRICTED DELIVERY	¢	
		RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED	45 ¢
			SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
			SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
	SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		¢	
TOTAL POSTAGE AND FEES			\$ 1.66	
POSTMARK OR DATE				
				



**STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE,  
CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)**

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, **leaving the receipt attached**, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, affix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse **RESTRICTED DELIVERY** on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

- **SENDER:** Complete items 1, 2, and 3.  
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).

- ☒ Show to whom and date delivered. . . . . ¢  
☐ Show to whom, date, and address of delivery. . . . . ¢  
☐ **RESTRICTED DELIVERY**  
 Show to whom and date delivered. . . . . ¢  
☐ **RESTRICTED DELIVERY.**  
 Show to whom, date, and address of delivery. \$ \_\_\_\_  
 (CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**

Rex Y. Matsuno

3. **ARTICLE DESCRIPTION:**

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	179492	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

4.

DATE OF DELIVERY

**JUL 7 - 1978**

POSTMARK

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE:**

CLERK'S  
INITIALS



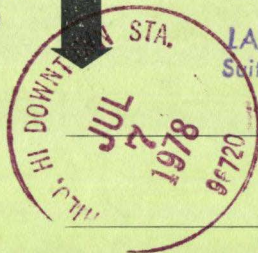
UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, and 3 on the reverse.
- Moisten gummed ends and attach to front of article if space permits. Otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN  
TO



PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300



State of Hawaii  
LAND USE COMMISSION  
Suite 1795, Pacific Trade Center  
190 South King Street  
Honolulu, Hawaii 96813

(Name of Sender)

(Street or P.O. Box)

(City, State, and ZIP Code)



STATE OF HAWAII  
LAND USE COMMISSION

Minutes of Meeting

Senate Conference Room 5  
State Capitol  
Honolulu, Hawaii

Approved  
JUL 18 1978

May 11, 1978 - 10:00 a.m.

COMMISSIONERS PRESENT: Charles Duke, Chairman  
Shinichi Nakagawa, Vice Chairman  
James Carras  
Colette Machado  
Shinsei Miyasato  
Edward Yanai  
George Pascua  
Carol Whitesell

COMMISSIONER ABSENT: Mitsuo Oura

STAFF PRESENT: Gordan Furutani, Executive Officer  
Daniel Yasui, Planner  
Allan Kawada, Deputy Attorney General  
Dora Horikawa, Clerk Reporter  
  
Ray Russell, Court Reporter

ELECTION OF OFFICERS

Upon motion by Commissioner Pascua, seconded by Commissioner Miyasato, it was unanimously agreed to rearrange the order of the agenda to consider the election of officers as the first item.

Acting Chairman Duke relinquished the Chair to the Executive Officer, who called for nominations for the office of Chairman.

Commissioner Machado nominated Vice Chairman Duke for the office of Chairman of the Land Use Commission. Since there were no other nominations, Vice Chairman Duke was elected Chairman.

Chairman Duke opened the floor for nominations for the office of Vice Chairman.

Commissioner Whitesell nominated Commissioner Nakagawa for the office. Commissioner Nakagawa nominated Commissioner Carras; however, Commissioner Carras declined the nomination. Commissioner Pascua moved to close the nominations, which was seconded by Commissioner Machado and carried.

Chairman Duke declared that Commissioner Nakagawa was unanimously elected as Vice Chairman of the Commission.



Commissioner Carras moved to approve the Special Permit, which was seconded by Commissioner Pascua and carried.

✓ SP78-298 - SUISAN COMPANY, LIMITED

SPECIAL PERMIT TO ALLOW THE ESTABLISHMENT OF A FRUIT PROCESSING PLANT WITH RETAIL SALES FACILITIES AT PANAEWA FARM LOTS, WAIAKEA, SOUTH HILO, HAWAII

Mr. Yasui reported on the significant aspects of the proposed use being requested under this Special Permit.

Discussion centered around the time period for the effective date of the Special Permit and the completion of the structures.

Commissioner Carras moved that the Special Permit be approved, subject to the conditions imposed by the Hawaii County Planning Commission. It was seconded by Commissioner Whitesell and the motion was carried.

2:00 p.m.

#### ADOPTION OF MINUTES

The minutes of January 17, 1978, January 18, 1978 and January 19, 1978 were approved as circulated.

#### MEETING SCHEDULE

The tentative meeting schedule was discussed. It was agreed that the next meeting of the Commission will be held on Kauai on May 25, 1978.



STATE OF HAWAII  
LAND USE COMMISSION

VOTE RECORD

ITEM SP78-298  
Suisan Company, Limited

DATE May 11, 1978

PLACE Senate Conf. Rm. 5  
State Capitol

TIME 10:00 a.m.

NAME	YES	NO	ABSTAIN	ABSENT
MIYASATO, SHINSEI	X			
PASCUA, GEORGE R.	X			
MACHADO, COLETTE	X			
YANAI, EDWARD	X			
<del>OURA, MITSUO</del>				
W CARRAS, JAMES	X			
NAKAGAWA, SHINICHI	X			
S WHITESELL, CAROL	X			
DUKE, CHARLES	X			

Comments:

I move that we approve the Special Permit, subject to the conditions imposed by the Hawaii County Planning Commission.



STATE OF HAWAII  
LAND USE COMMISSION

MEMORANDUM

TO: Land Use Commission DATE: May 11, 1978  
FROM: Staff  
SUBJECT: SP78-298 - Suisan Company, Ltd.

The petitioner, Suisan Company, Ltd., is requesting a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii, Tax Map Key 2-4-49: 21 and 22. The subject property is located along the northeast side of Kealakai Street, approximately .6 mile from the Stainback Highway (see attached County Exhibit A-6).

The petitioner proposes to construct three (3) single story structures to house fruit processing (14,400 square feet), freezer/cooler storage (31,000 square feet), and office/retail (10,800 square feet) uses. Plans for off-street parking and landscaping have also been submitted to the Hawaii Planning Department for the proposed facility (see attached County Exhibit A-2).

The subject 2.8 acre property is a portion of two (2) adjoining lots comprising approximately 20.48 acres that the petitioner intends to lease from the State of Hawaii. The remaining acreage of the two (2) parcels is to be utilized for the cultivation of lilikoi and guava.

In a letter dated December 8, 1977, to the Hawaii County Planning Director, the State Land Management Administrator of the Department of Land and Natural Resources stated that:

"By this letter, we are authorizing the Suisan Company, Limited, to sign as applicant for the Special Use Permit. We would like to point out, however, that this by no means implies that Suisan Company, Ltd., will have any preference to the proposed lease of the property, as the lease must be offered at public auction."



An environmental assessment has been completed for the proposed project. The assessment concluded that the proposed use will not result in any significant environmental impact, thus a Negative Declaration has been filed.

In describing the proposed project the applicant has stated the following:

"The principal uses of the premises for our diversified business will be:

- "1. A tropical fruit processing plant with at least 3 lines for producing guava and papaya puree, and passion fruit juice.
- "2. A jams, jellies, and preserves manufacturing and packing plant.
- "3. Refrigerated rooms which will house fresh fruits, quick freeze puree and juices, store and hold all types of frozen merchandise for inventory.
- "4. Fruit buying and sorting areas.
- "5. Parking areas.
- "6. Visitor center.
- "7. General offices.

"To maintain a healthy and progressive program in a business such as ours, it is of utmost importance that all of our operations be centrally located. This includes our fruit processing, manufacturing, wholesaling, and retailing, except our fresh fish enterprise.

"In support of the maximum use of our projected investment, we feel the following should be given serious consideration:

- "1. It is 15 years since we first started our guava puree business. Over the years we gained considerable knowledge and experience in fruit processing, packaging, and storing. We have established a gainful trade to a point where we have expanded to processing of other Hawaiian fruits as passion fruit and papaya. We are confident that the market for processed products of these Hawaiian fruits will gain in popularity and demand both on the Mainland and the Orient, especially in Japan.

- "2. Of the 3 fruits we process, other than papaya, guavas and passion fruits are seasonal with two crops each year. Even though papayas are available year-round, this crop also has its periods of peak and low productions.
- "3. Thus far, the best method of preserving and shipping high quality guava and papaya puree, and passion fruit juice is by freezing. Our operations presently freezes these products in bulk packages, 30 pounds or more per package. We plan to continue this type of operation. During peak fruit season, processing must be accomplished quickly in large volume to accommodate farmer's harvesting and to avoid spoilage. Therefore, allowance for adequate refrigeration space (chill, quick freeze, storage) is most essential.
- "4. Experience has proven to us that to achieve a profitable return on investment in freezers (this includes chill, quick freeze, and storage) maximum use of such facilities must be maintained at all times. This means that because of the seasonal nature of the 3 fruits mentioned, it would be impractical for us to operate and maintain a refrigeration system solely for our fruit processing operations. This will not achieve the desired results on even part of our investments. It should be noted here that the largest portion of what investments we plan to expend in our projections will be in refrigeration facilities.
- "5. In order to attain the maximum use of the facilities mentioned in item 4 and to achieve our objectives, it is imperative that our non-agricultural commercial-industrial operations be included in the entire complex at the intended site. Furthermore, overall efficiency and coordination can be better maintained through this centralized system.

"If possession of the premises becomes a reality, we will program our capital improvements in increments with priorities given to the most important projects. We thank you for your assistance, and shall be pleased to answer any questions concerning the contents of this letter."

In support of the request, the petitioner has in part stated the following:



- "1. Since the adoption of the district boundary regulations, there has been increasing concern throughout the State with respect to the need to expand our diversified agriculture base. Particularly with problems facing our primary agricultural industries, there is a need to seek other viable alternatives to utilize our valuable agricultural land resources and promote agricultural development in the State.

In recent years, there has been growing interest, both in the public and private sectors, in the possibilities of expanding the export potentials of the local fruit industry. Presently the State is in the process of forming an agricultural organization specifically for the purposes of promoting the local fruit industry.

We have already seen the development of major fruit orchards and processing facilities in Kahuku, Oahu. Similar facilities are being planned for Kilauea, Kauai.

The proposed use, would provide a similar processing facility for the island of Hawaii. Presently there are a few local processors, operating on a small scale. However, in order for the industry to expand into one that can compete in national and international markets, large modern facilities, and adequate room for expansion are an economic necessity.

- "2. The proposed use would not be contrary to the objectives sought to be accomplished by the Land Use Law and Regulations. The Land Use Law and Regulations are intended to preserve, protect, and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people in the State of Hawaii.

The proposed use would directly support these objectives in terms of the proposed orchard activities, and in terms of providing a processing facility which will provide an important support function to the orchard use, as well as other orchard uses throughout the County.

Furthermore, the proposed use would be in direct support of State policies to promote the diversified agriculture industry, promote economic growth in the Neighbor Islands, and promote developing

industries with large employment potentials.

The proposed use would also promote the County of Hawaii General Plan policies by assisting the expansion of the agricultural industry, particularly diversified agriculture, and by aiding diversification of the economy by strengthening an existing industry.

The proposed use would be in accordance with the General Plan recommended course of action to encourage manufacturing operations which utilize local raw products.

- "3. Major portions of the proposed use, including the orchards, and proposed storage and processing facilities are directly related to agricultural activities. If the processed products were to be solely grown on the premises, a Special Use Permit would not have been required for these uses.

It should also be pointed out that the proposed visitor facilities, wholesale, retail, and office facilities will facilitate and complement the proposed agricultural operations. Furthermore, consolidated facilities are essential to the economic viability of the proposed operations.

- "4. The proposed use will not adversely affect the surrounding properties and land uses. Surrounding lands are either vacant and undeveloped or in agricultural type uses.
- "5. The proposed use will not substantially alter or change the essential character of the land and the present use. On the contrary, the proposed facilities will promote the further development of agriculture throughout the County by providing a facility to process and market locally grown fruits and other products.
- "6. The proposed use will not unreasonably burden public agencies in the provision of public utilities and facilities. All essential services and facilities required for the proposed use are available to the subject site. Water is available. Existing roadways are adequate. Waste disposal can be handled by the use of cesspools. Existing drainages are adequate to accommodate any additional runoff to be generated from the proposed use."



The County of Hawaii's General Plan Land Use Pattern Allocation Guide Map designates the subject area as Orchard. The property is also within the Hilo Community Development Plan Zone Guide Map Agricultural - 10 acre (A-10a) designation. The property is presently zoned Agricultural - 10 acres.

The U. S. Department of Agriculture, Soil Conservation Service, Soil Survey shows the subject property to be composed of two soil series. Roughly two-thirds (2/3) of the property is in the Keaukaha series and is described as Keaukaha extremely rocky muck, 6 to 20 percent slopes. This soil is undulating to rolling. Rock outcrops occupy about 25 percent of the area. The surface layer is about 8 inches thick and is underlain by pahoehoe lava. The soil is strongly acid. The soil above the lava is rapidly permeable. The pahoehoe lava is slowly permeable but the water moves rapidly through the cracks. Runoff is medium and the erosion hazard is slight.

The remainder of the property has Papai extremely stony muck, 3 to 25 percent slopes. This soil is similar to the Keaukaha soil described above except that it is underlain by Aa lava. Permeability is rapid and runoff is slow.

Upon review of the subject request the U.S.D.A. Soil Conservation Service stated, in part, that "...these soils have lava at 10 inches or less, and a qualified soils engineer should assist in the design of foundations for buildings. The limitation for septic tanks or filter fields for both soils is severe due to lava at shallow depths."

The Land Study Bureau's overall master productivity soil rating for agricultural use is Class "E" or Very Poor for the subject property. The subject site is not classified as Agricultural Lands of Importance to the State of Hawaii by the State Department of Agriculture.

The subject property is vacant of any structures and is currently overgrown with ohia, tree ferns, various shrubs, vines and grasses. Rainfall averages approximately 150 inches annually.

Most of the area immediately surrounding the subject property are similarly undeveloped. The Hale Nani Police Academy and some nursery operations are situated in the near vicinity.

#### Pertinent comments from governmental agencies:

##### 1. Department of Water Supply

The County Department of Water Supply noted that water for the proposed development is available from the 8-inch waterline along Kealakai Street.

## 2. Department of Public Works

The County Department of Public Works noted that the existing frontage road is County maintained with 18' wide pavement width in good condition.

## 3. Department of Health

The State Department of Health noted the following:

"Following are the environmental health concerns and reference public health regulations:

"1. Sewage

Chapter 38, 'Sewage treatment and Disposal System.'

"2. Food Manufacturing

Chapter 1-A, 'Food Service and Food Establishment Sanitation Code.'

"3. Air Conditioning and Mechanical Ventillation

Chapter 28, 'Air Conditioning and Ventillating.'"

Other cooperating agencies, including the Police Department, Department of Research and Development, and State Department of Agriculture had no objections to the subject permit request.

At the public hearing held by the Hawaii County Planning Commission on February 23, 1978, a representative of the petitioner provided testimony in support of the request. Discussion by the Planning Commission focused primarily upon the nature and timing of the proposed use. No other persons besides the applicant provided testimony with regard to the Special Permit. It was moved by the Planning Commission that the public hearing be continued for the purpose of inspecting the existing facility and obtaining further information concerning the proposed use.

The public hearing was continued by the Hawaii County Planning Commission on March 22, 1978. At that time, a representative of the petitioner was again present to provide clarification regarding the Special Permit. Under public testimony, Mr. Tom Matsumoto expressed concern regarding the disposal of wastes materials from the proposed processing plant. The Commission Chairman informed Mr. Matsumoto that the petitioner would be required to seek sanitary means for the disposal of plant wastes. Also under public testimony, Ms. Linda Dela Cruz, President of the Hawaii Guava Producers Association, spoke in favor of the proposal, as it would improve guava and other fruit processing capabilities in the Hilo area. No other persons spoke with



regard to the Special Permit. For the Commission's information, the hearing transcript for February 23, 1978, and March 22, 1978 have been attached.

On April 13, 1978, the Planning Commission voted to recommend approval of the Special Permit to the Land Use Commission based on the following findings:

- "1. That the proposed use will not be contrary to the objectives sought to be accomplished by the State Land Use Law and Regulations. The intent of these statutory provisions is to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people of Hawaii. In the case of the Agricultural District, the intent is to preserve lands of high agricultural potential for agricultural uses. The purpose of the subject request is to allow the establishment of a processing plant for fruits such as guava and lilikoi. The proposed use would directly support regional agricultural activities, in this particular case orchard crops. The proposed use is intended to service farmers in the area by buying, processing and marketing their products. An integral aspect of agriculture is the distribution of the product from the grower to the consumer. The proposed use would provide this essential link. As such, it will benefit the overall agricultural use of other lands in the region and will further the objectives of the Land Use Law and Regulations.

Further, the subject property is classified as 'E' or very poor by the Land Study Bureau and is not considered by the Department of Agriculture as lands of agricultural importance to the State of Hawaii. The use of such lands for supportive agricultural facilities in an accessible area will not increase pressures to convert lands with high agricultural potential to non-agricultural uses. In addition, the petitioner intends to utilize the remainder of the parcel for fruit orchards.

- "2. That the proposed use will further the State and the County's policy of encouraging and supporting agricultural activities, inasmuch as it is an essential agricultural support facility. Approval of the subject request will also directly implement the County General Plan. The General

Plan Economic Element explicitly states that the County shall assist the expansion of the agricultural industry, especially diversified agriculture. The Economic Element also calls for the diversification of the County's economy. The establishment of the fruit processing plant is in concert with these General Plan policies in that it would provide essential support services for one form of diversified agriculture.

It should also be pointed out that an increasing amount of land is being put into fruit orchard and that there is a need for a processing facility for the fruit growers. In addition to those cultivating fruits, there are also persons gathering wild fruit and contributing to the quantity of processable fruit.

- "3. That although there will be come alteration of the existing character of the land, such alteration is not expected to adversely affect surrounding properties. The subject property is currently vacant.

Surrounding lands are primarily used for agriculture. Adverse effects from the proposed use will be mitigated through existing rules, regulations and requirements. In addition, the petitioner intends to utilize a portion of the adjacent area for orchard.

- "4. That the proposed use will not unreasonably burden public agencies to provide facilities and services. All essential services and facilities are available to the subject site. In addition, approval of the subject request would allow the petitioner to relocate portion of an existing facility from an area which is now heavily congested. Relocation of the existing facility to the area under consideration will not involve the provision of addition services than are now needed."

For the Commission's information, the minutes of the April 13, 1978 have been attached (County Exhibit CC).

The favorable recommendation was subject to the following conditions:



- "1. That the effective date of the Special Permit shall be upon approval of the Board of Land and Natural Resources to lease the subject area, but in no event not more than 3 years from the SLUC's action.
- "2. That the use of the subject area shall be limited to the processing of fruits and the sale of products processed on the premises. Office use within the proposed facility shall be ancillary to the fruit processing activities.
- "3. That the petitioner or its authorized representative shall submit plans to the Planning Department for preliminary plan approval within one (1) year from the effective date of the Special Permit.
- "4. That construction of the proposed facilities shall commence within one (1) year from the receipt of final plan approval and shall be completed within two (2) years thereafter.
- "5. That the petitioner shall submit a metes and bounds description of the 2.8+ acre area to the Planning Department prior to the receipt of final plan approval.
- "6. That all other applicable rules and regulations, including those of the Department of Health, shall be complied with."

It was further stated by the Planning Commission that:  
"Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void."



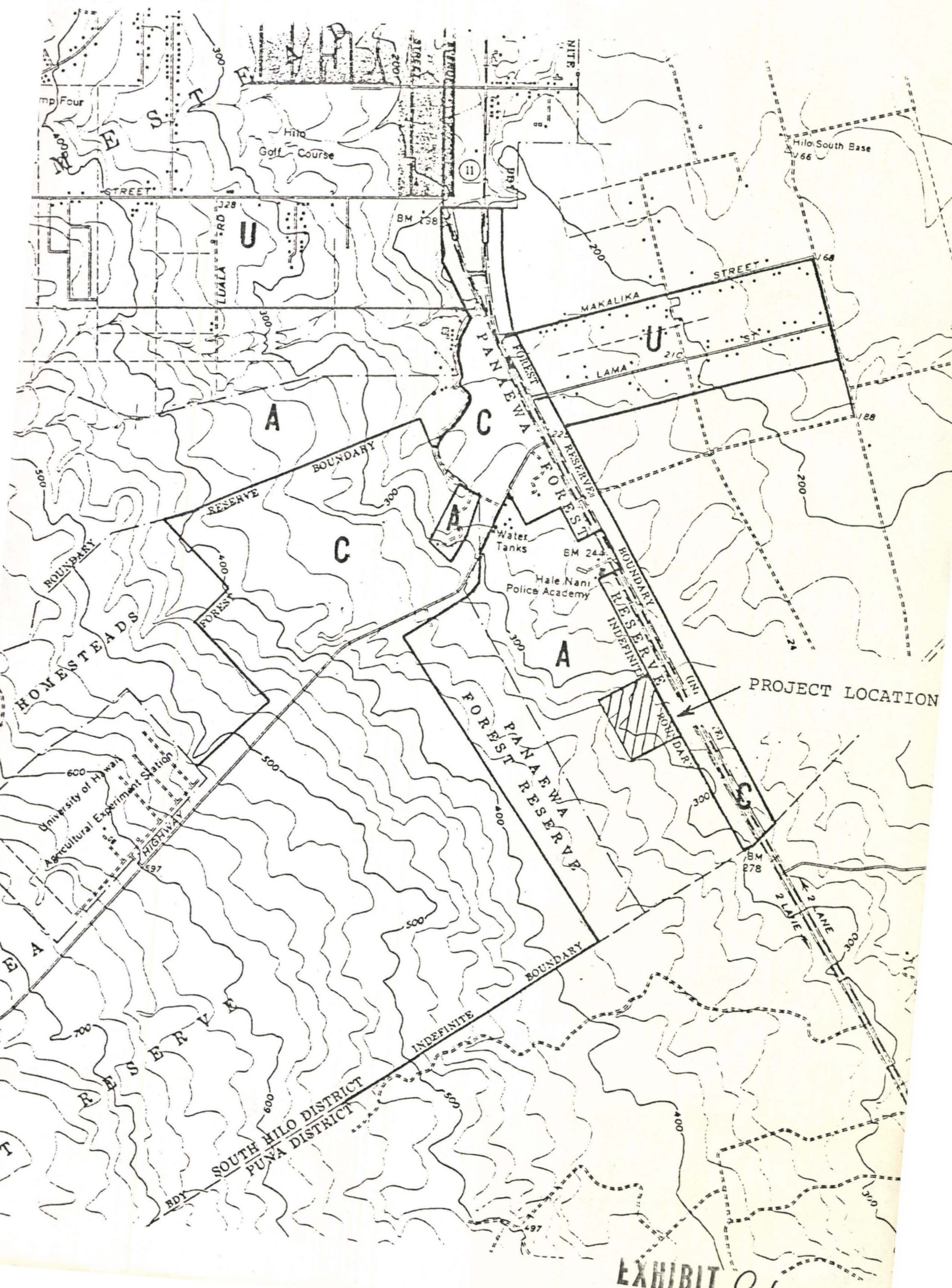


EXHIBIT A-6



TO  
HILLO ←

VOLCANO ROAD

→ TO  
VOLCANO

FOREST RESERVE

460.00

⑦

LILIKOI (PASSION FRUIT) FARM  
7.0 ACRES

460.00

⑧

FARM  
ACRES

GUAVA  
10.243

QUAVA  
&  
LILIKOI  
PROCESSING  
7,200 SQ. FT.

PAPAYA  
PROCESSING  
7,200 SQ. FT.

FREEZER  
9,600 SQ. FT.

COOLER FOR  
FINISH PRODUCT  
9,600 SQ. FT.

COOLER FOR  
RAW MATERIALS  
6,000 SQ. FT.

DRY STORAGE  
6,000 SQ. FT.

OFFICE 5,400  
RETAIL 5,400

PARKING

PARKING

PARKING

LANDSCAPE PLANTING STRIP

20 FT. PLANTING STRIP

30' SERVICE ROAD

20 FT. PLANTING STRIP

KEHLAKAI STREET

50 FT. GOVERNMENT ROAD

Attachment 2

EXHIBIT A-2

PLANNING COMMISSION

Planning Department  
County of Hawaii

HEARING TRANSCRIPT  
February 23, 1978

A regularly advertised public hearing, on the application of Suisan Company, Ltd., was called to order at 3:59 p.m. in the Councilroom, County Building, South Hilo, Hawaii, by Chairman William F. Mielcke.

PRESENT: William F. Mielcke  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
William J. Paris, Jr.  
Charles Sakamoto

Duane Kanuha, Deputy Planning Director  
Norman Hayashi, Planner  
Ilima Piianaia, Planner  
Keith Kato, Planner

ABSENT: Shigeru Fujimoto  
J. Walsh Hanley

Quirino Antonio,  
representing Ex-  
officio Member  
Akira Fujimoto  
David Murakami,  
representing Ex-  
officio Member  
Edward Harada  
Corporation Counsel

and about 6 people in attendance

CHAIRMAN: We'll proceed with our agenda, Item Number 4. Public hearing on the application of Suisan Company, Ltd., for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>1</sup>/<sub>2</sub> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22. Staff?

KATO: (Presented background information on file.)

CHAIRMAN: Thank you, Keith, Would you clarify on the first page on the bottom, there is a quote, "By this letter, we are authorizing the Suisan Company, Limited, to sign as applicant for the Special Use Permit. We would like to point out, however, that this by no means implies that Suisan Company, Limited, will have any preference to the proposed lease of the property, as the lease must be offered at public auction." In other words, they have authorization to go ahead and pursue the application, but there's no assurance that they're actually going to get the parcel, property?

KATO: That's correct.

EXHIBIT 0



CHAIRMAN: Okay, Commissioners, any questions of the -.

MURAKAMI: Mr. Chairman?

CHAIRMAN: Yes, Commissioner Murakami.

MURAKAMI: Keith, can you tell me, you know, why this property is classed as Agricultural Class E.

HAYASHI: Mr. Chairman, perhaps I can answer that question. As far as the classification E or very poor, that's determined by the Land Study Bureau which is now a defunct agency of the State.

CHAIRMAN: Thank you. Commissioners, any further questions of the staff? I'd like to at this time call the applicant or a representative of the applicant forward. I'll swear you in please. Will you raise your right hand. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

UMAMOTO: I do.

CHAIRMAN: Will you please be seated and state your name into the microphone.

UMAMOTO: My names is Charles Umamoto. I'm representing Suisan Company.

CHAIRMAN: Thank you, Mr. Umamoto. The question that I think I raised originally is that you have authorization to go ahead and proceed with the Special Use Permit, however it is understood that you will not have any preference in the proposed lease of the property and that the property is going to be leased at public auction?

UMAMOTO: Yes.

CHAIRMAN: Thank you. Any comments that you would like to make concerning the background report on the application.

UMAMOTO: I'd like to add several things. First of all, Suisan Company, as was stated, has been in the food processing business for probably 15, 16 years. At our present operation facility which is about 2 acres, we find it extremely difficult to operate within that 2 acres. In fact, last year the FDS came in and really wrote us up for a sizeable amount to make improvements there; and because of the relative closeness to the airport runway, there are several restrictions as far as building of a new, putting up a new building. So we are presently looking for new areas. And tonight I'll be here also to represent Suisan for the variance on the Kumau Street property which we are thinking about investing \$400,000 in a freezer on the Kumau Street property there.

But this year, this coming year, we have 400 acres of guava that private farmers are going to be harvesting and we find it that if the trend keeps up where people are going to start growing more



guava, lilikoi, and papaya, we have to have the area to process these fruits. I'm also working with the County Research and Development on a short-term basis. We're looking at an area probably in the old Inter-island airport as a place to receive and sort guavas and papayas and lilikoi because we can't do that at our present site. It's too congested. That's about it.

CHAIRMAN: Thank you, Mr. Umamoto. Members of the Commission, do you have any questions of the representative of the applicant?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: Mr. Umamoto, right now where are you folks located at, at the old Koksui Building?

UMAMOTO: Yes, at 1965 Kam Avenue, down along the airport runway, next to Ebesuzaki's.

CHAIRMAN: Right next to the runway.

MURAKAMI: I see. What's the square area you are using at present?

UMAMOTO: I believe it's about a little over 2 acres.

MURAKAMI: Over 2 acres. I'm talking about the building where you're processing these foods, the area. You're using the full 2 acres.

UMAMOTO: No, no. We're using about, now you have to understand that we have a frozen food operation there and also in the same area we have a jams and jellies processing plant and a puree processing plant. As far as the fruit processing, we have about or we use about half the area.

MURAKAMI: Thank you.

CHAIRMAN: Members of the Commission, any further questions of the applicant? Commissioner Paris?

PARIS: In other words, this new area is going to be strictly for your food processing area, not those other facilities? I'm just thinking you said 2 acres is not enough and this is 2.8 acres, so this is not much of an increase, but you won't have the height limitations out there, I guess?

UMAMOTO: In Panaewa, yes.

CHAIRMAN: Thank you. Staff, did you have any questions?

HAYASHI: Mr. Chairman, I have several questions, and I'll go one by one.

First of all, according to your application, you'll have a visitors center. What is proposed within the visitors center and where will it be situated? I don't see it on the map there.



CHAIRMAN: Mr. Umamoto, if you'd like to go up to the map, it's all right.

UMAMOTO: It would be located here. A portion of this building would be for our office use and another portion for the retail.

HAYASHI: Okay, the next question is, also in your application you stated that you'll have general offices, can you sort of clarify that? Will that be directly related only to the activity on the property?

UMAMOTO: Just by saying general offices would be related to whatever operation we have on the property, yes.

HAYASHI: So you don't intend to have a doctor's office or anything else like that?

UMAMOTO: No, no.

HAYASHI: Okay, also in your application you said that you'll have retail and wholesale activities, would these activities be only for those products produced or processed on the premise?

UMAMOTO: Well, if, when we're talking about wholesaling, again, it depends largely on, wait a minute. Norman, could you repeat the question.

HAYASHI: Okay, in other words, your commercial activity there, would it be only for those products which are processed on the premise or would you be getting or selling fish or something else from that property?

UMAMOTO: Well, as stated in the report that the staff gave, we find that with the freezer operation, because the tropical fruits, because it's a seasonal thing, to make the investment pay for itself, we will have to probably later on, bring in our frozen foods operation there. We don't know yet.

HAYASHI: So that goes to my next question where in your application, you say store and hold all types of frozen merchandise for inventory, that means under this particular application, do you intend to eventually sell frozen foods like shrimps or whatever?

UMAMOTO: I believe so, yes.

HAYASHI: So that's part of your application here today?

UMAMOTO: Yes.

HAYASHI: Okay, the next question is, you said that you'll be using the remaining area for guava and lilikoi farming, do you have any timetable as to when you'll go into planting?

UMAMOTO: As far as planting goes, if we can get the bid at the auction, then I would say within six months or so.



HAYASHI: That's all I have, thank you.

CHAIRMAN: Thank you, Mr. Hayashi. Commissioners?

MURAKAMI: Yes, I'd like to further the question as far as the frozen foods. I know you folks have a variance on Waiakea for storage, what is that storage going to be? They had said storage but they didn't say specifically what the storage was for, so now you mention you're going to use this area for frozen storage.

UMAMOTO: Well, first of all I'd like to say that the Company's immediate goal is to put up a cold storage at Kumau Street. The reason for this, we find that we have to put up a cold storage to take care of the summer fruits that are coming in. Now, when the puree is processed, it has to be frozen. Our inventory has to be frozen and this year, we're projecting, as far as guava goes, about 2 1/2 million pounds of finished product. And in the past, what we've been doing is that we can't keep up with the demands, so we've been processing the fruits, freezing the fruits, and shipping it out. Also, the freezer on Kumau Street will be used for the frozen, a portion will be used for frozen foods because we have to overhaul some of the freezers we have on our present site.

MURAKAMI: But now you're claiming that because when you process puree at this present facility, it's not enough because you say you have to freeze it after the finished product, with this building you're suppose to be able to store enough, right?

UMAMOTO: With the Kumau Street one?

MURAKAMI: We're talking about the processed product, finished product.

UMAMOTO: Yes, you know, first of all this Panaewa thing is a long-range planning for the company. We've been looking for industrial areas within Hilo and find it extremely difficult to get, basically because Hawaiian Homes owns most of the land there which is zoned industrial; and working with agricultural products as most of you know, that we're working with an item which brings in very small profits. For instance, we may purchase the guava at 9 cents a pound, we process the fruit, we get 60 percent return on the fruit and we sell it for 19 cents a pound. So as you can see, working with agricultural products, you're talking about a large investment and small return. Therefore, we can't afford to go into Hawaiian Homes' lands because basically the rental is too high.

MURAKAMI: But primarily you're coming for this Special Permit for processing and storage and freezing or cooling of the finished product, right?

UMAMOTO: Yes.

MURAKAMI: Okay.

CHAIRMAN: Okay, thank you, Commissioner Murakami.

JITCHAKU: Just one comment, Mr. Chairman?



CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Charles, then we're talking about your long-range plans for the company and your expanding it, you're essentially looking for phasing out of your present facilities then, near the airport because of its condition?

UMAMOTO: Yes, because of its conditions, really because as we found that the building is being held up by termites holding their hands together and the minute they start releasing, that thing is going to start collapsing. But at that present site, even if we were to tear down the old building, it would not be economical for us to rebuild there because of the certain requirements.

CHAIRMAN: Okay, thank you. Any further questions?

KANUHA: Mr. Chairman?

CHAIRMAN: Yes, Deputy Director.

KANUHA: Charlie, I had a couple of questions that were somewhat along the line of what Commissioner Jitchaku had previously hinted at and perhaps as a matter of information, would you be able to tell the Commission at this time what the advantages from a business standpoint would be to locating a facility such as you're applying for at this distance away from the commercial or industrial hub of the City of Hilo?

UMAMOTO: Well, first of all, like I said before, if you, the County or whoever could find us land closer to our present operational site, we'd be very happy to consider the thing. But again, like I explained, we can't afford the type of lease that Hawaiian Homes is going to ask for. As far as the operations, hauling our products from the wharf to Panaewa, we find that as far as the PUC rate goes, it's the same as our present facility now.

KANUHA: By the way you responded to that particular question, I'm assuming that you folks have looked at other alternative sites before finally selecting on this particular site, is that correct?

UMAMOTO: Yes, basically because we tried looking and we can't find an area which fits our total needs. By this I mean that if the Company is going to invest such a large sum into moving this operation we can't be moving it, taking a chance that we might move to an area which we find out 10, 15 years from now it's too small.

KANUHA: Okay, Charlie, the last question that I had was what kind of time frame are you talking about as far as the operations that you are presently proposing. In other words, would it be reasonable to assume that at some point in the future, if this particular operation, if it's approved, is very successful, would there be or are you contemplating future expansion at this particular site?

UMAMOTO: Expansion, what do you mean by expansion, more than the 2.8 acres that we're asking for?



KANUHA: Both in the produce, the lilikoi and the guava and the structural kinds of improvements.

UMAMOTO: Well, as much as possible, we would rather have farmers grow the fruits. The main reason we're asking for so many acres to grow our own agricultural products is that the farmers now aren't getting into growing lilikoi; and being that lilikoi is a fruit that blends well with other type of drinks, we're getting so much orders in that we have to seek an area to plant this ourselves. But as far as expansion on the processing and by all means if the business progresses like we are projecting, by all means maybe 5 years after, 10 years, we won't know.

KANUHA: Okay, thank you, Mr. Chairman.

CHAIRMAN: Thank you. Commissioners, any further questions or staff? Mr. Umamoto, this is a public hearing, I'll ask you to take a seat in the audience and we will invite anyone from the audience who would like to testify either for or against, or would like to comment on this application to please indicate so by raising their hand. No?

Okay, Members of the Commission, this is a request for a Special Permit. The Commission's role in this is advisory or adjudicatory. Our duties are to conduct the public hearing which, of course, will afford the Commission to receive information from the staff and from the petitioner. We take public testimonies, but there was no public testimony today. Our voting will be, this afternoon, either to continue the public hearing or to close the public hearing. If the public hearing is closed, well, we cannot take any action on this application for 15 days. What is your pleasure?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: I move for continuing the public hearing, that we go on a field trip and see the plant so that we know more or less what we are deciding on, you know, whether to send a favorable recommendation on the Special Permit or not. I have doubts in my mind as far as the processing plant.

CHAIRMAN: It has been moved by Commissioner Murakami that we continue the public hearing to allow time for a field trip to the area. Is there a second to that motion?

MURAKAMI: Mr. Chairman, when I say area, I'm not speaking in terms of the proposed area, the existing processing plant.

CHAIRMAN: To the existing processing plant, I'm sorry, I misunderstood you.

JITCHAKU: I have a question.

CHAIRMAN: Question.



JITCHAKU: I'm just wondering, if we do close the public hearing, we still can go to the site and I recollect we may be able to discuss this particular application if it pertains to, anything pertaining to it at the next meeting. So I was just wondering if you still want to defer the meeting, Commissioner Murakami.

MURAKAMI: Yes, but the point I'm asking is that if you close the public hearing, we cannot ask questions after the, because you cannot take any testimony right?

CHAIRMAN: Yes, for clarification, once the public hearing is closed, we will only clarify any testimony that has been given here today thus far, and any point of clarification concerning the application.

There is a motion to continue the public hearing. Is there a second on the motion to continue the public hearing?

SAKAMOTO: I second the motion, Mr. Chairman.

CHAIRMAN: It has been moved by Commissioner Murakami and seconded by Commissioner Sakamoto that we continue the public hearing for the purpose of one making a field trip to the existing operation, is that correct, Commissioner Murakami?

MURAKAMI: Yes.

CHAIRMAN: And to afford the Commission an opportunity to obtain further information concerning the application.

PIIANAIA: Is there a date? Are you talking about continuing it to the next Hilo meeting?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: Yes, okay, set the time for the next Hilo meeting.

CHAIRMAN: All right, for the clarification on the motion, Commissioner Murakami is moving that we continue the public hearing to our next scheduled Hilo meeting for the purpose of inspecting the existing facility and obtaining further information concerning this application for a Special Permit. Commissioner Sakamoto, is that your understanding on your second?

SAKAMOTO: Yes.

HAYASHI: Mr. Chairman, I have one question of the applicant at this time. Charlie?

CHAIRMAN: Mr. Umamoto, would you come forward please.

HAYASHI: Has the date of the auction been set?

JITCHAKU: I was going to ask that question to the staff.

UMAMOTO: As far as the date of the auction, that would be determined by Planning -.

HAYASHI: It would be after a decision has been made by this body and subsequently the State Land Use Commission?

UMAMOTO: Yes.

CHAIRMAN: Okay, for clarification purposes, the question had to do with the date. Okay, did you all understand the question Mr. Hayashi questioned and the response?

All right, there is a motion on the floor -.

MURAKAMI: Mr. Chairman, before we take a vote, maybe you should ask the applicant if he can accommodate us.

CHAIRMAN: Mr. Umamoto, Commissioner Murakami asked if you would be willing to accommodate us by an inspection of your present facility.

UMAMOTO: All of you?

CHAIRMAN: All of us.

UMAMOTO: Yes.

CHAIRMAN: Thank you. Yes, they would Commissioner Murakami. I'd like to take a roll call vote on this.

KATO: (Took a roll call vote.)

Seven ayes, motion carries.

CHAIRMAN: Okay, Mr. Umamoto the public hearing is being continued. We will advise you accordingly, or we will request a time that will be suitable to you when the Commission can make a field trip to your existing facility and your application will come up at our next scheduled meeting in Hilo which is tentatively set for March 22nd.

PIIANAIA: I would suggest that perhaps we can try to work it into the morning of that meeting.

CHAIRMAN: Yes, I think that will be fine, Ilima. Okay, thank you Mr. Umamoto.

The Chair proceeded to the next public hearing at 4:40 p.m.

Respectfully submitted,

Sharon M. Nomura  
Secretary

A T T E S T :

  
William F. Mielcke  
Chairman, Planning Commission



PLANNING COMMISSION

Planning Department  
County of Hawaii

HEARING TRANSCRIPT  
March 22, 1978

A regularly advertised public hearing, on the application of Suisan Company, Ltd., was called to order at 7:31 p.m. in the Councilroom, County Building, South Hilo, Hawaii, by Chairman William F. Mielcke.

PRESENT: William F. Mielcke  
J. Walsh Hanley  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
William J. Paris, Jr.  
Charles H. Sakamoto

ABSENT: Shigeru Fujimoto  
  
Ex-officio Member  
Akira Fujimoto

Sidney M. Fuke, Director  
Norman Hayashi, Planner  
Ilima Piianaia, Planner  
William Moore, Planner

David Murakami, representing Ex-officio Member, Edward Harada  
Roxanna Garcia, Assistant Corporation Counsel

and about 6 people in attendance

CHAIRMAN: We'll move on to Item three on the agenda. Continuation of a public hearing on the application of Suisan Company, Ltd. for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8+ acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22. Staff, there is no need to read the background information, is there?

PIIANAIA: No, because this was just continuing the hearing to obtain additional information.

CHAIRMAN: Yes, we visited the existing building this morning and saw their operation and what they were trying to accomplish. Do you have any questions that you'd like to ask of the staff on their background report?

H. MURAKAMI: Mr. Chairman?

EXHIBIT U

CHAIRMAN: Yes, Commissioner Murakami?

H. MURAKAMI: There's one clarification. Maybe Ilima can clarify for me. When you say the 2.8 acres under consideration, and yet you have over here, "adjoining lots comprising 20.486 acres", can you give me some idea as to where this 20. so many acres came?

PIIANAIA: Okay, if you look at the presentation maps, Commissioner Murakami, you'll notice that there are two lots involved in this petition. The request is to essentially establish the requested uses on 2.8 acres of these total two lots area. The petitioner is asking to establish 7 acres of one of the parcels in lilikoi and 10.243 acres of the entire second parcel in guava.

H. MURAKAMI: Can you tell me if the two lots, they are the owners or whether that is a leased property or whether they're planning to lease or -?

PIIANAIA: No, this property is owned by the State of Hawaii and essentially they will have to bid for these lands when the State puts it up for auction. There is no guarantee that the petitioner would be able to secure these lands for the proposed use because it does have to go to public auction.

CHAIRMAN: They did have approval from the State to proceed with the applications?

PIIANAIA: Yes, yes they did.

JITCHAKU: So actually, we're really not considering the 10 acres and the 7 acres for farming because that's already -.

PIIANAIA: Yes, essentially the petition is for the 2.8 acres to cover the processing plant.

CHAIRMAN: Okay, Commissioners, any further questions of the staff? If there are no questions of the staff, I would like to invite the applicant or a representative of the applicant to come forward. I'll have to swear you in. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

UMAMOTO: Yes, I do.

CHAIRMAN: Would you please be seated and state your name into the microphone.

UMAMOTO: Charles Umamoto.

CHAIRMAN: Thank you. Mr. Umamoto, do you have anything to add to the staff's background report for the benefit of the Commission?

UMAMOTO: No, I think at this time, from last month's public hearing and this afternoon's visit by the Commissioners to our operation, we covered about everything.

CHAIRMAN: Okay, thank you, Mr. Umamoto. Commissioners, do you have any questions of the applicant's representative?



JITCHAKU: I have one question, Mr. Chairman.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Charles, recently the Commissioners approved your freezer space down at Kalaniana'ole, I'm not sure if this was brought up at the preliminary hearing, but is the Company going to retain that portion down on Kalaniana'ole where your new site, your new freezing storage space will be?

UMAMOTO: Yes, we are. Now, the problem here, I think it was brought up at last month's public hearing that Suisan's intent was far as future growth concerns, now the Kumau Street cold storage warehouse facility, we're programming that as a short-range, we need it for this coming year's fruit crop; and that's why we're going ahead and try and get it completed by August.

JITCHAKU: Oh, I stand corrected too. That was a cold storage and not a freezer. So you probably could use that for your other businesses, too, or something like that.

UMAMOTO: Right, right. But Panaewa, again, is a long-range program. Now it's not necessarily that it's going to be completed in five years. We really don't know. But we're looking for an area where we can target our future expansion, too.

JITCHAKU: Yes, another question. I was curious to see that and I understand there's a lot of farmers on the island that cultivate guavas and how many farmers do you buy your guavas from, or how many growers is there right now?

UMAMOTO: Gee, I'm really not sure. I think Mrs. Dela Cruz mentioned something to you today. I would imagine about 40 or 50 farmers who are raising cultivated guavas; in other words, not wild guavas.

JITCHAKU: So there's a lot that you probably would be able to service, but couldn't with your limited areas now that you probably couldn't purchase all the guavas that your plant could take then?

UMAMOTO: Right. There's a lot of farmers who are interested not only in raising guavas, but also lilikoi. But they really don't want to invest their money or their time to get into something like that because they realize that we cannot handle all the fruits.

JITCHAKU: Thank you.

CHAIRMAN: Commissioner Sakamoto.

SAKAMOTO: Going back to Lorraine's question, I just want to ask if this thing is okayed, how many employees? You're going to increase your employees?

UMAMOTO: Well, I think so. You know, like I said, it's a long-range plan and if it's five years from now we go ahead and move our entire operation there, the whole project might be two, three million dollars by that time. Right now, we employ about 65 employees, and I'm sure with a new facility such as this, there is going to be need for more hiring.



CHAIRMAN: Commissioner Murakami?

H. MURAKAMI: Charlie, I understand that you're going to use 2.8 acres for your facilities, the rest of the acreage, are you folks going to plant papaya or guava or something in that nature on the rest of the land in the event you folks have the thing?

UMAMOTO: In the 2.8 acres?

H. MURAKAMI: No. I'm talking about besides the 2.8 acres because we're talking about 20.486 acres. Out of the 2.8 acres is the one that you're going to put a plant on.

UMAMOTO: Right, the other 17 or 18, let me see, 22 acres, so the other 19 acres or so would be for agricultural products. When I submitted the proposal, I set aside for guavas like that but I think if we get the land we probably will stick to strictly lilikoi right now. I'm not sure yet, you see, it depends on the market.

H. MURAKAMI: But what I'm trying to find out is whether you folks are going to do the actual planting and the rest of the -.

CHAIRMAN: Are you going into the farming business?

UMAMOTO: Well, originally we had intended to do that, but right now we're trying to work out a program where we can work with some farmers, have them invest some money in this project and raise the fruits for us.

H. MURAKAMI: Okay, thank you.

CHAIRMAN: Commissioners, any further questions of -.

UMAMOTO: Mr. Chairman, may I add something?

CHAIRMAN: Surely, Mr. Umamoto, go ahead.

UMAMOTO: Pertaining to Commissioner Murakami's last question, Suisan as much as possible, does not want to go into the farming business.

H. MURAKAMI: Excuse me, maybe I should clarify myself. One is because of the fact that the property itself is considered agricultural and if you have agricultural products growing, you can put your facility over there, this is why.

CHAIRMAN: Thank you. Yes, Ms. Piianaia.

PIIANAIA: I just want to clarify once again the Special Permit, Charlie, that you're requesting, you know, when we first held this hearing, you talked about if it were approved, eventual long-range plans which might include the frozen foods division and things like that. Under this Special Permit application, you're only asking for uses related to the food products? Cause you're asking for the processing, promotion, wholesaling, and retailing of the food products. This was brought up and I'd just like to clarify it once more.



UMAMOTO: I think when we applied with the Special Permit, we were talking about wholesaling. Eventually, hopefully, we can move our entire operation up into this area and not just strictly food processing.

PIIANAIA: But under this Special Permit, you're not asking for the entire operation or are you?

UMAMOTO: Right now, for the 2.8 acres basically agriculturally. We might come in later on and pull something, but you know.

CHAIRMAN: The application, Mr. Umamoto, is to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>+</sup> acres.

UMAMOTO: Right, right. It's just strictly, in other words, it's strictly, we're asking for a Special Permit for the fruit processing. The frozen foods was brought up at the last public hearing and I don't know -.

PIIANAIA: It's just a point that we would like clarified for the record.

CHAIRMAN: Oka, so there is then no misunderstandings, your application for a Special Permit on behalf of Suisan is for the establishment of a fruit processing plant with the retail sales facilities on 2.8<sup>+</sup> acres.

UMAMOTO: Yes.

CHAIRMAN: Fine. Commissioners, any further questions of Mr. Umamoto? Mr. Umamoto, this is a continuation of a public hearing, so we will be inviting members from the audience to testify. We'd like to ask that you remain in the audience in case there's some questions that come up that we'd like to ask you to respond to.

Ladies and gentlemen, this is a public hearing on the application of Suisan, Ltd. for a Special Permit. The Chair at this time would like to invite any of you from the audience who would like to testify either for or against this application to please indicate so. Yes, the gentlemen in the blue jacket in the back row, if you'd come forward please. I'll have to swear you in. Do you swear to tell the truth and nothing but the truth on this application now before the Hawaii County Planning Commission?

MATSUMOTO: I do.

CHAIRMAN: Would you be seated and state your name into the microphone.

MATSUMOTO: My name is Tom Matsumoto. I'm a leaseholder right across the proposed area that he's talking about. First of all, I want to ask, if he's not planning to develop all 20 acres, why is he asking for 20 acres; and of the 2.7 acres of that shaded area, is he going to make the plant all at the same time and if so what he's going to do with the waste disposal materials? You know, like papaya processing plants, they have a stench. I have a residence there and want to know what his intentions are as far as taking care of all that wastes.



CHAIRMAN: Okay, Mr. Matsumoto, was that your only questions?

MATSUMOTO: Yes, that's basically it.

CHAIRMAN: Mr. Umamoto, would you care to respond to the question of how you intend to dispose of the waste now? I'll ask you to please come up to the table and speak into the microphone as we are taping the proceedings this evening.

UMAMOTO: As far as the waste disposal, we probably intend to haul away the waste as you sort of observed today unless the engineers that we're working with can come up with something else.

CHAIRMAN: Mr. Umamoto, I think in the course of our tour today, Mr. Matsuno said that you are investigating specific uses for the waste materials and uses of the by-products of the processing and that was part of your long-range plans to proceed some economic use for that.

UMAMOTO: Right.

CHAIRMAN: Okay, but you presently, you don't know what -?

UMAMOTO: No, we really don't know what we're going to do.

CHAIRMAN: ...what sites he's going to make available to you for that purpose at this time?

UMAMOTO: Right.

CHAIRMAN: Okay, Mr. Matsumoto, I have a feeling that that doesn't really fully answer your question. I think they're talking about five years from now and that there may be technological improvements to the equipment and different uses for the by-products of the processing. In the Commission's tour of the existing facilities today, Mr. Matsuno did say that that was one of their considerations and something that they were looking into. Yes, Mr. Sakamoto.

SAKAMOTO: One question for Mr. Matsumoto. I want to know where his home is located and the distance from the location of his plant.

CHAIRMAN: Mr. Matsumoto, would you come up to the map please and point out your residence and if you could tell us approximately how far you are from the site of the proposed plant?

MATSUMOTO: Yes, this is my lot here. My home is right across here. This is the right-of-way going across. See, my home situates right here. I have a big investment in this place, so I want to know what they plan to do with the wastes.

CHAIRMAN: Mr. Matsumoto, I might ask you while you're up, are you involved in agriculture?

MATSUMOTO: Yes, I have a nursery right in this area which we're developing right now. You see, I have a large investment



right across here. We're building a tissue culture lab right across here.

CHAIRMAN: You're building, I'm sorry?

MATSUMOTO: A tissue culture lab.

CHAIRMAN: Tissue culture lab.

MATSUMOTO: Yes. So I have a big investment here; and since I'm living here on the premises, I would like to know what they're going to do with the wastes because I'm going to be there seven days a week. They're going to be there five days a week.

CHAIRMAN: Yes, I can only say to you, Mr. Matsumoto, that Mr. Umamoto said that he can't tell you exactly what's going to happen five years from now and I can only reiterate what Mr. Matsuno told the Commission today is that that is a concern of theirs and they're looking at utilizing the waste in some economic ways and also they have concerns so it will not be offensive to the neighbors.

UMAMOTO: Excuse me, maybe I can clarify. Mr. Matsumoto, presently we're hauling the waste products away daily, twice a day from our present operation. I mean, it's not going to be left there overnight or for weeks.

H. MURAKAMI: In other words, Mr. Matsumoto, I think because of the fact that this involves food, I think they have to meet certain requirements of the Board of Health regulations and I don't think they would dump anything around the place.

MATSUMOTO: No, no, well, my concern basically is since I'm there seven days a week, I have to tolerate the smell or whatever that, you know, at night maybe the wind blows the other way to the people down in the lower section, you know. My concern is that, one of them. Yes.

SAKAMOTO: Mr. Matsumoto, since you said about the wind, where does the direction always come from anyway?

MATSUMOTO: Basically, during the evening it blows mountain to ocean, basically. That's during the evening now. So right now there's nothing there so we don't know; and there's nobody below here, there's somebody up above me but in the nursery business, somebody below me is also in the nursery business. So as far as within that area, there's nothing that they can complain about.

JITCHAKU: I have a question.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Tom, I hate to be naive, but what is tissue cultivation?



MATSUMOTO: You see, tissue culture is a septic means of propagating plant material. One of the areas that we have to have is we have to build a lab that has to be so-called bacteria free; and contamination is the biggest problem that we have in tissue culture. Now, if they're going to build a plant here and it's not, you know, bacteria is microscopic, it can filter to my area. If I have contamination in my investment here, I'm a small man now, so I have a big investment in here, so I can't have that contamination coming over.

JITCHAKU: Thank you. I know there's a piggery somewhere around there, is that the same area as you are or is it makai of Volcano road? Where's the Miyashiro Farm?

MATSUMOTO: Wait, I'm trying to locate myself. Okay, Miyashiro is up here, and then Ha has a chicken farm up here.

JITCHAKU: Okay, thank you.

CHAIRMAN: Yes, Commissioner Hanley.

HANLEY: I have a question for Tom. How big is your property there, Tom?

MATSUMOTO: Ten acres, 10.008, I think.

CHAIRMAN: Thank you. Okay, thank you, Mr. Matsumoto. Mr. Umamoto, if you'll again remain with us.

Ma'am, I think you raised your hand to testify. Okay, would you raise your right hand please and I'll swear you in. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

DELA CRUZ: I do.

CHAIRMAN: Would you please be seated and state your name into the microphone.

DELA CRUZ: I'm Mrs. Linda Dela Cruz. I'm president of the Hawaii Guava Producers Association. We do business with Suisan Company, where he's located now; and we've had problems of taking our fruits to his place because it is very congested. Last year when we harvested our fruits and took it to the plant, we lined up, you were there today; and if you remember where they were bulldozing the next property to Suisan, we lined up over there 25, 30 cars and waited our turns to go in and drop off our fruits. This past harvest period, it just ended about a month ago, that property was off limits to all the farmers and therefore we had to park our cars on the main highway. And that really was a hazard to all the farmers. We waited outside and going into the parking area where we drop off our fruits, we can have only two cars at a time or one car. And even to turn around in there, turn our trucks around to get the backside of our trucks facing the scales where we can drop off the fruits was very hazardous.



And we have asked the State DPED from Honolulu to come over and look over the problems at the plant because we had a hard time delivering our fruits. We had two researchers up here last year to see how they could eliminate the problem and help us. We were thinking of using the airport facilities for dropping off our fruits, but that would take such a long time.

So when Suisan came out with this plan, I think they had this plan in the making for about two, maybe more years, I'm not sure, but when we heard of this plan, we thought, gee, that was a break for us farmers.

This last harvest period, Suisan, because of his limited facilities, could not accept wild guavas; and we have wild guava pickers in our association. There is no other processing plant as of this year that would take guavas here in Hilo. So we were trying to see if we could ship our fresh fruits to Honolulu. Honolulu wants the guavas, but it's too expensive to send it over. So we just do with what we have. But come the harvest period in August of this year, September, November, we anticipate a whole lot of congestion in that area. Now I'm sure if you approve this plan at this time, it probably will not take care of us this coming harvest period, but at least we'll have some sort of help coming next year.

We now have registered members with the association, farmers that number 50 paid members that just came on board this year. Fifty paid members. We still have about another 50 to bring into the association. We're growing by leaps and bounds. This is a Statewide organization. We have all processors and manufacturers throughout the state that's in this association. The bulk of the guava puree come from here. We have the bulk of the farmers here on this island. On the island of Kauai, Kilauea Agronomics has already planted 150 acres.

I found on my trip to Honolulu that the processing plants in Honolulu are suffering the same kind of a dilemma that we have here. Our farmers are parking on the street, too, and trying to deliver their guavas. In Honolulu, they have more wild guava pickers. We have a lot here, but the wild guava pickers cannot sell their guavas now because we only have one plant that's taking guava and Suisan is far too small right now to take all the guavas. Cultivated guavas, we expect to be selling about 10 million to 15 million pounds of guavas because we now have about 450 acres in cultivation with new acres being put into guava production. We're now working with the State for 100 acres in Panaewa land, agricultural land strictly for guavas. In Panaewa alone, Hawaiian Home lands, we have at least 150 acres in production. We have many trees that are very small. In another two years, they will be bringing in their guavas.

So the point is, we want to work with Suisan, we want to sell our fruits there, but how do we do it in a small place. We need the facilities. And so, as president of the Guava Association, I'm here to give you our problems and to see if you can approve this request or make some suggestions where we can help the farmers deliver their fruits.



JITCHAKU: Mr. Chairman, I have a question for Mrs. Dela Cruz.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Mrs. Dela Cruz, are you a lilikoi farmer or guava or both?

DELA CRUZ: My husband and I are in guava. We now have 8 acres planted. We will be harvesting this coming harvest period, 6 acres.

JITCHAKU: I'm curious, what is the maturity span of a guava tree? I know like macadamia nut, it takes about 7 or 8 years.

DELA CRUZ: Guava takes three years.

JITCHAKU: Three years.

DELA CRUZ: At five years, your tree has reached its maximum maturity and then you do your pruning and everything, but you can start from three years. But from three years you start harvesting your fruit where you can get at least 200 pounds from one guava tree.

JITCHAKU: That's a lot.

DELA CRUZ: And on 1 acre, we plant 200 trees.

JITCHAKU: Thank you.

DELA CRUZ: You're welcome.

CHAIRMAN: Yes, Commissioner Sakamoto.

SAKAMOTO: I have a question for Mrs. Dela Cruz. You were talking about 50 members?

DELA CRUZ: Yes.

SAKAMOTO: How many of that are farming at Panaewa?

DELA CRUZ: Off hand, I cannot really count. I have everything on paper, but I would say there's about 10 or 15 of us which would bring about 150 acres, between 150, but I'm sure there's about 100 acres, if I counted my fingers, you'll give me that time?

CHAIRMAN: We're not going to hold you to the exact number. Mrs. Dela Cruz, do I understand that there were some of your members who are farmers that did not have an outlet for their guava this year because of the limitations on the present Suisan facilities?

DELA CRUZ: Yes, our wild guava picker members.

CHAIRMAN: Mostly your wild guava pickers.

DELA CRUZ: Yes. Suisan did not take any wild guavas at all this last harvest season.



CHAIRMAN: And some of these members, are they retired senior citizens?

DELA CRUZ: Yes.

CHAIRMAN: So that they're into this to supplement their retirement incomes?

DELA CRUZ: Yes.

CHAIRMAN: Thank you. Commissioners, any further questions?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Yes, Commissioner Murakami?

MURAKAMI: Mrs. Dela Cruz, when you folks deliver your guavas, how many trucks come at one time to the delivery plant?

DELA CRUZ: To deliver we start, in fact the main real harvest season, we've had farmers going to Suisan 2:30 in the morning and waiting until they open at 7:30 because at that time, you'll have cars parked right down the lane, 25 to 30 cars at one time. I personally have waited in that line 4 hours at one time trying to get my guavas in.

CHAIRMAN: Commissioners, any further questions that you'd like to ask Mrs. Dela Cruz concerning her testimony on behalf of the growers' association?

NAKANO: I want to ask Mr. Umamoto some questions.

CHAIRMAN: Mr. Umamoto? Oh, okay. Mrs. Dela Cruz, I want to thank you very much for your testimony tonight and to tell you that the Planning Commission's role would be to make a recommendation to the State Land Use Commission. We don't have the final approval on Special Permits.

DELA CRUZ: I see. Thank you very much.

CHAIRMAN: Thanks for coming down. Mr. Umamoto, Commissioner Nakano had some questions for you.

NAKANO: Mr. Umamoto, you said that this is a long-range program and if I did hear you right, you said that you expect to proceed with this operation about 5 years from now?

UMAMOTO: Well, it really depends on a lot of different things. Now, how much we can develop the market. We're in business to make money as you know. It depends on the market not only in this state here in Hawaii, but on the mainland and Japan. It depends on the amount of acres the farmers are going



to be growing in the future, the amount of acres they're going to be harvesting in 5 years or 3 years. It depends on the economy at that time. For all we know, 3 years from now our business might go broke, and you know -.

NAKANO: Well, Mr. Umamoto, what I'm kind of wondering about is this, the farmers say they're having a hard time delivering guavas to your place, the company talks about congestion, they want an open space, and if you're going to wait 4 or 5 years, you've got a problem. That thing is just going to keep on mounting.

UMAMOTO: We realize that, and now we're working with Yoshi Watanabe, who's in the back there, with the County Research and Development. We're trying to find areas where we could purchase the fruit away from the plant and truck it in. In other words, the farmers would drop off their fruits. We're trying to get the airport area, drop off the fruit there, we'll buy it and collect it there and put it on flatbed trucks and truck it over to our plant.

CHAIRMAN: So you are looking at alternate ways to handle this congestion problem right now, even recognizing that it might mean double handling?

UMAMOTO: Right. I think Mrs. Dela Cruz dropped by about a month and a half ago and she really was very outspoken about the fact that the farmers had to wait for such long periods of time.

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami.

MURAKAMI: Mr. Umamoto, is it correct that there is a demand as far as the demand for the market? I assume that from what I gather from the information is that you folks cannot meet the demand because you don't have enough raisers as far as guavas and certain types of fruits, is this correct?

UMAMOTO: There is a potential demand for the puree. It's not only the amount of guavas coming in but we also lack the freezer space for storage. We have had quite a bit of orders last year which we could not fulfill basically because we could not keep an adequate inventory during the off season.

MURAKAMI: No, because I just wanted to clarify this because you're saying that it's a long-range program; but from what I gather from Rex is the demand is there so I assume that the building of the processing plant, if the demand is great then I assume that you folks would start building faster than what you folks think, right?

UMAMOTO: You have to remember that the cold storage facility that we're in the process of constructing at Kumau Street will be used by the fruit processing company also.

CHAIRMAN: Thank you. Commissioners, any further questions?



JITCHAKU: One more question. I don't know if it's a question or just clarification. Charles, in reference to Commissioner Nakano's question, we understand you have your long-range plans as far as the Company is concerned. However, as far as the processing plant, if approved, if all goes well with the State Land Use Commission, you do have plans for the processing plants though?

UMAMOTO: Well, we have plans for it, but no real definite plans as far as what type of building we're going to build.

JITCHAKU: Yes, however, you are planning. I was just concerned because there may be some recommendations, in fact, from this Commission for instance, that in the event it is approved by this body of sending a favorable recommendation that, and the State Land Use may include in its findings that the building of your plant be completed within 2 years or 3 years, but you do have plans for the processing plant?

UMAMOTO: Yes, we do have plans. But again, as to the time that we're going ahead to construct that thing, that I cannot give you an exact date.

JITCHAKU: Thank you.

CHAIRMAN: Yes, Ms. Piianaia.

PIIANAIA: I just have one question for Mr. Umamoto. If this application were recommended favorably for approval, you still have to obtain the State lease for this land at public auction. How long a process would you expect that to be?

UMAMOTO: Gee, I really don't know. From my understanding it might be 6 months. Sidney, do you - you don't know?

FUKE: No. Mr. Chairman?

CHAIRMAN: Yes, Mr. Director?

FUKE: As best as I can understand your developmental timetable, Mr. Umamoto, is essentially that your company is looking at this area here as a means to provide for your current as well as your future commercial needs, commercial and the processing needs. And that right now you recognize that your facilities are inadequate, you realize also that there are other hurdles that you'll have to go over, over and beyond getting the County Planning and the State Land Use Commission's approval, which is, of course, you would also need to get the approval from the State relative to the title of the land; but nevertheless to preserve alternative options, you are looking at other areas. Such as, I think you mentioned earlier that during the interim you are looking at the old airport area as a temporary storage area, your current facilities down at the harbor area, as well as your existing processing plant?

UMAMOTO: Yes.

FUKE: So what you're saying in a sense is that this is an area ideally, you'd like to go into; however, you cannot nail down a specific timetable because there are so many unknown factors and because of these unknown factors, you are still keeping your options open.

UMAMOTO: Right, now you must understand that we are continuously looking for other industrial lots. If there were some that opened up in Hilo or closer to our present plant, we would consider applying for those parcels. Now, if we were to get the 20 acres at Panaewa, initially we would go in and plant lilikoi or some fruit.

CHAIRMAN: Commissioners? Mr. Umamoto, thank you. Members of the audience, this is a public hearing. Again, the Chair would like to invite anyone from the audience who would like to testify either for or against the application of Suisan.

SAKAMOTO: Mr. Chairman?

CHAIRMAN: Commissioner Sakamoto.

SAKAMOTO: If there's no one going against or for the application, I would like to close the public hearing.

NAKANO: Second the motion.

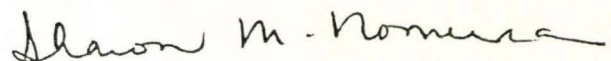
CHAIRMAN: It has been moved by Commissioner Sakamoto and seconded by Commissioner Nakano that the public hearing on the application by Suisan Company, Ltd. for a Special Permit be closed. All those in favor so signify by saying aye?

COMMISSIONERS: Aye.

CHAIRMAN: Oppose, same sign? Public hearing is closed.

Public hearing adjoured at 8:21 p.m.

Respectfully submitted,



Sharon M. Nomura  
Secretary

A T T E S T :



William F. Mielcke  
Chairman, Planning Commission



PLANNING COMMISSION

Planning Department  
County of Hawaii

MINUTES  
April 13, 1978

The Planning Commission met in regular session at 2:30 p.m. in the Kealahou School Cafetorium, Kealahou, North Kona, Hawaii, with Chairman William F. Mielcke presiding.

PRESENT: William F. Mielcke  
J. Walsh Hanley  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
Charles H. Sakamoto

ABSENT: William J. Paris, Jr.  
Shigeru Fujimoto

Ex-officio Member  
Akira Fujimoto

Sidney M. Fuke, Director  
Ilima Piianaia, Planner  
Keith Kato, Planner

David Murakami, representing Ex-officio Member Edward Harada  
Lionel Meyer, Deputy Corporation Counsel

and about 9 people in attendance at 2:30 p.m., 8 people  
at 4:00 p.m. and 14 people at 7:00 p.m.

MINUTES: It was moved by Commissioner Murakami and  
seconded by Commissioner Jitchaku that the minutes of March 22,  
1978, be approved as circulated. Motion was carried.

All those testifying were duly sworn in.

SPECIAL PERMIT ROY R. GOMES HONUAAULA, NORTH KONA	Application of Roy R. Gomes for a Special Permit to allow the construction of a second dwelling on 1.129 acres of land situated within the State Land Use Agricultural District. The area involved is located along the mauka side of the old Mamalahou Highway, approximately 100 feet north of the Keolu Cemetery, Honuaula, North Kona, TMK: 7-5-01:24.
--	--

Staff presented background information and recommendation for denial  
on file.

Staff explained that there was no date given as to when the existing  
dwelling would be torn down, and that the soil classification is  
"C" or fair.

EXHIBIT CC



The petitioner or his representative were not present.

Staff explained that the petitioner was not informed of the Planning Department's recommendation.

It was moved by Commissioner Murakami and seconded by Commissioner Hanley that the application be denied based on the recommendation of the staff. A roll call vote was taken and motion carried with six ayes. Commissioner Jitchaku abstained from voting as she was not present at the public hearing.

At this time, the Chair explained that under new business, Item 1, application of Darryl M. Freeman, Sr., has been postponed, and that Item 2, application of Seymour Shingle, has been withdrawn.

PDP No. 2 <u>MAUNA LOA LAND,</u> <u>INC.</u> SOUTH KOHALA	Application of Mauna Loa Land, Inc. to amend Planned Development Permit (PDP) No. 2 to allow the ultimate construction of 3,000 hotel units and approximately 3,182 condominium apartment units. The area involved is located makai of the Queen Ka'ahumanu Highway between Puakō and Honoka'ope Bay in the land divisions of Waikoloa, 'Anaeho'omalu and Kalāhuipua'a, South Kohala, TMK: 6-8-1:22, 6-9-1:3 and 5.
--	---

Staff presented background information and recommendation for approval with conditions on file.

It was moved by Commissioner Sakamoto and seconded by Commissioner Orita that the application be approved with the conditions outlined by the staff. A roll call vote was taken and motion carried with seven ayes.

SPECIAL PERMIT <u>SUISAN COMPANY,</u> <u>LTD.</u> WAIAKEA, SOUTH HILO	Application of Suisan Company, Ltd. for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8 <sup>+</sup> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21.
---	--

Staff presented background information and recommendation for approval with conditions on file.

Staff replied to Commissioner Hanley's question that in terms of existing regulations, Condition No. 6 would satisfy Mr. Tom Matsumoto's concerns expressed at the March 22, 1978, Planning Commission meeting on the affect on his property from this proposed operation.

Commissioner Murakami questioned how soon the land would be leased and in the event they are unable to get the lease, would the Special Permit be null and void. Staff replied that the Special



Permit is effective simultaneously with the DLNR's approval. The Planning Director explained that technically, the Special Permit runs with the land. However, in reflecting the questions raised by Commissioner Murakami, the Planning Director suggested that Condition No. 1 be amended, as there was a possibility that the lease may not be approved inasmuch as it must go through the bidding process. The Planning Director pointed out that as it is right now, the Special Permit could be effective even in the year 2025, which would not be the intent of the Commission or the staff. He suggested a reasonable timetable be given to secure the lease, and pointed out that if they fail to comply with that condition the Special Permit would be voided.

RECESS: The Chair called a recess at 3:03 p.m. to discuss the wording for the amendment to Condition No. 1.

RECONVENED: The meeting reconvened at 3:08 p.m.

The Planning Director recommended that Condition No. 1 be amended to read, "That the effective date of the Special Permit shall be upon approval by the Board of Land and Natural Resources to lease the subject area, but in no event not more than three years from the State Land use Commission's action."

Staff explained that the petitioner was unable to be present at today's meeting; however, they were informed of the recommendation.

It was moved by Commissioner Hanley and seconded by Commissioner Sakamoto to send a favorable recommendation to the State Land Use Commission with the conditions outlined and amended by the staff. A roll call vote was taken and motion carried with seven ayes.

<u>SPECIAL PERMIT</u> <u>MANFRED CIESLIK</u> <u>KEAHUOLU, NORTH</u> <u>KONA</u>	Request by Manfred Cieslik for an extension of time to commence construction of a bowling center facility granted through a Special Permit on 3 acres of land situated within the State Land Use Agricultural District. The area involved is on the mauka side of the Old Kailua Airport Road, across from the old airport terminal building and approximately 3,000 feet from the Kuakini Highway-Palani Road intersection, Keahuolu, North Kona, TMK: 7-4-08:portion of 2.
--	--

Staff explained that they are circulating one of the docket exhibits and that the Department has sent all the exhibits including the original maps to the State Land Use Commission.

Staff presented background information and recommendation for approval with a condition on file.

The petitioner, Manfred Cieslik, informed the Commissioners that he has an option on a 35-year lease which is in front of the Liliuokalani Board of Trustees right now to be signed. He said he has the funding

STATE OF HAWAII  
LAND USE COMMISSION  
Suite 1795  
Pacific Trade Center  
190 S. King Street  
Honolulu, Hawaii 96813

April 28, 1978

Mr. Sidney Fuke  
Planning Director  
Hawaii Planning Department  
County of Hawaii  
25 Aupuni Street  
Hilo, Hawaii 96720

Dear Mr. Fuke:

Enclosed is a Notice of Land Use Commission meeting and the Agenda for the Meeting.

Please note that petitions

SP78-297 - Hawaii Island Humane Society, SPCA

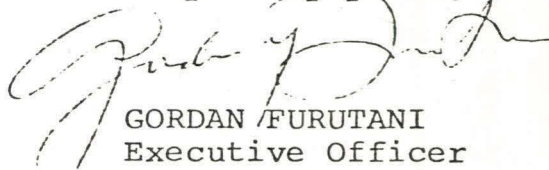
✓ SP78-298 - Suisan Company, Limited

---

will be acted on at that time.

Should you have any questions on this matter, please contact this office.

Very truly yours,



GORDAN FURUTANI  
Executive Officer

Enclosure - Agenda



STATE OF HAWAII  
LAND USE COMMISSION  
Suite 1795  
Pacific Trade Center  
190 S. King Street  
Honolulu, Hawaii 96813

April 28, 1978

Mr. Rex Y. Matsuno, President  
Suisan Company, Limited  
P. O. Box 366  
Hilo, Hawaii 96720

Dear Mr. Matsuno:

Enclosed is a Notice of Land Use Commission meeting and the  
Agenda for the Meeting.

Please note that petition

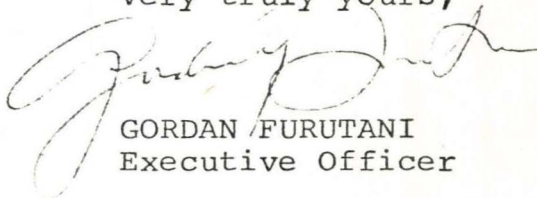
SP78-298 - Suisan Company, Limited

---

will be acted on at that time.

Should you have any questions on this matter, please contact  
this office.

Very truly yours,



GORDAN FURUTANI  
Executive Officer

Enclosure - Agenda

STATE OF HAWAII  
LAND USE COMMISSION  
Suite 1795  
Pacific Trade Center  
190 S. King Street  
Honolulu, Hawaii 96813

April 28, 1978

Mr. James J. Detor  
Land Management Administrator  
Division of Land Management  
Dept. of Land and Natural Resources  
P. O. Box 621  
Honolulu, Hawaii 96809

Dear Mr. Detor:

Enclosed is a Notice of Land Use Commission meeting and the Agenda for the Meeting.

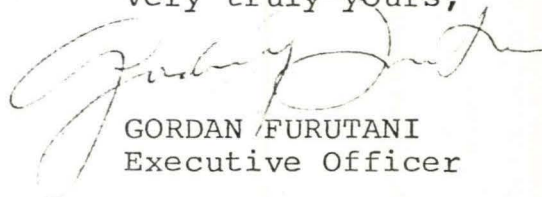
Please note that petition

SP78-298 - Suisan Company, Limited

will be acted on at that time.

Should you have any questions on this matter, please contact this office.

Very truly yours,



GORDAN FURUTANI  
Executive Officer

Enclosure - Agenda



STATE OF HAWAII  
LAND USE COMMISSION

NOTIFICATION OF LAND USE COMMISSION MEETING

DATE, TIME, & PLACE

May 11, 1978 - 10:00 a.m.  
Senate Conference Room 5  
Second Floor  
State Capitol  
Honolulu, Hawaii

A G E N D A

I. ACTION

1. A76-418 - Moana Corporation

Motion to Amend Conditions in Decision and Order

2. A75-404 - Honokaa Sugar Company

Motion to Amend Conditions in Decision and Order

3. SP76-251 - Manfred B. Cieslik - Extension of Time Request

To allow a one year time extension to commence construction of a bowling center facility on approximately three (3) acres of land situated within the State Land Use Agricultural District at Keahuolu, North Kona, Hawaii.

4. SP78-297 - Hawaii Island Humane Society, SPCA

To allow the addition of kennels and a garage, and to legitimize the existing Humane Society use on 2.8 acres of land situated within the State Land Use Agricultural District at Keaau, Puna, Hawaii.

✓ 5. SP78-298 - Suisan Company, Limited

To allow the establishment of a fruit processing plant with retail sales facilities on approximately 2.8 acres of land situated within the State Land Use Agricultural District at Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii.

II. MISCELLANEOUS

1. Adoption of Minutes
2. Meeting Schedule
3. Election of Officers





COUNTY OF  
HAWAII

## PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720

HERBERT T. MATAYOSHI  
Mayor

SIDNEY M. FUKU  
Director

DUANE KANUHA  
Deputy Director

April 21, 1978

Mr. Gordan Furutani  
Executive Officer  
Land Use Commission  
190 South King Street  
Suite 1795  
Honolulu, HI 96813

SP78-298

LAND USE COMMISSION  
STATE OF HAWAII  
APR 24 8 24 AM '78

Dear Mr. Furutani:

Special Permit Application  
Petitioner: Suisan Company, Ltd.

In accordance with Chapter 205, Section 205-6, Hawaii Revised Statutes, we are transmitting the decision and findings of the County Planning Commission on the above application.

The Planning Commission at its duly advertised public hearings held on February 23 and March 22, 1978 in the Council Room, County Building, South Hilo, Hawaii, discussed the subject request. The Commission on April 13, 1978, voted to recommend the approval of the special permit to the Land Use Commission based on the following findings:

1. That the proposed use will not be contrary to the objectives sought to be accomplished by the State Land Use Law and Regulations. The intent of these statutory provisions is to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people of Hawaii. In the case of the Agricultural District, the intent is to preserve lands of high agricultural potential for agricultural uses. The purpose of the subject request is to allow the establishment of a processing plant for fruits such as guava and lilikoi. The proposed use would directly support regional agricultural activities, in this particular case orchard crops. The proposed use



is intended to service farmers in the area by buying, processing and marketing their products. An integral aspect of agriculture is the distribution of the product from the grower to the consumer. The proposed use would provide this essential link. As such, it will benefit the overall agricultural use of other lands in the region and will further the objectives of the Land Use Law and Regulations.

Further, the subject property is classified as "E" or very poor by the Land Study Bureau and is not considered by the Department of Agriculture as lands of agricultural importance to the State of Hawaii. The use of such lands for supportive agricultural facilities in an accessible area will not increase pressures to convert lands with high agricultural potential to non-agricultural uses. In addition, the petitioner intends to utilize the remainder of the parcel for fruit orchards.

2. That the proposed use will further the State and the County's policy of encouraging and supporting agricultural activities, inasmuch as it is an essential agricultural support facility. Approval of the subject request will also directly implement the County General Plan. The General Plan Economic Element explicitly states that the County shall assist the expansion of the agricultural industry, especially diversified agriculture. The Economic Element also calls for the diversification of the County's economy. The establishment of the fruit processing plant is in concert with these General Plan policies in that it would provide essential support services for one form of diversified agriculture.

It should also be pointed out that an increasing amount of land is being put into fruit orchard and that there is a need for a processing facility for the fruit growers. In addition to those cultivating fruits, there are also persons gathering wild fruit and contributing to the quantity of processable fruit.

3. That although there will be some alteration of the existing character of the land, such alteration is not expected to adversely affect surrounding properties. The subject property is currently vacant

Surrounding lands are primarily used for agriculture. Adverse effects from the proposed use will be mitigated through existing rules, regulations and requirements. In addition, the petitioner intends to utilize a portion of the adjacent area for orchard.

4. That the proposed use will not unreasonably burden public agencies to provide facilities and services. All essential services and facilities are available to the subject site. In addition, approval of the subject request would allow the petitioner to relocate portion of an existing facility from an area which is now heavily congested. Relocation of the existing facility to the area under consideration will not involve the provision of addition services than are now needed.

The favorable recommendation was also subject to the following conditions:

1. That the effective date of the Special Permit shall be upon approval of the Board of Land and Natural Resources to lease the subject area, but in no event not more than 3 years from the SLUC's action.
2. That the use of the subject area shall be limited to the processing of fruits and the sale of products processed on the premises. Office use within the proposed facility shall be ancillary to the fruit processing activities.
3. That the petitioner or its authorized representative shall submit plans to the Planning Department for preliminary plan approval within one (1) year from the effective date of the Special Permit.
4. That construction of the proposed facilities shall commence within one (1) year from the receipt of final plan approval and shall be completed within two (2) years thereafter.
5. That the petitioner shall submit a metes and bounds description of the 2.8+ acre area to the Planning Department prior to the receipt of final plan approval.
6. That all other applicable rules and regulations, including those of the Department of Health, shall be complied with.



Mr. Gordan Furutani  
Page 4

Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void.

Enclosed are copies of the Exhibits from the subject docket.

Sincerely,



William F. Mielcke  
Chairman, Planning Commission

lgv  
Enclosures

cc Mr. Rex Matsuno  
Mr. Charles Umamoto  
Land Use Division, DPED

LIST OF EXHIBITS: SUISAN COMPANY, LTD.

- A. Applicant's letter (12/8/78)
- A-1. Application form
- A-2. Applicant's site plan
- A-3. Letter from Dept. of Land & Natural Resources (12/8/78)
- A-4. Environmental Assessment Report
- A-5. DLNR Lease: Public Auction
- A-6. & 7. Applicant's project location map
- A-8. Applicant's reasons
- A-9. Letter to Planning from petitioner (11/22/76)
- B. Departmental acknowledgement letter (12/27/77)
- C. Memo to agencies
- D. Water Supply (1/6/78)
- E. Public Works (1/6/78)
- F. Health (1/6/78)
- G. Soil Conservation Service (SCS) (1/9/78)
- G-1. SCS report (1-5-78)
- G-2. SCS map
- H. Police (1/9/78)
- I. R & D (1/10/78)
- J. Agriculture (1/10/78)
- K. Letter to surrounding property owners (2/7/78)
- K-1. Map sent to surrounding property owners
- K-2. List of surrounding property owners
- L. Letter to the petitioner (2/7/78)
- L-1. Public Hearing Notice



M. Voting Sheet - continue public hearing  
N. Minutes 2/23/78  
O. Transcript (2/23/78  
P. Letter to petitioner (2/24/78)  
Q. Letter sent to surrounding property owners  
R. Letter to petitioner (3/10/78)  
R-1. Public hearing notice  
S. Voting Sheet - close hearing  
T. Minutes 3/22/78  
U. Transcript 3/22/78  
V. Letter to petitioner (3/23/78)  
W. Letter to petitioner (3/29/78)  
X. Staff Background  
Y. Staff Recommendation  
Z. Location Map (please return)  
AA. Plot Plan (please return)  
BB. Voting Sheet  
CC. Minutes 4/13/78

GEORGE R. ARIYOSHI  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
DIVISION OF LAND MANAGEMENT  
P. O. BOX 621  
HONOLULU, HAWAII 96809

DIVISIONS:  
CONVEYANCES  
FISH AND GAME  
FORESTRY  
LAND MANAGEMENT  
STATE PARKS  
WATER AND LAND DEVELOPMENT

December 8, 1977

Mr. Sidney Fuke  
Director  
County of Hawaii  
Planning Department  
25 Aupuni Street  
Hilo, HI 96720

Dear Mr. Fuke:

Subject: Special Use Permit for Processing Facility and  
Related Uses at Panaewa, South Hilo, Hawaii,  
TMK: 2-4-49:21 & 22

In accordance with your letter of March 29, 1977, we  
are resubmitting the subject Special Use Permit Application,  
with the following:

1. Sixteen copies of the completed application form  
(attachment 1)
2. Sixteen copies of the plot plan for the proposed  
facilities (attachment 2)
3. Sixteen copies of the Negative Declaration for the  
project (attachment 3)
4. Sixteen copies of the February 25, 1977, Board  
Submittal authorizing leasing of the subject  
properties (attachment 4)
5. Sixteen copies of the Reasons for the Proposed  
Use (attachment 5)
6. Sixteen copies of the letter dated November 22, 1976,  
from Rex Y. Matsuno to Sidney Fuke (attachment 6)
7. Check for the \$100 filing fee

EXHIBIT A



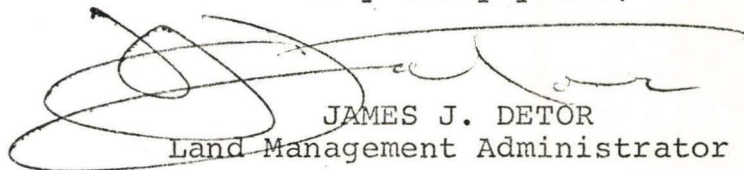
Mr. Sidney Fuke  
Page 2  
December 8, 1977

By this letter, we are also authorizing the Suisan Company, Limited, to sign as applicant for the Special Use Permit. We would like to point out, however, that this by no means implies that Suisan Company, Limited, will have any preference to the proposed lease of the property, as the lease must be offered at public auction.

We understand that by naming Suisan Company as applicant, questions regarding the proposed use can be addressed directly to them. As landowners, we would, however, appreciate being kept apprised as to the status of the application.

If you have any questions regarding any of the above matters, please contact Mr. Herbert Yanamura of our Division of Land Management at telephone number 548-6557.

Very truly yours,



JAMES J. DETOR  
Land Management Administrator

Enclosures

cc: Mr. Larry Mehau  
Mrs. Mildred K. Yamamoto  
Suisan Company, Limited

COUNTY OF HAWAII

PLANNING DEPARTMENT - PLANNING COMMISSION

APPLICANT: Suisan Company Limited

APPLICANT'S SIGNATURE: 

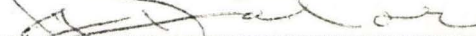
Rex Y. Matsuno, President

ADDRESS: P.O. Box 366, Hilo, Hawaii

TELEPHONE: 935-8511

TAX MAP KEY: 2-4-49:21 & 22 AREA: 20.483 acres  
(Size of Parcel)

OWNER: State of Hawaii (Department of Land and Natural Resources)

OWNER'S SIGNATURE: 

James J. Detor, Administrator, Division of Land Management

APPLICANT'S INTEREST, IF NOT OWNER: prospective lessee

REQUESTED USE: Cultivation, processing, promotion, wholesaling, and retailing  
of Hawaiian fruits and other products

APPLICANT'S REASON(S) FOR REQUESTING SPECIAL PERMIT: (Please attach)

NOTE: The applicant must show that:

- (a) such use shall not be contrary to the objectives sought to be accomplished by the Land Use Law and Regulations;
- (b) the desired use shall not adversely affect surrounding properties;
- (c) such use shall not unreasonably burden public agencies to provide roads and streets, sewers, water, drainage, school improvements, and police and fire protection;
- (d) unusual conditions, trends, and needs have arisen since the district boundaries and regulations were established;
- (e) the land upon which the proposed use is sought is unsuited for the uses permitted within the district;
- (f) the proposed use will not substantially alter or change the essential character of the land and the present use; and
- (g) the proposed use will make the highest and best use of the land involved for the public welfare.

THIS APPLICATION MUST BE ACCOMPANIED BY:

- (a) 16 copies of the completed application form with attachments.
- (b) 16 copies of a location map.
- (c) 16 copies of a site plan with existing and proposed uses.
- (d) any additional information.
- (e) \$100.00 processing fee.

For Official Use:

Date received \_\_\_\_\_  
120th day \_\_\_\_\_  
Public Hearing date \_\_\_\_\_  
Action date \_\_\_\_\_  
To Land Use Commission \_\_\_\_\_

EXHIBIT a-1

Attachment 1



TO  
HILO ←

VOLCANO ROAD

→ TO  
VOLCANO

FOREST RESERVE

460.00

⑦

LILIKOI (PASSION FRUIT) FARM  
7.0 ACRES

460.00

⑥

FARM  
ACRES

GUAVA  
10.243

QUAVA  
&  
LILIKOI  
PROCESSING  
7,200 SQ. FT.  
PAPAYA  
PROCESSING  
7,200 SQ. FT.

FREEZER  
9600 SQ. FT.  
COOLER FOR  
FINISH PRODUCT  
9600 SQ. FT.  
COOLER FOR  
RAW MATERIALS  
6400 SQ. FT.  
DRY STORAGE  
6,400 SQ. FT.

OFFICE 5,400  
RETAIL 5,400

PARKING

PARKING

PARKING

LANDSCAPE PLANTING STRIP

20 FT. PLANTING STRIP

30' SERVICE ROAD

20 FT. PLANTING STRIP

KEHLAKAI STREET

50 FT. GOVERNMENT ROAD

Attachment 2

EXHIBIT A-2

GEORGE R. ARIYOSHI  
GOVERNOR OF HAWAII



STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES

P. O. BOX 621  
HONOLULU, HAWAII 96809

December 8, 1977

W. Y. THOMPSON, CHAIRMAN  
BOARD OF LAND & NATURAL RESOURCES

EDGAR A. HAMASU  
DEPUTY TO THE CHAIRMAN

DIVISIONS:  
CONVEYANCES  
FISH AND GAME  
FORESTRY  
LAND MANAGEMENT  
STATE PARKS  
WATER AND LAND DEVELOPMENT

Mr. Donald Bremner  
Chairman  
Environmental Quality Commission  
550 Halekauwila Street  
Room 301  
Honolulu, HI 96813

Dear Mr. Bremner:

Subject: Negative Declaration for Proposed Use of  
State Lands at Panaewa, South Hilo, Hawaii

In accordance with Section 343 H.R.S., we are transmitting the attached Negative Declaration for a proposed lease of State lands located at Panaewa, South Hilo, Hawaii, TMK: 2-4-49:21 and 22, for the purpose of cultivation, processing, promotion, wholesaling and retailing of Hawaiian fruits and fruit products.

We would appreciate your publishing this Negative Declaration in your next EIS Newsletter as required under EIS procedures for agency proposed actions.

Very truly yours,

W. Y. THOMPSON  
Chairman of the Board

attachment

cc: Office of Environmental  
Quality Commission  
Suisan Company, Limited  
Mr. Larry Mehau  
Mrs. Mildred K. Yamamoto

EXHIBIT A-3





## ENVIRONMENTAL ASSESSMENT

### 1. Identification of Agency

Department of Land and Natural Resources  
State of Hawaii  
P. O. Box 621  
Honolulu, HI 96809

### 2. Description of the Proposed Action

The Department of Land and Natural Resources proposes to lease approximately 20.483 acres of land located within the Panaewa Farm Lots, Second Series, Waiakea, South Hilo, Hawaii, identified by TMK: 2-4-49:21 and 22 (Lots 7 and 8) for cultivation, processing, promotion, wholesaling, and retailing of Hawaiian fruits and fruit products.

The applicant for said lease is the Suisan Company, Limited, a Hawaii Corporation, located at 1965 Kamehameha Avenue, Hilo, Hawaii, 96720, who has been actively involved in the production of processed fruit products for the past 15 years.

This Environmental Assessment is being prepared in accordance with Section 343 H.R.S., which requires an environmental impact assessment of all agency actions proposing the use of State lands.

### 3. Description of the Affected Environment

The subject properties are located within the State Agriculture District, as reflected on Land Use Commission Map, H-66, Hilo, Hawaii.

The properties are designated as Orchard under the County of Hawaii General Plan Land Use Allocation Map, and zoned Ag-10.

The properties are located approximately 4 1/2 miles south of Hilo Airport, and lie approximately 200-feet west off Kanoelehua Avenue. Access to the properties is off of Kanoelehua Avenue, via Stainback Highway, or Mamaki Street, and along Kealakai Street.

The properties abut Kealakai Street on their western boundaries, and the Panaewa Forest Reserve on their eastern boundaries. An approximately 200-foot wide strip of the Panaewa Forest Reserve separates the subject properties from Kanoelehua Avenue.

The subject properties, and all areas immediately surrounding them are presently undeveloped. Existing developments in the area include the Hale Nani Police Academy, shooting range and some nursery operations.

Vegetation on the properties and surrounding undeveloped areas consists of ohia, tree fern, various shrubs, vines and grasses. Topography of the area is relatively flat. Rainfall is approximately 150 inches annually. The properties are not subject to any known logic sites present on the properties.

#### 4. Description of the Proposed Use

Approximately <sup>17.2</sup>~~15~~ acres of the subject properties will be used for orchard purposes. The remaining <sup>2.8</sup>~~five~~ acres will be used for the following facilities: a processing plant, manufacturing and packing areas, refrigerator rooms, fruit receiving and sorting areas, storage areas, parking areas, visitor center and general offices.

The proposed use is not expected to create any excessive demands upon available public facilities. Based on preliminary discussions with the Department of Water Supply, and the Department of Public Works, the existing roadways, water systems, and drainages are adequate for the proposed use. Cesspools are an acceptable means of sewage disposal.

In any event, should any improvements of the existing facilities be required, they will be developed in accordance with all State and County requirements.

All proposed structures will be single storied, and well within the 45-foot height limitation for Ag-10 areas as required by County Ordinance.

The proposed construction of the facilities will begin within one year from the date of receipt of all necessary government approvals for the project.

#### 5. Anticipated Impacts on the Environment

The proposed use is not anticipated to have any significant impacts upon the environment.



During the development phases of the subject project, clearing work will be required. Work will be conducted in increments so as to minimize visual, runoff and siltation impacts. Furthermore, all grading work will be conducted in accordance with County Grading Ordinance requirements.

Visual impacts of the developed facilities will be minimized by the provision of landscaping and appropriate buffer areas. Portions of the Panaewa Forest Reserve, located on the eastern boundaries of the property will provide an effective screen from highway areas.

No problems of compatibility with existing uses of the area are anticipated. Although additional traffic will be generated by the proposed use, no significant impacts are anticipated.

#### 6. Anticipated Economic Impacts

The proposed project will provide substantial economic benefits to the area and the County as a whole. The proposed operations will provide full-time employment for approximately 75 persons, and parttime work for approximately ten persons during peak seasonal operations. In addition, temporary employment will be created during construction pahses of the project.

The project will also provide in excess of one-million dollars annual revenues to the economy of the County. The project will provide a readily accessible market for the numerous fruit growers in the County and give impetus to an industry with tremendous potential for expanding the export of locally produced agricultural commodities.

#### 7. Alternative of the Proposed Action

Alternatives to the proposed use of the area would be to retain it in its present state, or to lease it for some other agricultural purposes.

The proposed use would, however, provide significant economic benefits to the State and County, and would be in accord with stated goals and policies to promote agricultural activities and economic development within the State and County.

The proposed use would promote these goals and policies with a minimum of environmental impacts.

#### 8. Conclusions

Based on the foregoing analysis of the subject project, it is determined that the proposed use would not result in any significant environmental impacts to the area, and that an Environmental Impact Statement will not be required. This assessment shall thus serve as a Negative Declaration for the project.



DIVISIONS:  
CONVEYANCES  
FISH AND GAME  
FORESTRY  
LAND MANAGEMENT  
STATE PARKS  
WATER AND LAND DEVELOPMENT

STATE OF HAWAII

DEPARTMENT OF LAND AND NATURAL RESOURCES

DIVISION OF LAND MANAGEMENT

P. O. BOX 621

HONOLULU, HAWAII 96809

February 25, 1977

Board of Land and  
Natural Resources  
Honolulu, Hawaii

Gentlemen:

HAWAII

Subject: Lease - Public Auction

STATUTE: Chapter 171, Hawaii Revised Statutes

APPLICANT: SUISAN COMPANY, LIMITED

FOR: Lots 7 and 8, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii, as shown and described on Government Survey Map H.S.S. Plat 921-A, being also identified by Tax Map Key: 2-4-49:21 and 22, respectively, appended to the basic file.

STATUS: Unencumbered

AREA: 20.486 acres

ZONING: State Land Use Commission: Agriculture  
County of Hawaii: Agriculture

SPECIFIC USE: Cultivation, processing, promotion, wholesaling and retailing of Hawaiian fruits both grown on the premises and elsewhere.

LEASE TERM: Fifty-five (55) years, to commence on date of sale.

UPSET ANNUAL  
LEASE RENTAL: To be established by appraisal, same subject to review and approval by the Chairman.

RENTAL REOPENING: At the end of the 25th, 35th and 45th years of the lease term.

RENTAL PAYMENT: Rent payable semi-annually in advance.

IMPROVEMENT  
CREDIT: In lieu of rental waiver, the lessee to be credited for improvement work in the amount not to exceed one year's rent.

APPROVED BY THE BOARD OF  
LAND AND NATURAL RESOURCES  
AT ITS MEETING HELD ON

Feb 25, 1977

EXHIBIT-a-5

ITEM F-4

Attachment 4

IBIT



February 25, 1977

IMPROVEMENT  
REQUIREMENT:

Within five years following the commencement of the lease, the lessee shall expend not less than \$500,000 for clearing, orchard development and construction of improvements.

PERFORMANCE BOND: An amount equal to 2 years' rent to be posted within thirty (30) days of receipt of lease document.

IMPROVEMENT  
BOND:

In the amount of \$50,000 to be posted within thirty (30) days of receipt of lease document.

REMARKS:

Suisan Company, Limited, for the past 15 years, has been engaged in the production of processed fruit products such as juice, jellies, jams and purees at a location having limited space. Papaya and guava plantings on Hawaii are increasing at a steady pace, and along with this is the steady increase in the availability of fruit for processing.

The applicant needs to expand its facilities to accommodate the increasing supply of fruits. Also proposed is a promotional program to expand the export market for the processed fruit products. In this connection, the applicant proposes to set up a facility designed to offer samples of the products and other attractions to its visitors.

The twenty-acre parcel being sought will offer the applicant sufficient area to operate the fruit processing plant at a much enlarged scale than its current operation and also to produce its own fruits such as guava and passion fruit.

The proposal is further expected not only to boost Hawaii's agricultural economy but also to employ more people.

The proposed operations do not exactly conform to existing County and State land use regulations. A special use permit must be secured prior to land disposition.

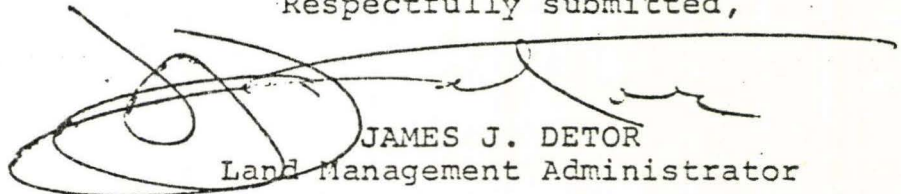
RECOMMENDATION: That the Board:

- A. Find the area to be an economic unit in terms of the intended uses.
- B. Authorize the sale of a lease at public auction under the terms and conditions listed above, which are by reference incorporated herein, in addition to the following:

February 25, 1977

1. Said sale shall be subject to the prior issuance of a special use permit by the County of Hawaii, Planning Commission, and the State Land Use Commission.
  2. Prior to any clearing, planting or construction, the lessee shall submit detailed plans to the Chairman for review and approval.
  3. All construction shall comply with all laws, rules and regulations of the Federal, State and County Governments which might be applicable.
  4. Other terms and conditions as required by the Chairman.
- C. Find that hunting is not now feasible nor will become so during the term of the lease.

Respectfully submitted,



JAMES J. DETOR  
Land Management Administrator

APPROVED FOR SUBMITTAL:

*Christopher Cobb*  
CHRISTOPHER COBB, Chairman



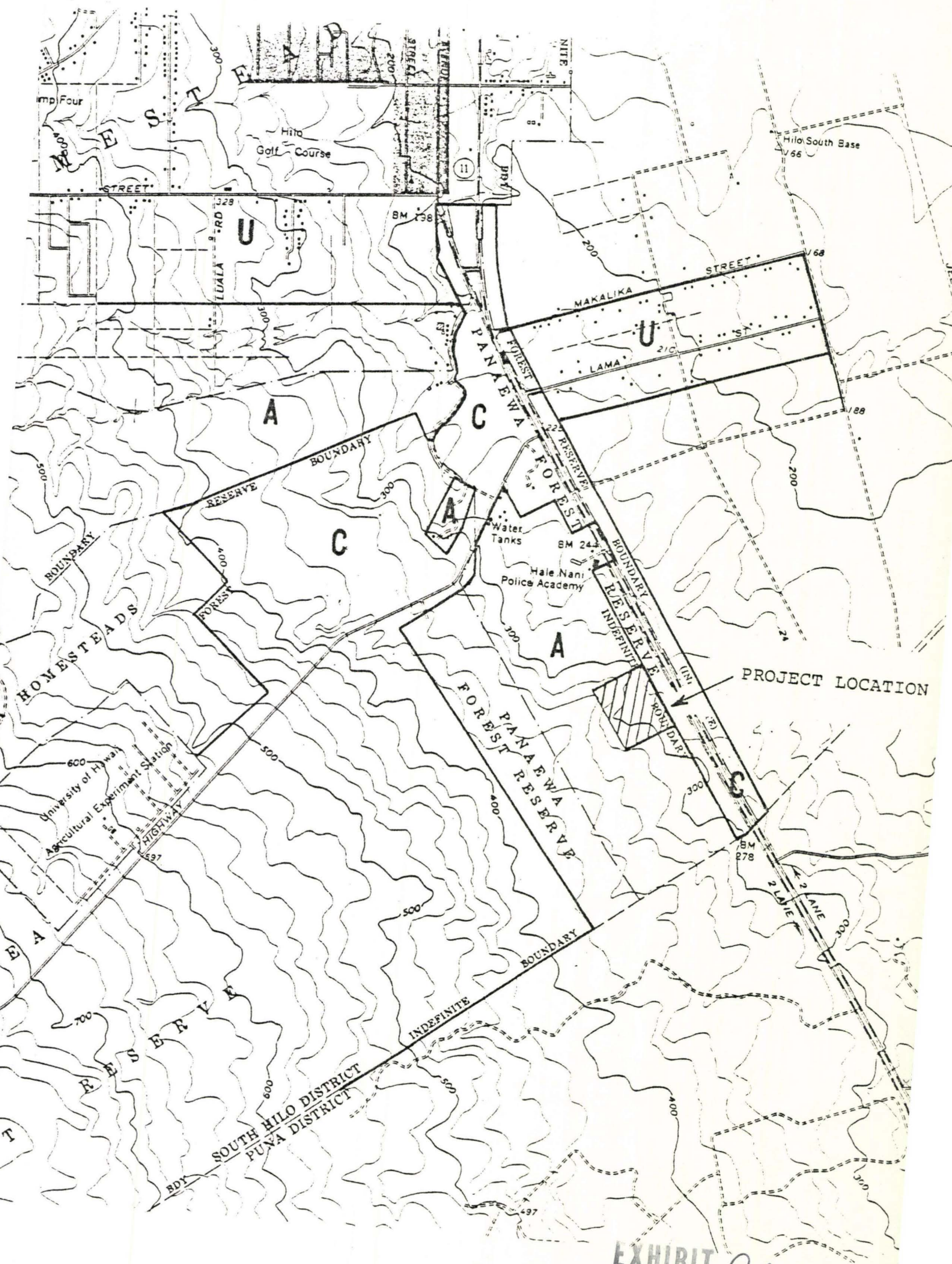


EXHIBIT A-6



## 1053

RESERVE  
APR 11, 1917

A	FOREST	RESERVE		Parcels
Governor's	Proclamation	dated	January 3, 1923	

RESERVE

Jan 2-4 3, 1223

Parcels Dropped: 27.29.

NOTE: All lots owned by  
State of Hawaii  
unless otherwise noted

DEPARTMENT OF TAXATION  
PROPERTY ASSESSMENT DIVISION  
TAX MAPS BRANCH  
STATE OF HAWAII  
TAX MAP

THIRD	TAXATION D.	SEC	FL
2	4	4	

FOR REAL PROPERTY TAXATION PURPOSES  
SUBJECT TO CHANGE



## REASONS FOR THE SPECIAL USE PERMIT

1. Since the adoption of the district boundary regulations, there has been increasing concern throughout the State with respect to the need to expand our diversified agriculture base. Particularly with problems facing our primary agricultural industries, there is a need to seek other viable alternatives to utilize our valuable agricultural land resources and promote agricultural development in the State.

In recent years, there has been growing interest, both in the public and private sectors, in the possibilities of expanding the export potentials of the local fruit industry. Presently the State is in the process of forming an agricultural organization specifically for the purposes of promoting the local fruit industry.

We have already seen the development of major fruit orchards and processing facilities in Kahuku, Oahu. Similar facilities are being planned for Kilauea, Kauai.

The proposed use, would provide a similar processing facility for the island of Hawaii. Presently there are a few local processors, operating on a small scale. However, in order for the industry to expand into one that can compete in national and international markets, large modern facilities, and adequate room for expansion are an economic necessity.

2. The proposed use would not be contrary to the objectives sought to be accomplished by the Land Use Law and Regulations. The Land Use Law and Regulations are intended to preserve, protect, and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people in the State of Hawaii.

The proposed use would directly support these objectives in terms of the proposed orchard activities, and in terms of providing a processing facility which will provide an important support function to the orchard use, as well as other orchard uses throughout the County.

Furthermore, the proposed use would be in direct support of State policies to promote the diversified agriculture industry, promote economic growth in the Neighbor Islands, and promote developing industries with large employment potentials.

The proposed use would also promote the County of Hawaii General Plan policies by assisting the expansion of the agricultural industry, particularly diversified agriculture, and by aiding diversification of the economy by strengthening an existing industry.

The proposed use would be in accordance with the General Plan recommended course of action to encourage manufacturing operations which utilize local raw products.

3. Major portions of the proposed use, including the orchards, and proposed storage and processing facilities are directly related to agricultural activities. If the processed products were to be solely grown on the premises, a Special Use Permit would not have been required for these uses.

It should also be pointed out that the proposed visitor facilities, wholesale, retail, and office facilities will facilitate and complement the proposed agricultural operations. Furthermore, consolidated facilities are essential to the economic viability of the proposed operations.

4. The proposed use will not adversely affect the surrounding properties and land uses. Surrounding lands are either vacant and undeveloped or in agricultural type uses.
5. The proposed use will not substantially alter or change the essential character of the land and the present use. On the contrary, the proposed facilities will promote the further development of agriculture throughout the County by providing a facility to process and market locally grown fruits and other products.
6. The proposed use will not unreasonably burden public agencies in the provision of public utilities and facilities. All essential services and facilities required for the proposed use are available to the subject site. Water is available. Existing roadways are adequate. Waste disposal can be handled by the use of cesspools. Existing drainages are adequate to accommodate any additional runoff to be generated from the proposed use.





suisan

*Suisan Company,*

*Importers & Wholesale Distributors*

P. O. Box 366 • 1965 Kamehameha Ave.  
Hilo, Hawaii 96720

REC'D  
DIVISION OF  
LAND MANAGEMENT

Phone: 935-2511  
Cable Address "SUISAN"

NOV 24 8 54 AM '76  
November 22, 1976

Mr. Sidney Fuke  
Planning Department  
County of Hawaii  
25 Aupuni Street  
Hilo, Hawaii 96720

Dear Mr. Fuke:

With reference to our request for lease of State land in the Paraewa Farm Lots, we have a reply from Mr. James J. Deter of the Department of Land and Natural Resources. We also have a copy of your reply to Mr. Deter.

Pursuant to the procedures given by Mr. Deter, we will prepare a ten year income projection for submission to his office to qualify for the lease. The projection will include our entire operations on the assumption that permission for relocation will be allowed on the intended site. The principal uses of the premises for our diversified business will be:

1. A tropical fruit processing plant with at least 3 lines for producing guava and papaya puree, and passion fruit juice.
2. A jams, jellies, and preserves manufacturing and packing plant.
3. Refrigerated rooms which will house fresh fruits, quick freeze puree and juices, store and hold all types of frozen merchandise for inventory.
4. Fruit buying and sorting areas.
5. Parking areas.
6. Visitor center.
7. General Offices.

To maintain a healthy and progressive program in a business such as ours, it is of utmost importance that all our operations be centrally located. This includes our fruit processing, manufacturing, wholesaling, and retailing, except our fresh fish enterprise.

In support of the maximum use of our projected investment, we feel the following should be given serious consideration:

88  
Attachment 6

EXHIBIT A-9

Mr. Sidney Fuke  
Planning Department, County of Hawaii

No. 2

1. It is 15 years since we first started our guava puree business. Over the years we gained considerable knowledge and experience in fruit processing, packaging, and storing. We have established a gainful trade to a point where we have expanded to processing of other Hawaiian fruits as passion fruit and papaya. We are confident that the market for processed products of these Hawaiian fruits will gain in popularity and demand both on the Mainland and the Orient, especially in Japan.
2. Of the 3 fruits we process, other than papaya, guavas and passion fruits are seasonal with two crops each year. Even though papayas are available year-round, this crop also has its periods of peak and low productions.
3. Thus far, the best method of preserving and shipping high quality guava and papaya puree, and passion fruit juice is by freezing. Our operations presently freezes these products in bulk packages, 30 pounds or more per package. We plan to continue this type of operation. During peak fruit season, processing must be accomplished quickly in large volume to accommodate farmers' harvesting and to avoid spoilage. Therefore, allowance for adequate refrigeration space (chill, quick freeze, storage) is most essential.
4. Experience has proven to us that to achieve a profitable return on investment in freezers (this includes chill, quick freeze, and storage) maximum use of such facilities must be maintained at all times. This means that because of the seasonal nature of the 3 fruits mentioned, it would be impractical for us to operate and maintain a refrigeration system solely for our fruit processing operations. This will not achieve the desired results on even part of our investments. It should be noted here that the largest portion of what investments we plan to expend in our projections will be in refrigeration facilities.
5. In order to attain the maximum use of the facilities mentioned in item 4 and to achieve our objectives, it is imperative that our non-agricultural commercial-Industrial operations be included in the entire complex at the intended site. Furthermore, overall efficiency and coordination can be better maintained through this centralized system.



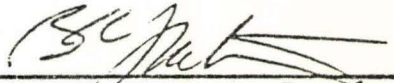
Mr. Sidney Fuke  
Planning Department, County of Hawaii

No. 3

If possession of the premises becomes a reality, we will program our capital improvements in increments with priorities given to the most important projects. We thank you for your assistance, and shall be pleased to answer any questions concerning the contents of this letter.

Sincerely yours,

SUISAN COMPANY, LTD.

By   
Rex Y. Matsuno, Pres.

cc: Mr. Deter

December 27, 1977

Mr. Rex Y. Matsuno, President  
Suisan Company, Ltd.  
P. O. Box 366  
Hilo, HI 96720

Dear Mr. Matsuno:

Special Permit - Processing & Selling of Fruit Products  
TMK: 2-4-49:21 & 22

This is to acknowledge receipt on December 15, 1977, of the above-described special permit application.

The County Planning Commission shall conduct a public hearing on the request within a period of not less than thirty (30) nor more than one hundred twenty (120) days from the receipt of the application. The Planning Commission shall then act on the application not earlier than fifteen (15) days after the public hearing but within a reasonable time thereafter. Should the Planning Commission recommend favorably on the request, it will then be forwarded to the State Land Use Commission for final action.

However, the Planning Commission may deny the request if it is found that the proposed use does not meet the special permit guidelines. In this case, their decision is final. In accordance with the provisions of Chapter 205-6, Hawaii Revised Statutes, a denial by the Planning Commission may be appealable to the Circuit Court of the circuit in which the land is situated, in this case, the Third Circuit Court.

Notice of the time and place of the public hearing shall be forwarded when the application is scheduled for Commission action.

Should any questions arise, please contact Ilima Piianaia of this department at 961-8288.

Sincerely,  
*Sidney M. Fuke*

IP:mmk

SIDNEY FUCE  
Director

cc: SLUC  
DPED - Land Use Division  
Mr. James J. Detor, Land Management Administrator, DLNR

EXHIBIT B

DEC 28 1977



# MEMORANDUM:

PLANNING DEPARTMENT — County of Hawaii, Hilo, Hawaii 96720

To: DPW, DWS, Highways, Health, R&D,  
Police, Fire, Soil Conserv.,  
Dept. of Ag., Helco

Date: December 27, 1977

From: Director

Subject: Special Permit Application  
Suisan Company, Ltd.  
TMK: 2-4-49:21 & 22 portions

The attached application for a special permit is forwarded for your review. May we have your comments within two weeks.

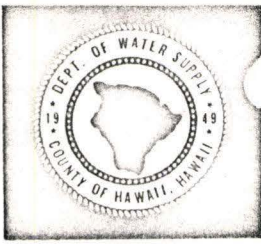
Thank you.

mmk

Enclosure

EXHIBIT C

DEC 28 1977



DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAII

P. O. BOX 1820

HILO, HAWAII 96720

25 AUPUNI STREET

January 6, 1978

TO: Planning Department  
FROM: Manager  
SUBJECT: SPECIAL PERMIT APPLICATION  
SUISAN COMPANY, LTD.  
TMK: 2-4-49:21 & 22 PORTIONS

Water for the proposed development is available from the 8-inch waterline along Kealakai Street.

  
Akira Fujimoto  
Manager

CHS

*... Water brings progress...*

EXHIBIT D



DEPARTMENT OF PUBLIC WORKS

COUNTY OF HAWAII

HILO, HAWAII

DATE January 6, 1978

*Memorandum*

TO : Planning Department

FROM : Chief Engineer

SUBJECT: Application for Special Permit  
Applicant: Suisan Co., Ltd.  
Location: Panaewa Farm Lots, Waiakea, South Hilo, Hawaii  
TMK: 2-4-49:21 and por. 22

We have reviewed the subject application and our comments are as follows:

The existing frontage road is County maintained with 18' wide pavement width in good condition.

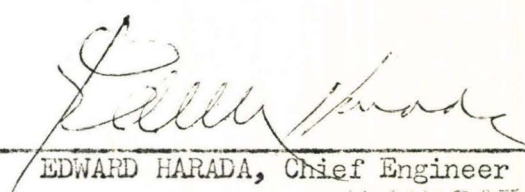
  
EDWARD HARADA, Chief Engineer

EXHIBIT E

# MEMORANDUM:

PLANNING DEPARTMENT

County of Hawaii,

Hilo, Hawaii 96720

To: DPW, DWS, Highways, Health, R&D,  
Police, Fire, Soil Conserv.,  
Dept. of Ag., Helco

Date: December 27, 1977

From: Director 

Subject: Special Permit Application  
Suisan Company, Ltd.  
TMK: 2-4-49:21 & 22 portions

The attached application for a special permit is forwarded for your review. May we have your comments within two weeks.

Thank you.

mmk

Department of Health  
Hilo, Hawaii  
January 6, 1977

Enclosure

## COMMENTS

Following are the environmental health concerns and reference public health regulations:

1. Sewage

Chapter 38, "Sewage treatment and Disposal System".

2. Food Manufacturing

Chapter 1-A, Food Service and Food Establishment Sanitation Code.

3. Air Conditioning and Mechanical Ventillation

Chapter 28, "Air Conditioning and Ventillating.

  
HAROLD MATSUURA  
Chief Sanitarian, Hawaii

EXHIBIT F



WAIAKEA SOIL AND WATER CONSERVATION DISTRICT  
P. O. Box 1361  
Hilo, Hawaii 96720

January 9, 1978

Mr. Sidney Fuke, Director  
Planning Department  
County of Hawaii  
25 Aupuni Street  
Hilo, Hawaii 96720

Dear Mr. Fuke:

The Waiakea Soil and Water Conservation District Board  
has completed its review of the Special Permit application  
submitted by Suisan Company, Ltd. for land parcel  
TMK 2-4-49:21 and 22 portions.

We have attached the resource evaluation prepared by the USDA Soil  
Conservation Service containing pertinent soils information.

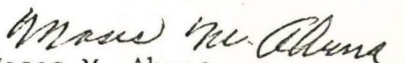
Other Factors Affecting Development:

Upon completion of our field investigation with SCS technicians, it  
has been determined

See attached SCS report.

We hope that we have been of some assistance. Please do not hesitate  
to call on us for further clarification should the need arise.

Sincerely,

  
Moses M. Ahuna  
Chairman

Attachment

EXHIBIT G

UNITED STATES DEPARTMENT OF AGRICULTURE  
SOIL CONSERVATION SERVICE  
P. O. Box 1361  
Hilo, Hawaii 96720

January 5, 1978

Mr. Moses M. Ahuna  
Chairman, Waiakea SWCD  
120 Ainaola Drive  
Hilo, Hawaii 96720

Dear Mr. Ahuna:

As per Waiakea Soil and Water Conservation District's request, our staff has completed the resource evaluation concerning TMK 2-4-49:21 & 22 portions (Suisan Company, Ltd.) presently under consideration for development. For your convenience, the report is composed of two sections: Soil-Related Information and Other Factors Affecting Development.

Soil-Related Information

rKFD Keaukaha extremely rocky muck, 6 to 20 percent slopes.

This soil is undulating to rolling. Rock outcrops occupy about 25 percent of the area. The surface layer is about 8 inches thick and is underlain by pahoehoe lava. The soil is strongly acid.

The soil above the lava is rapidly permeable. The pahoehoe lava is very slowly permeable but the water moves rapidly through the cracks. Runoff is medium, and the erosion hazard is slight.

rPAE Papai extremely stony muck, 3 to 25 percent slopes.

This soil is quite similar to rKFD above except that it is underlain by Aa lava and the permeability is rapid and runoff is slow.

Other Factors Affecting Development

Both of these soils have lava at 10 inches or less, and a qualified soils engineer should assist in the design of foundations for buildings. The limitation for septic tanks or filter fields for both soils is severe due to lava at shallower depths.

We hope that we have been of some assistance on this matter. Please do not hesitate to call on us for further technical assistance should the need arise.

Sincerely,

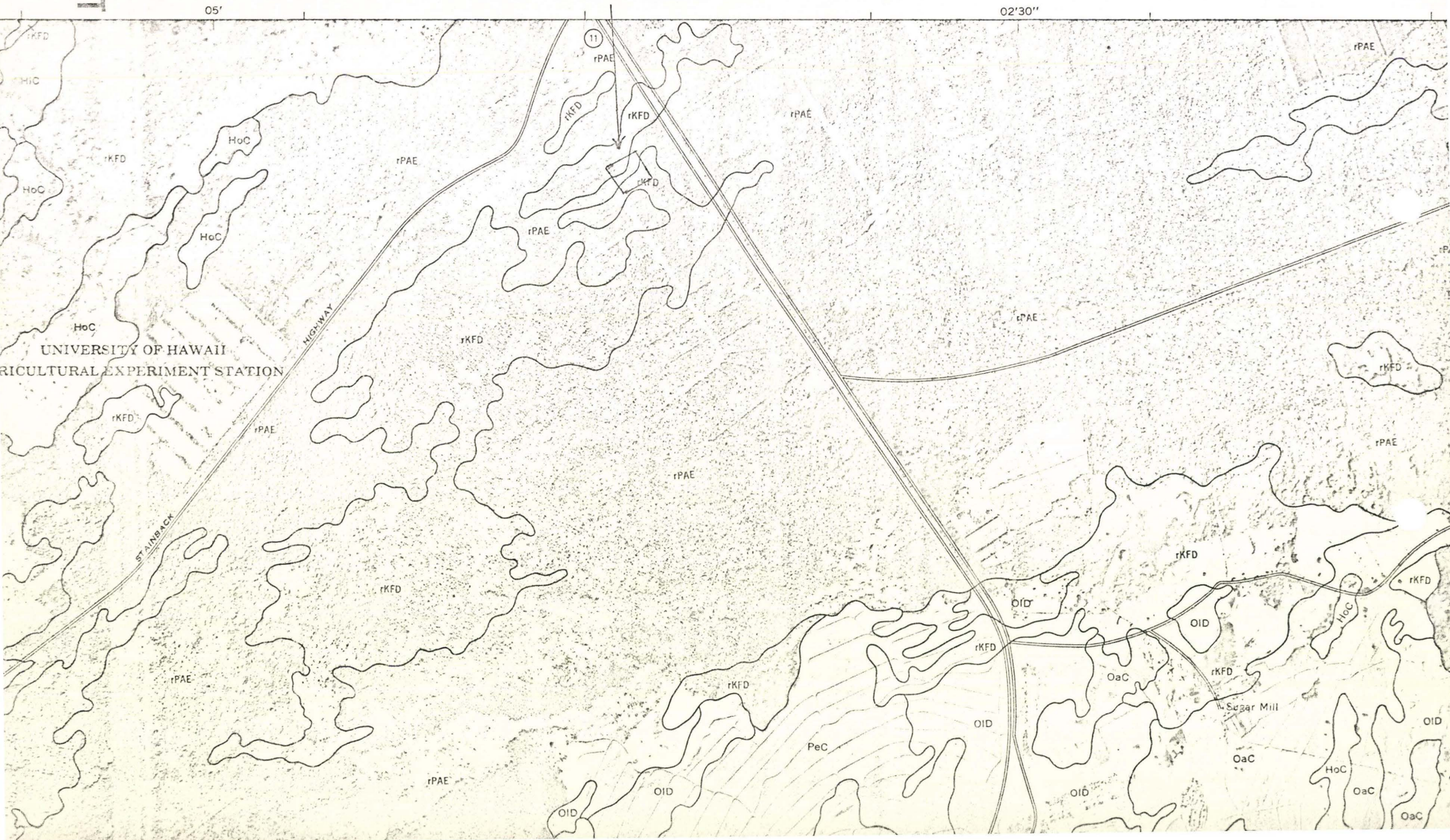
*Roy Cammack*

Roy Cammack  
District Conservationist

EXHIBIT G-1



Suisan Co. Ltd.  
Special Permit Application  
TMK 2-4-49:21+22







# POLICE DEPARTMENT

COUNTY OF HAWAII  
349 KAPIOLANI STREET  
HILO, HAWAII 96720



OUR REFERENCE

GUY A. PAUL

YOUR REFERENCE

CHIEF OF POLICE

January 9, 1978

TO : SIDNEY FUKU, PLANNING DIRECTOR  
FROM : GUY A. PAUL, CHIEF OF POLICE  
SUBJECT: SPECIAL PERMIT APPLICATION - SUISAN COMPANY, LTD.  
TMK: 2-4-49:21 & 22 portions

The special permit application submitted by the Suisan Company, Ltd. has been reviewed and from the police standpoint, we can foresee no adverse effects from the requested land use.

  
GUY A. PAUL  
CHIEF OF POLICE

RLP/k

EXHIBIT H





## DEPARTMENT OF RESEARCH AND DEVELOPMENT

COUNTY OF HAWAII • 25 AUPUNI STREET • HILO, HAWAII 96720 • TELEPHONE (808) 961-8366

January 10, 1978

### MEMORANDUM

TO: PLANNING DEPARTMENT

FROM: RESEARCH AND DEVELOPMENT

SUBJECT: SPECIAL PERMIT APPLICATION  
SUISAN COMPANY, LTD.  
TMK: 2-4-49:21 & 22 PORTIONS

With reference to the abovementioned subject, we have no adverse comments.

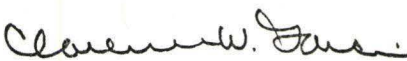
  
CLARENCE W. GARCIA  
DIRECTOR

EXHIBIT I

GEORGE R. ARIYOSHI  
GOVERNOR



STATE OF HAWAII  
DEPARTMENT OF AGRICULTURE  
1428 SO. KING STREET  
HONOLULU, HAWAII 96814

January 10, 1978

JOHN FARIAS, JR.  
CHAIRMAN, BOARD OF AGRICULTURE

YUKIO KITAGAWA  
DEPUTY TO THE CHAIRMAN

BOARD MEMBERS:

ERNEST F. MORGADO  
MEMBER - AT - LARGE

Sidney Goo  
MEMBER - AT - LARGE

SHIZUTO KADOTA  
HAWAII MEMBER

STEPHEN Q. L. AU  
KAUAI MEMBER

FRED M. OGASAWARA  
MAUI MEMBER

MEMORANDUM

To: Mr. Sidney Fuke, Director  
Hawaii County Planning Department

Subject: Special Permit Application  
Suisan Company, Ltd.  
TMK: 2-4-49:21 & 22 portions

The Department of Agriculture has reviewed the subject application and has no objection to the request for special permit.

Thank you for the opportunity to comment.

A handwritten signature in dark ink, appearing to read "John Farias, Jr.", is written over the typed name and title.

JOHN FARIAS, JR.  
Chairman, Board of Agriculture

EXHIBIT J





COUNTY OF  
HAWAII

## PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720

HERBERT T. MATAYOSHI  
Mayor

SIDNEY M. FUKU  
Director

DUANE KANUHA  
Deputy Director

February 7, 1978

Dear Property Owner: TMK:

Special Permit Application  
Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii  
Tax Map Key 2-4-49:21 and 22

You are hereby notified that a request for a special permit to allow the establishment of a fruit processing plant with retail sales facilities on 20.483 acres of land situated within the State Land Use Agricultural District has been submitted by the petitioner, Suisan Company, Ltd.

The property involved is located on the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii.

A public hearing on the subject among others will be held beginning at 3:00 p.m. on Thursday, February 23, 1978, in the Councilroom, County Building, South Hilo, Hawaii.

You are invited to comment on the application at the hearing or submit written comments prior to the hearing date.

Sincerely,

Sidney M. Fuku  
Director

smn

Enclosure

EXHIBIT K

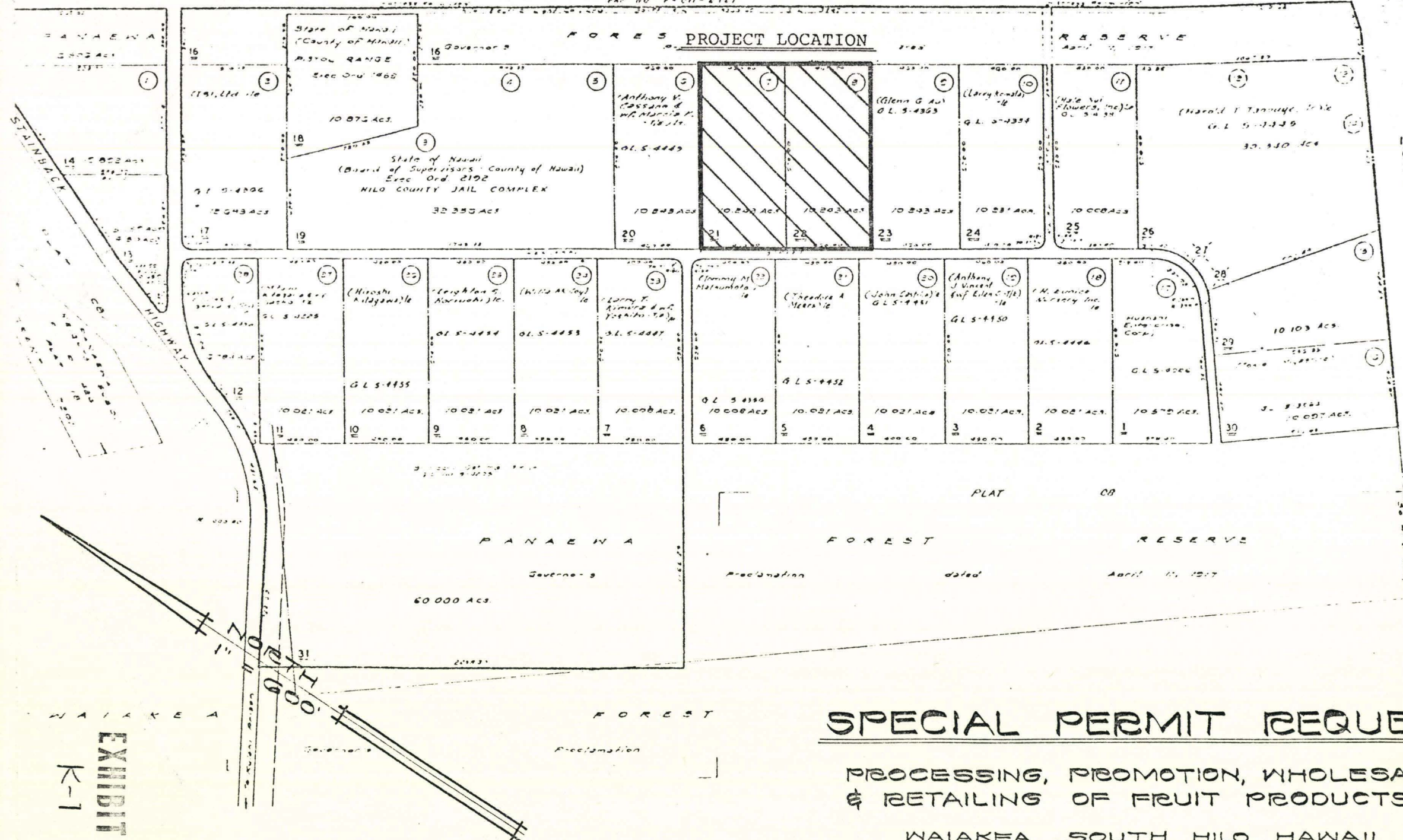
← HILO

KANOELEHUA

(VOLCANO ROAD)  
FAP NO. 2-4-49-2 (2)

AVENUE

**FOREST PROJECT LOCATION**



**SPECIAL PERMIT REQUEST**

**PROCESSING, PROMOTION, WHOLESALING  
& RETAILING OF FRUIT PRODUCTS**

WAIAKEA, SOUTH HILO, HAWAII  
TAX MAP KEY : 2-4-49 : 21 AND 22  
APPLICANT : SUISAN COMPANY, LIMITED



SPECIFIC PERMIT

2/3 T.O.

REX MATSUNO (SUISAN COMPANY, LTD)

~~CULTIVATION~~, PROCESSING, PROMOTION, WHOLESALE &  
RETAILING OF ~~HAWAIIAN~~ FRUITS ~~AND~~ PRODUCTS

2-4-49: 21 & 22 (20.483 Acres)

2-4-49: 4 John Castillo  
P.O. Box 471  
Hilo HI 96720

5 Theodore Myers  
121 Lemano St.  
Hilo HI 96720

6 Tommy Matsumoto  
P.O. Box 73  
Hilo HI 96720

16 State of Hawaii

20 Anthony Cassano / Marcia K.  
P.O. Box 351  
Hilo HI 96720

23 Glenn Aw  
3075 Kalih. St.  
Hon. HI 96819

February 7, 1978

Mr. Rex Matsuno, President  
Suisan Company, Ltd.  
1965 Kamehameha Avenue  
Hilo, HI 96720

Dear Mr. Matsuno:

Notice of a Public Hearing  
Special Permit Application  
Tax Map Key 2-4-49:21 and 22

This is to inform you that your request has been scheduled for a public hearing. Said hearing among others will be held beginning at 3:00 p.m. on Thursday, February 23, 1978, in the Council Room, County Building, South Hilo, Hawaii.

The presence of a representative will be appreciated in order that all questions relative to the request may be clarified.

A copy of the hearing notice is enclosed for your information.

Sincerely,

*Sidney M. Fuke*  
Sidney M. Fuke  
Director

smn

Enclosure

cc: Mr. James J. Detor

Land Use Commission  
Land Use Division, DPED  
Charles Umamoto

EXHIBIT L  
FEB 8 1978



PUBLIC HEARINGS  
PLANNING COMMISSION  
COUNTY OF HAWAII

NOTICE IS HEREBY GIVEN of public hearings to be held by the Planning Commission of the County of Hawaii in accordance with the provisions of Section 5-4.3 of the Charter of the County of Hawaii.

PLACE: Council Room, County Building, South Hilo, Hawaii  
DATE: Thursday, February 23, 1978  
TIME: Item Nos. 1 to 5: 3:00 p.m.  
Item Nos. 6 to 7: 7:00 p.m.

The purpose of the public hearings is to afford all interested persons a reasonable opportunity to be heard on the following requests:

1. PETITIONER: HARVEY CARMACK

LOCATION: Approximately 4,500 feet northwest of the Volcano Highway in the Pacific Paradise Mountain View Manor Subdivision, Increment 3, 'Ola'a Reservation Lots, 'Ola'a, Puna.

TMK: 1-8-82:77

PURPOSE: Variance to allow the retention of a single family dwelling with a 5'-8½" side yard setback and a 2'-8½" clear space in lieu of the minimum requirements of 8 and 4 feet respectively for an 8,346-square foot lot.

EXHIBIT

L-1

2. PETITIONER: STATE OF HAWAII DEPARTMENT OF ACCOUNTING AND  
GENERAL SERVICES
- LOCATION: At the University of Hawaii Hilo College  
campus, approximately 800 feet makai of the  
existing Adult Student Housing facilities,  
Waiakea Cane Lots, Waiakea, South Hilo.
- TMK: 2-4-01:portion of 7
- PURPOSE: Variance to allow the construction of a  
gymnasium with a height of 48 feet in lieu  
of the maximum limit of 35 feet as stipulated  
in the Single Family Residential - 10,000-  
square foot zoned district.
3. PETITIONER: COUNTY OF HAWAII DEPARTMENT OF PARKS AND  
RECREATION
- LOCATION: Adjacent to and mauka of the Hilo Boys' Club  
Complex, Ponahawai, South Hilo.
- TMK: 2-3-20:portions of 2 and 7
- PURPOSE: Change of zone for 7.2 acres of land from a  
Single Family Residential - 7,500 square  
foot (RS-7.5) to an Open (O) zoned district.
4. PETITIONER: SUISAN COMPANY, LTD.
- LOCATION: Northeastern side of Kealakai Street, approxi-  
mately 3,200 feet from Stainback Highway in  
the Puna direction, Panaewa Farm Lots, 2nd  
Series, Waiakea, South Hilo.
- TMK: 2-4-49:21 and 22



PURPOSE: Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 20.483 acres of land situated within the State Land Use Agricultural District.

5. PETITIONER: HAWAII ISLAND HUMANE SOCIETY, SPCA

LOCATION: Site of the Keaau Animal Shelter along the east side of the Kea'au-Pahoa Road, approximately 1.5 miles from Kea'au, Kea'au, Puna.

TMK: 1-6-03:74

PURPOSE: Special Permit to allow the addition of kennels and a garage and to legitimize the existing Humane Society Use on 2.8 acres of land situated within the State Land Use Agricultural District.

6. PETITIONER: SUISAN COMPANY, LTD.

LOCATION: On the Hilo side of Kumau Street and approximately 170 feet makai of Kalaniana'ole Street, Waiakea Warehouse Lots, Waiakea, South Hilo

TMK: 2-1-07:3

PURPOSE: (a) Variance to allow the construction of a cold storage warehouse with a 1'-0" rear yard setback in lieu of the minimum requirement of 20'-0" as stipulated within the General Industrial - 20,000 square foot (MG-20) zone.

(b) Special Management Area (SMA) Use Permit to allow the establishment of a cold-storage warehouse facility and related improvements on 22,387 square feet of land.

7. PETITIONER: STATE OF HAWAII DEPARTMENT OF PLANNING AND ECONOMIC DEVELOPMENT
- LOCATION: About one mile makai of Lava Tree State Park on the east side of Pohoiki Road, Kapoho, Puna.
- TMK: 1-4-01:portion of 2
- PURPOSE: Special Permit to allow the establishment of a geothermal research facility and to conduct flow tests on approximately 4 acres of land situated within the State Land Use Agricultural District.

Maps showing the general locations and boundaries of the areas under consideration and/or plans of the proposed developments are on file in the office of the Planning Department in the County Building at 25 Aupuni Street, Hilo, Hawaii, and are open to inspection during office hours. All comments should be filed with the Planning Commission before that date, or in person at the public hearing.

PLANNING COMMISSION  
William F. Mielcke, Chairman  
By Sidney M. Fuke  
Planning Director

(Hawaii Tribune-Herald: February 13 and 21, 1978)



Date February 23, 1978

Petitioner SULSAN COMPANY, LTD. - Special Permit

Other: \_\_\_\_\_

Commissioners	Aye	No	Excused	Abstain
FUJIMOTO, Shigeru			/	
HANLEY, J. Walsh			/	
JITCHAKU, Lorraine R.	✓			
MURAKAMI, Haruo	✓			
NAKANO, Bert H.	✓			
ORITA, Alfredo	✓			
PARIS, William Jr.	✓			
SAKAMOTO, Charles	✓			
MIELCKE, William F.	✓			

LUC

PLANNING COMMISSION

Planning Department  
County of Hawaii

MINUTES  
February 23, 1978

The Planning Commission met in regular session at 10:00 a.m. in the Councilroom, County Building, South Hilo, Hawaii, with Chairman William F. Mielcke presiding.

PRESENT: William F. Mielcke  
Shigeru Fujimoto (Left at 3:00 p.m.)  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
William J. Paris, Jr.  
Charles Sakamoto

ABSENT: J. Walsh Hanley

Duane Kanuha, Deputy Planning Director  
Norman Hayashi, Planner  
Ilima Piianaia, Planner  
Keith Kato, Planner (Left at 5:00 p.m.)

David Murakami, representing Ex-officio Member, Edward Harada (Left at 3:00 p.m.)  
Quirino Antonio, representing Ex-officio Member, Akira Fujimoto (Left at 11:30 p.m.)  
Lionel Meyer, Deputy Corporation Counsel (From 7:00 p.m.)

and about 10 people at 10:00 a.m., 13 people at 3:00 p.m., and 7 people at 7 p.m.

EXHIBIT N



Public Works' representative, David Murakami, informed the Commissioners that the Department feels that three driveways along Kawili Street would be too many, and they would check this during plan approval.

Commissioner Murakami expressed his concern for traffic safety and said he was not in favor of three accesses.

Mr. Inada said that they are considering cutting down the accesses to just two as they do agree the accesses were pretty close together.

Upon the Deputy Director's questioning, Mr. Inada said he had no objections to the addition of another condition of approval that accesses to the parking area shall meet the approval of the Chief Engineer.

Mr. Inada said he thought they would be able to conform to the conditions as outlined by the staff without any problems.

It was moved by Commissioner Paris and seconded by Commissioner Sakamoto that the public hearing be closed; motion was carried.

It was moved by Commissioner Jitchaku and seconded by Commissioner Murakami to approve the variance request with the conditions outlined by the staff and the added condition, "That access(es) to the parking area shall meet with the approval of the Department of Public Works." A roll call vote was taken and motion carried with seven ayes.

CHANGE OF ZONE  
COUNTY OF HAWAII  
DEPARTMENT OF  
PARKS AND  
RECREATION  
PONAHAWAI,  
SOUTH HILO

Public hearing on the application of the County of Hawaii Department of Parks and Recreation for a change of zone for 7.2 acres of land from a Single Family Residential - 7,500 square foot (RS-7.5) to an Open (O) zoned district. The area involved is located adjacent to and mauka of the Hilo Boys' Club Complex, Ponahawai, South Hilo, TMK: 2-3-20:portions of 2 and 7.

Staff presented background information and recommendation for approval with conditions on file.

The petitioner's representative, Glenn Miyao, stated that the Department of Parks and Recreation is reserving the makai 50 feet for the extension of Laimana Street.

It was moved by Commissioner Jitchaku and seconded by Commissioner Paris that the public hearing be closed; motion was carried.

It was moved by Commissioner Paris and seconded by Commissioner Jitchaku to send a favorable recommendation to the Hawaii County Council with the conditions outlined by the staff. A roll call vote was taken and motion carried with seven ayes.

✓ SPECIAL PERMIT  
SUISAN COMPANY,  
LTD.  
WAI'AKEA, SOUTH  
HILO

Public hearing on the application of Suisan Company, Ltd., for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8± acres of land situated within the State Land Use Agricultural District. The property involved is located along



the northeastern side of Kealakai Street, approximately 3,200 feet from the Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22.

Staff presented background information on file.

The petitioner's representative, Charles Umamoto, said that they have found it extremely difficult to operate within the present 2 acres near the airport. He stated that a portion of the building would be used for office use which would relate to whatever operation they have on the property. He said the commercial activities mentioned in their application would probably later on include frozen foods like shrimps, fish, etc.

Mr. Umamoto pointed out that the Panaewa area request is for a long-range program, and that they have been looking for industrial areas within Hilo and find it extremely difficult to obtain lands as most of them are owned by Hawaiian Homes and the rental there is too high. He added that transportation costs from the wharf to Panaewa would be the same. He said they were essentially looking toward phasing out the present facility near the airport because of the dilapidated condition of the building and it would be uneconomical for them to rebuild because of certain requirements.

Mr. Umamoto said they have looked at other alternative sites; however, they have not found one which fits their total needs as they had to choose an area where 10 or 15 years from now they won't find out it's too small.

It was moved by Commissioner Murakami and seconded by Commissioner Sakamoto to continue the public hearing at the next Hilo meeting for the purpose of making a field trip to the existing facility and to be able to obtain further information.

Mr. Umamoto informed the Commissioners that the date of the auction has not been set and would be after a decision has been made by the Planning Commission and the State Land Use Commission.

A roll call vote was taken and motion carried with seven ayes.



PLANNING COMMISSION

Planning Department  
County of Hawaii

HEARING TRANSCRIPT  
February 23, 1978

A regularly advertised public hearing, on the application of Suisan Company, Ltd., was called to order at 3:59 p.m. in the Councilroom, County Building, South Hilo, Hawaii, by Chairman William F. Mielcke.

PRESENT:	William F. Mielcke Lorraine R. Jitchaku Haruo Murakami Bert H. Nakano Alfredo Orita William J. Paris, Jr. Charles Sakamoto  Duane Kanuha, Deputy Planning Director Norman Hayashi, Planner Ilima Piianaia, Planner Keith Kato, Planner	ABSENT:	Shigeru Fujimoto J. Walsh Hanley  Quirino Antonio, representing Ex- officio Member Akira Fujimoto David Murakami, representing Ex- officio Member Edward Harada Corporation Counsel
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and about 6 people in attendance

CHAIRMAN: We'll proceed with our agenda, Item Number 4. Public hearing on the application of Suisan Company, Ltd., for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>+</sup> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22. Staff?

KATO: (Presented background information on file.)

CHAIRMAN: Thank you, Keith, Would you clarify on the first page on the bottom, there is a quote, "By this letter, we are authorizing the Suisan Company, Limited, to sign as applicant for the Special Use Permit. We would like to point out, however, that this by no means implies that Suisan Company, Limited, will have any preference to the proposed lease of the property, as the lease must be offered at public auction." In other words, they have authorization to go ahead and pursue the application, but there's no assurance that they're actually going to get the parcel, property?

KATO: That's correct.

EXHIBIT 0



CHAIRMAN: Okay, Commissioners, any questions of the -.

MURAKAMI: Mr. Chairman?

CHAIRMAN: Yes, Commissioner Murakami.

MURAKAMI: Keith, can you tell me, you know, why this property is classed as Agricultural Class E.

HAYASHI: Mr. Chairman, perhaps I can answer that question. As far as the classification E or very poor, that's determined by the Land Study Bureau which is now a defunct agency of the State.

CHAIRMAN: Thank you. Commissioners, any further questions of the staff? I'd like to at this time call the applicant or a representative of the applicant forward. I'll swear you in please. Will you raise your right hand. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

UMAMOTO: I do.

CHAIRMAN: Will you please be seated and state your name into the microphone.

UMAMOTO: My names is Charles Umamoto. I'm representing Suisan Company.

CHAIRMAN: Thank you, Mr. Umamoto. The question that I think I raised originally is that you have authorization to go ahead and proceed with the Special Use Permit, however it is understood that you will not have any preference in the proposed lease of the property and that the property is going to be leased at public auction?

UMAMOTO: Yes.

CHAIRMAN: Thank you. Any comments that you would like to make concerning the background report on the application.

UMAMOTO: I'd like to add several things. First of all, Suisan Company, as was stated, has been in the food processing business for probably 15, 16 years. At our present operation facility which is about 2 acres, we find it extremely difficult to operate within that 2 acres. In fact, last year the FDS came in and really wrote us up for a sizeable amount to make improvements there; and because of the relative closeness to the airport runway, there are several restrictions as far as building of a new, putting up a new building. So we are presently looking for new areas. And tonight I'll be here also to represent Suisan for the variance on the Kumau Street property which we are thinking about investing \$400,000 in a freezer on the Kumau Street property there.

But this year, this coming year, we have 400 acres of guava that private farmers are going to be harvesting and we find it that if the trend keeps up where people are going to start growing more



guava, lilikoi, and papaya, we have to have the area to process these fruits. I'm also working with the County Research and Development on a short-term basis. We're looking at an area probably in the old Inter-island airport as a place to receive and sort guavas and papayas and lilikoi because we can't do that at our present site. It's too congested. That's about it.

CHAIRMAN: Thank you, Mr. Umamoto. Members of the Commission, do you have any questions of the representative of the applicant?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: Mr. Umamoto, right now where are you folks located at, at the old Koksui Building?

UMAMOTO: Yes, at 1965 Kam Avenue, down along the airport runway, next to Ebesuzaki's.

CHAIRMAN: Right next to the runway.

MURAKAMI: I see. What's the square area you are using at present?

UMAMOTO: I believe it's about a little over 2 acres.

MURAKAMI: Over 2 acres. I'm talking about the building where you're processing these foods, the area. You're using the full 2 acres.

UMAMOTO: No, no. We're using about, now you have to understand that we have a frozen food operation there and also in the same area we have a jams and jellies processing plant and a puree processing plant. As far as the fruit processing, we have about or we use about half the area.

MURAKAMI: Thank you.

CHAIRMAN: Members of the Commission, any further questions of the applicant? Commissioner Paris?

PARIS: In other words, this new area is going to be strictly for your food processing area, not those other facilities? I'm just thinking you said 2 acres is not enough and this is 2.8 acres, so this is not much of an increase, but you won't have the height limitations out there, I guess?

UMAMOTO: In Panaewa, yes.

CHAIRMAN: Thank you. Staff, did you have any questions?

HAYASHI: Mr. Chairman, I have several questions, and I'll go one by one.

First of all, according to your application, you'll have a visitors center. What is proposed within the visitors center and where will it be situated? I don't see it on the map there.



CHAIRMAN: Mr. Umamoto, if you'd like to go up to the map, it's all right.

UMAMOTO: It would be located here. A portion of this building would be for our office use and another portion for the retail.

HAYASHI: Okay, the next question is, also in your application you stated that you'll have general offices, can you sort of clarify that? Will that be directly related only to the activity on the property?

UMAMOTO: Just by saying general offices would be related to whatever operation we have on the property, yes.

HAYASHI: So you don't intend to have a doctor's office or anything else like that?

UMAMOTO: No, no.

HAYASHI: Okay, also in your application you said that you'll have retail and wholesale activities, would these activities be only for those products produced or processed on the premise?

UMAMOTO: Well, if, when we're talking about wholesaling, again, it depends largely on, wait a minute. Norman, could you repeat the question.

HAYASHI: Okay, in other words, your commercial activity there, would it be only for those products which are processed on the premise or would you be getting or selling fish or something else from that property?

UMAMOTO: Well, as stated in the report that the staff gave, we find that with the freezer operation, because the tropical fruits, because it's a seasonal thing, to make the investment pay for itself, we will have to probably later on, bring in our frozen foods operation there. We don't know yet.

HAYASHI: So that goes to my next question where in your application, you say store and hold all types of frozen merchandise for inventory, that means under this particular application, do you intend to eventually sell frozen foods like shrimps or whatever?

UMAMOTO: I believe so, yes.

HAYASHI: So that's part of your application here today?

UMAMOTO: Yes.

HAYASHI: Okay, the next question is, you said that you'll be using the remaining area for guava and lilikoi farming, do you have any timetable as to when you'll go into planting?

UMAMOTO: As far as planting goes, if we can get the bid at the auction, then I would say within six months or so.



HAYASHI: That's all I have, thank you.

CHAIRMAN: Thank you, Mr. Hayashi. Commissioners?

MURAKAMI: Yes, I'd like to further the question as far as the frozen foods. I know you folks have a variance on Waiakea for storage, what is that storage going to be? They had said storage but they didn't say specifically what the storage was for, so now you mention you're going to use this area for frozen storage.

UMAMOTO: Well, first of all I'd like to say that the Company's immediate goal is to put up a cold storage at Kumau Street. The reason for this, we find that we have to put up a cold storage to take care of the summer fruits that are coming in. Now, when the puree is processed, it has to be frozen. Our inventory has to be frozen and this year, we're projecting, as far as guava goes, about 2 1/2 million pounds of finished product. And in the past, what we've been doing is that we can't keep up with the demands, so we've been processing the fruits, freezing the fruits, and shipping it out. Also, the freezer on Kumau Street will be used for the frozen, a portion will be used for frozen foods because we have to overhaul some of the freezers we have on our present site.

MURAKAMI: But now you're claiming that because when you process puree at this present facility, it's not enough because you say you have to freeze it after the finished product, with this building you're suppose to be able to store enough, right?

UMAMOTO: With the Kumau Street one?

MURAKAMI: We're talking about the processed product, finished product.

UMAMOTO: Yes, you know, first of all this Panaewa thing is a long-range planning for the company. We've been looking for industrial areas within Hilo and find it extremely difficult to get, basically because Hawaiian Homes owns most of the land there which is zoned industrial; and working with agricultural products as most of you know, that we're working with an item which brings in very small profits. For instance, we may purchase the guava at 9 cents a pound, we process the fruit, we get 60 percent return on the fruit and we sell it for 19 cents a pound. So as you can see, working with agricultural products, you're talking about a large investment and small return. Therefore, we can't afford to go into Hawaiian Homes' lands because basically the rental is too high.

MURAKAMI: But primarily you're coming for this Special Permit for processing and storage and freezing or cooling of the finished product, right?

UMAMOTO: Yes.

MURAKAMI: Okay.

CHAIRMAN: Okay, thank you, Commissioner Murakami.

JITCHAKU: Just one comment, Mr. Chairman?



CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Charles, then we're talking about your long-range plans for the company and your expanding it, you're essentially looking for phasing out of your present facilities then, near the airport because of its condition?

UMAMOTO: Yes, because of its conditions, really because as we found that the building is being held up by termites holding their hands together and the minute they start releasing, that thing is going to start collapsing. But at that present site, even if we were to tear down the old building, it would not be economical for us to rebuild there because of the certain requirements.

CHAIRMAN: Okay, thank you. Any further questions?

KANUHA: Mr. Chairman?

CHAIRMAN: Yes, Deputy Director.

KANUHA: Charlie, I had a couple of questions that were somewhat along the line of what Commissioner Jitchaku had previously hinted at and perhaps as a matter of information, would you be able to tell the Commission at this time what the advantages from a business standpoint would be to locating a facility such as you're applying for at this distance away from the commercial or industrial hub of the City of Hilo?

UMAMOTO: Well, first of all, like I said before, if you, the County or whoever could find us land closer to our present operational site, we'd be very happy to consider the thing. But again, like I explained, we can't afford the type of lease that Hawaiian Homes is going to ask for. As far as the operations, hauling our products from the wharf to Panaewa, we find that as far as the PUC rate goes, it's the same as our present facility now.

KANUHA: By the way you responded to that particular question, I'm assuming that you folks have looked at other alternative sites before finally selecting on this particular site, is that correct?

UMAMOTO: Yes, basically because we tried looking and we can't find an area which fits our total needs. By this I mean that if the Company is going to invest such a large sum into moving this operation we can't be moving it, taking a chance that we might move to an area which we find out 10, 15 years from now it's too small.

KANUHA: Okay, Charlie, the last question that I had was what kind of time frame are you talking about as far as the operations that you are presently proposing. In other words, would it be reasonable to assume that at some point in the future, if this particular operation, if it's approved, is very successful, would there be or are you contemplating future expansion at this particular site?

UMAMOTO: Expansion, what do you mean by expansion, more than the 2.8 acres that we're asking for?



KANUHA: Both in the produce, the lilikoi and the guava and the structural kinds of improvements.

UMAMOTO: Well, as much as possible, we would rather have farmers grow the fruits. The main reason we're asking for so many acres to grow our own agricultural products is that the farmers now aren't getting into growing lilikoi; and being that lilikoi is a fruit that blends well with other type of drinks, we're getting so much orders in that we have to seek an area to plant this ourselves. But as far as expansion on the processing and by all means if the business progresses like we are projecting, by all means maybe 5 years after, 10 years, we won't know.

KANUHA: Okay, thank you, Mr. Chairman.

CHAIRMAN: Thank you. Commissioners, any further questions or staff? Mr. Umamoto, this is a public hearing, I'll ask you to take a seat in the audience and we will invite anyone from the audience who would like to testify either for or against, or would like to comment on this application to please indicate so by raising their hand. No?

Okay, Members of the Commission, this is a request for a Special Permit. The Commission's role in this is advisory or adjudicatory. Our duties are to conduct the public hearing which, of course, will afford the Commission to receive information from the staff and from the petitioner. We take public testimonies, but there was no public testimony today. Our voting will be, this afternoon, either to continue the public hearing or to close the public hearing. If the public hearing is closed, well, we cannot take any action on this application for 15 days. What is your pleasure?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: I move for continuing the public hearing, that we go on a field trip and see the plant so that we know more or less what we are deciding on, you know, whether to send a favorable recommendation on the Special Permit or not. I have doubts in my mind as far as the processing plant.

CHAIRMAN: It has been moved by Commissioner Murakami that we continue the public hearing to allow time for a field trip to the area. Is there a second to that motion?

MURAKAMI: Mr. Chairman, when I say area, I'm not speaking in terms of the proposed area, the existing processing plant.

CHAIRMAN: To the existing processing plant, I'm sorry, I misunderstood you.

JITCHAKU: I have a question.

CHAIRMAN: Question.



JITCHAKU: I'm just wondering, if we do close the public hearing, we still can go to the site and I recollect we may be able to discuss this particular application if it pertains to, anything pertaining to it at the next meeting. So I was just wondering if you still want to defer the meeting, Commissioner Murakami.

MURAKAMI: Yes, but the point I'm asking is that if you close the public hearing, we cannot ask questions after the, because you cannot take any testimony right?

CHAIRMAN: Yes, for clarification, once the public hearing is closed, we will only clarify any testimony that has been given here today thus far, and any point of clarification concerning the application.

There is a motion to continue the public hearing. Is there a second on the motion to continue the public hearing?

SAKAMOTO: I second the motion, Mr. Chairman.

CHAIRMAN: It has been moved by Commissioner Murakami and seconded by Commissioner Sakamoto that we continue the public hearing for the purpose of one making a field trip to the existing operation, is that correct, Commissioner Murakami?

MURAKAMI: Yes.

CHAIRMAN: And to afford the Commission an opportunity to obtain further information concerning the application.

PIIANAIA: Is there a date? Are you talking about continuing it to the next Hilo meeting?

CHAIRMAN: Commissioner Murakami?

MURAKAMI: Yes, okay, set the time for the next Hilo meeting.

CHAIRMAN: All right, for the clarification on the motion, Commissioner Murakami is moving that we continue the public hearing to our next scheduled Hilo meeting for the purpose of inspecting the existing facility and obtaining further information concerning this application for a Special Permit. Commissioner Sakamoto, is that your understanding on your second?

SAKAMOTO: Yes.

HAYASHI: Mr. Chairman, I have one question of the applicant at this time. Charlie?

CHAIRMAN: Mr. Umamoto, would you come forward please.

HAYASHI: Has the date of the auction been set?

JITCHAKU: I was going to ask that question to the staff.

UMAMOTO: As far as the date of the auction, that would be determined by Planning -.



HAYASHI: It would be after a decision has been made by this body and subsequently the State Land Use Commission?

UMAMOTO: Yes.

CHAIRMAN: Okay, for clarification purposes, the question had to do with the date. Okay, did you all understand the question Mr. Hayashi questioned and the response?

All right, there is a motion on the floor -.

MURAKAMI: Mr. Chairman, before we take a vote, maybe you should ask the applicant if he can accommodate us.

CHAIRMAN: Mr. Umamoto, Commissioner Murakami asked if you would be willing to accommodate us by an inspection of your present facility.

UMAMOTO: All of you?

CHAIRMAN: All of us.

UMAMOTO: Yes.

CHAIRMAN: Thank you. Yes, they would Commissioner Murakami. I'd like to take a roll call vote on this.

KATO: (Took a roll call vote.)

Seven ayes, motion carries.

CHAIRMAN: Okay, Mr. Umamoto the public hearing is being continued. We will advise you accordingly, or we will request a time that will be suitable to you when the Commission can make a field trip to your existing facility and your application will come up at our next scheduled meeting in Hilo which is tentatively set for March 22nd.

PIIANAIA: I would suggest that perhaps we can try to work it into the morning of that meeting.

CHAIRMAN: Yes, I think that will be fine, Ilima. Okay, thank you Mr. Umamoto.

The Chair proceeded to the next public hearing at 4:40 p.m.

Respectfully submitted,

Sharon M. Nomura  
Secretary

A T T E S T :



William F. Mielcke  
Chairman, Planning Commission

February 24, 1978

Mr. Rex Matsuno, President  
Suisan Company, Ltd.  
1965 Kamehameha Avenue  
Hilo, Hawaii 96720

Dear Mr. Matsuno:

Special Permit Application  
Tax Map Key 204040:21 and 22

The Planning Commission at its meeting of February 23, 1978 held a duly advertised public hearing on your application for a special permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8+ acres of land situated within the State Land Use Agricultural District in Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii.

This is to inform you that the Commission voted to continue the public hearing in order to allow the Commissioners an opportunity to visit your existing processing plant and obtain additional information.

In the meantime, should you have any questions regarding your request, please feel free to contact the Planning Department at 961-8283.

Sincerely,



William F. Mielcke  
Chairman, Planning Commission

lgv  
cc Mr. James Deter, DLNR  
State Land Use Commission  
Land Use Division, DEED

EXHIBIT ~~A~~ P

MAR 6 - 1978





COUNTY OF  
HAWAII

## PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720

HERBERT T. MATAYOSHI  
Mayor

SIDNEY M. FUKU  
Director

DUANE KANUHA  
Deputy Director

March 10, 1978

Dear Property Owner: TMK:

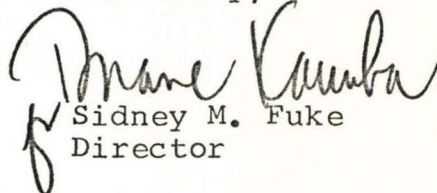
Special Permit Application  
Waiakea, South Hilo, Hawaii  
Tax Map Key 2-4-49:21 and 22

Please refer to our letter of February 7, 1978, at which time we informed you of the above request.

You are hereby notified that a continuing public hearing on the subject among others will be held beginning at 7:00 p.m. on Wednesday, March 22, 1978, in the Councilroom, County Building, South Hilo, Hawaii.

You are invited to comment on the application at the hearing or submit written comments prior to the hearing.

Sincerely,

  
Sidney M. Fuku  
Director

smn

Enclosure

cc: State Land Use Commission  
Land Use Division, DPED

EXHIBIT Q

March 10, 1978

Mr. Rex Matsuno, President  
Suisan Company, Limited  
1965 Kamehameha Avenue  
Hilo, HI 96720

Dear Mr. Matsuno:


Notice of a Public Hearing  
Special Permit Application  
Tax Map Key 2-4-49:21 and 22

This is to inform you that your request has been scheduled for a public hearing. Said hearing among others will be held beginning at 7:00 p.m. on Wednesday, March 22, 1978, in the Councilroom, County Building, South Hilo, Hawaii.

The presence of a representative will be appreciated in order that all questions relative to the request may be clarified.

A copy of the hearing notice is enclosed for your information.

Sincerely,

*fu*   
Sidney M. Fuke  
Director

smn

Enclosure

cc: Mr. Chas Umamoto  
Mr. James J. Deter  
State Land Use Commission  
Land Use Division, DPED

EXHIBIT R



PUBLIC HEARINGS  
PLANNING COMMISSION  
COUNTY OF HAWAII

NOTICE IS HEREBY GIVEN of public hearings to be held by the Planning Commission of the County of Hawaii in accordance with the provisions of Section 5-4.3 of the Charter of the County of Hawaii.

PLACE: Councilroom, County Building, South Hilo, Hawaii

DATE: Wednesday, March 22, 1978

TIME: 7:00 p.m.

The purpose of the public hearings is to afford all interested persons a reasonable opportunity to be heard on the following requests:

1. PETITIONER: HILO RADIATOR AND GLASS SHOP  
LOCATION: Along the easterly side of Kino'ole Street, approximately 200 feet south of Mohouli Street, Waiakea Houselots, 2nd Series, Waiakea, South Hilo.  
TMK: 2-2-21:31 and 32.  
PURPOSE: Variance to allow the expansion of a non-conforming use by adding an office area to an existing auto repair shop situated within the Single Family Residential - 10,000 square foot (RS-10) zoned district.
2. PETITIONER: JARRETT AHIA  
LOCATION: Along the east side of Ahia Road, approximately 2,000 feet north of the junction of the Kalapana-Kapoho Beach Road and the Pahoa-Kalapana Road, Kaimu-Makena Houselots, Puna.

EXHIBIT R-1

TMK: 1-2-04:26

PURPOSE: Variance to allow the creation of three (3) lots with building site average widths of approximately 85.66 feet in lieu of the minimum requirement of 100 feet as stipulated within the Residential Agriculture - one-half acre (RA-.5a) zoned district.

3. PETITIONER: SUISAN COMPANY, LIMITED

LOCATION: Along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo.

TMK: 2-4-49:21 and 22

PURPOSE: Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>+</sup> acres of land situated within the State Land Use Agricultural District.

Maps showing the general locations and boundaries of the areas under consideration and/or plans of the proposed developments are on file in the office of the Planning Department in the County Building at 25 Aupuni Street, Hilo, Hawaii, and are open to inspection during office hours. All comments should be filed with the Planning Commission before that date, or in person at the public hearing.

PLANNING COMMISSION,  
WILLIAM F. MIELCKE, Chairman  
By SIDNEY M. FUKU  
Planning Director

(Hawaii Tribune-Herald: March 12, and 20, 1978)



Date March 22, 1978

         Preliminary hearing      ✓   Public hearing             Request             Action

closed

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PLANNING COMMISSION

Planning Department  
County of Hawaii

MINUTES  
March 22, 1978

The Planning Commission met in regular session at 2:00 p.m.  
in the Councilroom, County Building, South Hilo, Hawaii, with  
Chairman William F. Mielcke presiding.

PRESENT:	William F. Mielcke	ABSENT:	Shigeru Fujimoto
	J. Walsh Hanley		
	Lorraine R. Jitchaku		Ex-officio Member
	Haruo Murakami		Akira Fujimoto
	Bert H. Nakano		
	Alfredo Orita		
	William J. Paris, Jr. (Left at 4:47 p.m.)		
	Charles H. Sakamoto		
	Sidney M. Fuke, Director		
	Norman Hayashi, Planner (From 4:25 p.m.)		
	Ilima Piianaia, Planner		
	William Moore, Planner		

David Murakami, representing Ex-officio Member Edward Harada  
Roxanna Garcia, Assistant Corporation Counsel

and about 7 people in attendance

EXHIBIT T



VARIANCE  
JARRETT AHIA  
KAIMU-MAKENA  
HOUSELOTS, PUNA

Public hearing on the application of Jarrett Ahia for a variance to allow the creation of three (3) lots with building site average widths of approximately 85.66 feet in lieu of the minimum requirement of 100 feet as stipulated within the Residential Agriculture - one-half acre (RS-.5a) zoned district. The property involved is located along the east side of Ahia Road, approximately 2,000 feet north of the junction of the Kalapana-Kapoho Beach Road and the Pahoa-Kalapana Road, Kaimu-Makena Houselots, Puna, TMK: 1-2-04:26.

Staff explained that as the Subdivision Code allows for half an easement, the applicant essentially would provide half the easement and the adjoining parcel, if they came in for subdivision, would provide the other half.

The Planning Director clarified that for the purpose of this subdivision, the Department would have to amend the conditions of approval by reflecting a 16-foot road right-of-way easement with a 12-foot pavement; however, this does not affect the variance application. The Director pointed out that the reason for Condition No. 2 is to allow for more useable area because of the easement going through Lots A and B.

The applicant's representative, Gordon Inaba, had no questions on the recommendation and said he was able to comply with the conditions as outlined by the staff.

There was no one testifying on the application.

It was moved by Commissioner Jitchaku and seconded by Commissioner Orita that the public hearing be closed; motion was carried.

It was moved by Commissioner Sakamoto and seconded by Commissioner Jitchaku to approve the variance request with the conditions outlined by the staff. A roll call vote was taken and motion carried with seven ayes.

SPECIAL PERMIT  
SUISAN COMPANY,  
LTD.  
WAIAKEA, SOUTH

Continuation of a public hearing on the application of Suisan Company, Ltd. for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>±</sup> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22.

Staff noted that the public hearing was continued for the purpose of obtaining additional information.

The Chair pointed out that the Commissioners visited the existing Suisan building in the morning and observed their operations.



Staff explained that the property is owned by the State of Hawaii and that Suisan Company, Ltd. would have to bid on the lease for these lands when they are put up for auction.

The applicant's representative, Charles Umamoto, reiterated his earlier statement that the Panaewa property is for a long-range program and that although they intended the rest of the acreage to be used for agricultural products, Suisan Company does not want to go into the farming business as much as possible. For clarification purposes, Mr. Umamoto stated that the Special Permit request is for the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>+</sup> acres.

Under public testimony, Mr. Tom Matsumoto, expressed his concern on how the waste materials would be disposed of as his residence is nearby and also as he has a tissue culture laboratory which he did not want contaminated.

The Chair informed Mr. Matsumoto that Mr. Rex Matsuno had told the Commissioners that one of their concerns was disposal of wastes as they did not want the smell to be offensive to the surrounding areas and that they are looking at utilizing the waste products so it would be economically beneficial.

Also under public testimony, Ms. Linda Dela Cruz, President of Hawaii Guava Producers Association, spoke in favor of the proposal as it would alleviate their concerns of congestion at the present site. Mr. Umamoto said that their company is looking at alternative sites for the congestion problem and that they are presently working with the Department of Research and Development in trying to get the old airport area where the farmers could drop off their fruits.

It was moved by Commissioner Sakamoto and seconded by Commissioner Nakano that the public hearing be closed; motion was carried.

SMA USE PERMIT  
COUNTY OF HAWAII  
DEPARTMENT OF  
PUBLIC WORKS  
WAIAKEA, SOUTH  
HILO

Public hearing on the application of the County of Hawaii Department of Public Works for a Special Management Area (SMA) Use Permit to allow the construction of a 10-inch sewer main and appurtenances along the northern(makai) side of Kuawa Street. The area involved is the Kuawa Street right-of-way between Manono Street and Kanoelehua Avenue, Waiakea, South Hilo, TMK: 2-2-32.

Staff presented background information and recommendation for approval with conditions on file.

The applicant's representative, Bruce Takamine, informed the Commissioners that the proposed improvement would start from the corner of Kanoelehua and Kuawa Streets to Manono Street and hook up to the existing sewer line.

Commissioner Hanley expressed his concern of coordinating projects, as the State had just spent a considerable amount



PLANNING COMMISSION

Planning Department  
County of Hawaii

HEARING TRANSCRIPT  
March 22, 1978

A regularly advertised public hearing, on the application of Suisan Company, Ltd., was called to order at 7:31 p.m. in the Councilroom, County Building, South Hilo, Hawaii, by Chairman William F. Mielcke.

PRESENT: William F. Mielcke  
J. Walsh Hanley  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
William J. Paris, Jr.  
Charles H. Sakamoto

ABSENT: Shigeru Fujimoto  
  
Ex-officio Member  
Akira Fujimoto

Sidney M. Fuke, Director  
Norman Hayashi, Planner  
Ilima Piianaia, Planner  
William Moore, Planner

David Murakami, representing Ex-officio Member, Edward Harada  
Roxanna Garcia, Assistant Corporation Counsel

and about 6 people in attendance

CHAIRMAN: We'll move on to Item three on the agenda. Continuation of a public hearing on the application of Suisan Company, Ltd. for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8+ acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21 and 22. Staff, there is no need to read the background information, is there?

PIIANAIA: No, because this was just continuing the hearing to obtain additional information.

CHAIRMAN: Yes, we visited the existing building this morning and saw their operation and what they were trying to accomplish. Do you have any questions that you'd like to ask of the staff on their background report?

H. MURAKAMI: Mr. Chairman?

EXHIBIT U



CHAIRMAN: Yes, Commissioner Murakami?

H. MURAKAMI: There's one clarification. Maybe Ilima can clarify for me. When you say the 2.8 acres under consideration, and yet you have over here, "adjoining lots comprising 20.486 acres", can you give me some idea as to where this 20. so many acres came?

PIIANAIA: Okay, if you look at the presentation maps, Commissioner Murakami, you'll notice that there are two lots involved in this petition. The request is to essentially establish the requested uses on 2.8 acres of these total two lots area. The petitioner is asking to establish 7 acres of one of the parcels in lilikoi and 10.243 acres of the entire second parcel in guava.

H. MURAKAMI: Can you tell me if the two lots, they are the owners or whether that is a leased property or whether they're planning to lease or -?

PIIANAIA: No, this property is owned by the State of Hawaii and essentially they will have to bid for these lands when the State puts it up for auction. There is no guarantee that the petitioner would be able to secure these lands for the proposed use because it does have to go to public auction.

CHAIRMAN: They did have approval from the State to proceed with the applications?

PIIANAIA: Yes, yes they did.

JITCHAKU: So actually, we're really not considering the 10 acres and the 7 acres for farming because that's already -.

PIIANAIA: Yes, essentially the petition is for the 2.8 acres to cover the processing plant.

CHAIRMAN: Okay, Commissioners, any further questions of the staff? If there are no questions of the staff, I would like to invite the applicant or a representative of the applicant to come forward. I'll have to swear you in. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

UMAMOTO: Yes, I do.

CHAIRMAN: Would you please be seated and state your name into the microphone.

UMAMOTO: Charles Umamoto.

CHAIRMAN: Thank you. Mr. Umamoto, do you have anything to add to the staff's background report for the benefit of the Commission?

UMAMOTO: No, I think at this time, from last month's public hearing and this afternoon's visit by the Commissioners to our operation, we covered about everything.

CHAIRMAN: Okay, thank you, Mr. Umamoto. Commissioners, do you have any questions of the applicant's representative?



JITCHAKU: I have one question, Mr. Chairman.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Charles, recently the Commissioners approved your freezer space down at Kalaniana'ole, I'm not sure if this was brought up at the preliminary hearing, but is the Company going to retain that portion down on Kalaniana'ole where your new site, your new freezing storage space will be?

UMAMOTO: Yes, we are. Now, the problem here, I think it was brought up at last month's public hearing that Suisan's intent was far as future growth concerns, now the Kumau Street cold storage warehouse facility, we're programming that as a short-range, we need it for this coming year's fruit crop; and that's why we're going ahead and try and get it completed by August.

JITCHAKU: Oh, I stand corrected too. That was a cold storage and not a freezer. So you probably could use that for your other businesses, too, or something like that.

UMAMOTO: Right, right. But Panaewa, again, is a long-range program. Now it's not necessarily that it's going to be completed in five years. We really don't know. But we're looking for an area where we can target our future expansion, too.

JITCHAKU: Yes, another question. I was curious to see that and I understand there's a lot of farmers on the island that cultivate guavas and how many farmers do you buy your guavas from, or how many growers is there right now?

UMAMOTO: Gee, I'm really not sure. I think Mrs. Dela Cruz mentioned something to you today. I would imagine about 40 or 50 farmers who are raising cultivated guavas; in other words, not wild guavas.

JITCHAKU: So there's a lot that you probably would be able to service, but couldn't with your limited areas now that you probably couldn't purchase all the guavas that your plant could take then?

UMAMOTO: Right. There's a lot of farmers who are interested not only in raising guavas, but also lilikoi. But they really don't want to invest their money or their time to get into something like that because they realize that we cannot handle all the fruits.

JITCHAKU: Thank you.

CHAIRMAN: Commissioner Sakamoto.

SAKAMOTO: Going back to Lorraine's question, I just want to ask if this thing is okayed, how many employees? You're going to increase your employees?

UMAMOTO: Well, I think so. You know, like I said, it's a long-range plan and if it's five years from now we go ahead and move our entire operation there, the whole project might be two, three million dollars by that time. Right now, we employ about 65 employees, and I'm sure with a new facility such as this, there is going to be need for more hiring.



CHAIRMAN: Commissioner Murakami?

H. MURAKAMI: Charlie, I understand that you're going to use 2.8 acres for your facilities, the rest of the acreage, are you folks going to plant papaya or guava or something in that nature on the rest of the land in the event you folks have the thing?

UMAMOTO: In the 2.8 acres?

H. MURAKAMI: No. I'm talking about besides the 2.8 acres because we're talking about 20.486 acres. Out of the 2.8 acres is the one that you're going to put a plant on.

UMAMOTO: Right, the other 17 or 18, let me see, 22 acres, so the other 19 acres or so would be for agricultural products. When I submitted the proposal, I set aside for guavas like that but I think if we get the land we probably will stick to strictly lilikoi right now. I'm not sure yet, you see, it depends on the market.

H. MURAKAMI: But what I'm trying to find out is whether you folks are going to do the actual planting and the rest of the -.

CHAIRMAN: Are you going into the farming business?

UMAMOTO: Well, originally we had intended to do that, but right now we're trying to work out a program where we can work with some farmers, have them invest some money in this project and raise the fruits for us.

H. MURAKAMI: Okay, thank you.

CHAIRMAN: Commissioners, any further questions of -.

UMAMOTO: Mr. Chairman, may I add something?

CHAIRMAN: Surely, Mr. Umamoto, go ahead.

UMAMOTO: Pertaining to Commissioner Murakami's last question, Suisan as much as possible, does not want to go into the farming business.

H. MURAKAMI: Excuse me, maybe I should clarify myself. One is because of the fact that the property itself is considered agricultural and if you have agricultural products growing, you can put your facility over there, this is why.

CHAIRMAN: Thank you. Yes, Ms. Piianaia.

PIIANAIA: I just want to clarify once again the Special Permit, Charlie, that you're requesting, you know, when we first held this hearing, you talked about if it were approved, eventual long-range plans which might include the frozen foods division and things like that. Under this Special Permit application, you're only asking for uses related to the food products? Cause you're asking for the processing, promotion, wholesaling, and retailing of the food products. This was brought up and I'd just like to clarify it once more.



UMAMOTO: I think when we applied with the Special Permit, we were talking about wholesaling. Eventually, hopefully, we can move our entire operation up into this area and not just strictly food processing.

PIIANAIA: But under this Special Permit, you're not asking for the entire operation or are you?

UMAMOTO: Right now, for the 2.8 acres basically agriculturally. We might come in later on and pull something, but you know.

CHAIRMAN: The application, Mr. Umamoto, is to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>+</sup> acres.

UMAMOTO: Right, right. It's just strictly, in other words, it's strictly, we're asking for a Special Permit for the fruit processing. The frozen foods was brought up at the last public hearing and I don't know -.

PIIANAIA: It's just a point that we would like clarified for the record.

CHAIRMAN: Oka, so there is then no misunderstandings, your application for a Special Permit on behalf of Suisan is for the establishment of a fruit processing plant with the retail sales facilities on 2.8<sup>+</sup> acres.

UMAMOTO: Yes.

CHAIRMAN: Fine. Commissioners, any further questions of Mr. Umamoto? Mr. Umamoto, this is a continuation of a public hearing, so we will be inviting members from the audience to testify. We'd like to ask that you remain in the audience in case there's some questions that come up that we'd like to ask you to respond to.

Ladies and gentlemen, this is a public hearing on the application of Suisan, Ltd. for a Special Permit. The Chair at this time would like to invite any of you from the audience who would like to testify either for or against this application to please indicate so. Yes, the gentlemen in the blue jacket in the back row, if you'd come forward please. I'll have to swear you in. Do you swear to tell the truth and nothing but the truth on this application now before the Hawaii County Planning Commission?

MATSUMOTO: I do.

CHAIRMAN: Would you be seated and state your name into the microphone.

MATSUMOTO: My name is Tom Matsumoto. I'm a leaseholder right across the proposed area that he's talking about. First of all, I want to ask, if he's not planning to develop all 20 acres, why is he asking for 20 acres; and of the 2.7 acres of that shaded area, is he going to make the plant all at the same time and if so what he's going to do with the waste disposal materials? You know, like papaya processing plants, they have a stench. I have a residence there and want to know what his intentions are as far as taking care of all that wastes.



CHAIRMAN: Okay, Mr. Matsumoto, was that your only questions?

MATSUMOTO: Yes, that's basically it.

CHAIRMAN: Mr. Umamoto, would you care to respond to the question of how you intend to dispose of the waste now? I'll ask you to please come up to the table and speak into the microphone as we are taping the proceedings this evening.

UMAMOTO: As far as the waste disposal, we probably intend to haul away the waste as you sort of observed today unless the engineers that we're working with can come up with something else.

CHAIRMAN: Mr. Umamoto, I think in the course of our tour today, Mr. Matsuno said that you are investigating specific uses for the waste materials and uses of the by-products of the processing and that was part of your long-range plans to proceed some economic use for that.

UMAMOTO: Right.

CHAIRMAN: Okay, but you presently, you don't know what -?

UMAMOTO: No, we really don't know what we're going to do.

CHAIRMAN: ...what sites he's going to make available to you for that purpose at this time?

UMAMOTO: Right.

CHAIRMAN: Okay, Mr. Matsumoto, I have a feeling that that doesn't really fully answer your question. I think they're talking about five years from now and that there may be technological improvements to the equipment and different uses for the by-products of the processing. In the Commission's tour of the existing facilities today, Mr. Matsuno did say that that was one of their considerations and something that they were looking into. Yes, Mr. Sakamoto.

SAKAMOTO: One question for Mr. Matsumoto. I want to know where his home is located and the distance from the location of his plant.

CHAIRMAN: Mr. Matsumoto, would you come up to the map please and point out your residence and if you could tell us approximately how far you are from the site of the proposed plant?

MATSUMOTO: Yes, this is my lot here. My home is right across here. This is the right-of-way going across. See, my home situates right here. I have a big investment in this place, so I want to know what they plan to do with the wastes.

CHAIRMAN: Mr. Matsumoto, I might ask you while you're up, are you involved in agriculture?

MATSUMOTO: Yes, I have a nursery right in this area which we're developing right now. You see, I have a large investment



right across here. We're building a tissue culture lab right across here.

CHAIRMAN: You're building, I'm sorry?

MATSUMOTO: A tissue culture lab.

CHAIRMAN: Tissue culture lab.

MATSUMOTO: Yes. So I have a big investment here; and since I'm living here on the premises, I would like to know what they're going to do with the wastes because I'm going to be there seven days a week. They're going to be there five days a week.

CHAIRMAN: Yes, I can only say to you, Mr. Matsumoto, that Mr. Umamoto said that he can't tell you exactly what's going to happen five years from now and I can only reiterate what Mr. Matsuno told the Commission today is that that is a concern of theirs and they're looking at utilizing the waste in some economic ways and also they have concerns so it will not be offensive to the neighbors.

UMAMOTO: Excuse me, maybe I can clarify. Mr. Matsumoto, presently we're hauling the waste products away daily, twice a day from our present operation. I mean, it's not going to be left there overnight or for weeks.

H. MURAKAMI: In other words, Mr. Matsumoto, I think because of the fact that this involves food, I think they have to meet certain requirements of the Board of Health regulations and I don't think they would dump anything around the place.

MATSUMOTO: No, no, well, my concern basically is since I'm there seven days a week, I have to tolerate the smell or whatever that, you know, at night maybe the wind blows the other way to the people down in the lower section, you know. My concern is that, one of them. Yes.

SAKAMOTO: Mr. Matsumoto, since you said about the wind, where does the direction always come from anyway?

MATSUMOTO: Basically, during the evening it blows mountain to ocean, basically. That's during the evening now. So right now there's nothing there so we don't know; and there's nobody below here, there's somebody up above me but in the nursery business, somebody below me is also in the nursery business. So as far as within that area, there's nothing that they can complain about.

JITCHAKU: I have a question.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Tom, I hate to be naive, but what is tissue cultivation?



MATSUMOTO: You see, tissue culture is a septic means of propagating plant material. One of the areas that we have to have is we have to build a lab that has to be so-called bacteria free; and contamination is the biggest problem that we have in tissue culture. Now, if they're going to build a plant here and it's not, you know, bacteria is microscopic, it can filter to my area. If I have contamination in my investment here, I'm a small man now, so I have a big investment in here, so I can't have that contamination coming over.

JITCHAKU: Thank you. I know there's a piggery somewhere around there, is that the same area as you are or is it makai of Volcano road? Where's the Miyashiro Farm?

MATSUMOTO: Wait, I'm trying to locate myself. Okay, Miyashiro is up here, and then Ha has a chicken farm up here.

JITCHAKU: Okay, thank you.

CHAIRMAN: Yes, Commissioner Hanley.

HANLEY: I have a question for Tom. How big is your property there, Tom?

MATSUMOTO: Ten acres, 10.008, I think.

CHAIRMAN: Thank you. Okay, thank you, Mr. Matsumoto. Mr. Umamoto, if you'll again remain with us.

Ma'am, I think you raised your hand to testify. Okay, would you raise your right hand please and I'll swear you in. Do you swear to tell the truth and nothing but the truth on this matter now before the Hawaii County Planning Commission?

DELA CRUZ: I do.

CHAIRMAN: Would you please be seated and state your name into the microphone.

DELA CRUZ: I'm Mrs. Linda Dela Cruz. I'm president of the Hawaii Guava Producers Association. We do business with Suisan Company, where he's located now; and we've had problems of taking our fruits to his place because it is very congested. Last year when we harvested our fruits and took it to the plant, we lined up, you were there today; and if you remember where they were bulldozing the next property to Suisan, we lined up over there 25, 30 cars and waited our turns to go in and drop off our fruits. This past harvest period, it just ended about a month ago, that property was off limits to all the farmers and therefore we had to park our cars on the main highway. And that really was a hazard to all the farmers. We waited outside and going into the parking area where we drop off our fruits, we can have only two cars at a time or one car. And even to turn around in there, turn our trucks around to get the backside of our trucks facing the scales where we can drop off the fruits was very hazardous.



And we have asked the State DPED from Honolulu to come over and look over the problems at the plant because we had a hard time delivering our fruits. We had two researchers up here last year to see how they could eliminate the problem and help us. We were thinking of using the airport facilities for dropping off our fruits, but that would take such a long time.

So when Suisan came out with this plan, I think they had this plan in the making for about two, maybe more years, I'm not sure, but when we heard of this plan, we thought, gee, that was a break for us farmers.

This last harvest period, Suisan, because of his limited facilities, could not accept wild guavas; and we have wild guava pickers in our association. There is no other processing plant as of this year that would take guavas here in Hilo. So we were trying to see if we could ship our fresh fruits to Honolulu. Honolulu wants the guavas, but it's too expensive to send it over. So we just do with what we have. But come the harvest period in August of this year, September, November, we anticipate a whole lot of congestion in that area. Now I'm sure if you approve this plan at this time, it probably will not take care of us this coming harvest period, but at least we'll have some sort of help coming next year.

We now have registered members with the association, farmers that number 50 paid members that just came on board this year. Fifty paid members. We still have about another 50 to bring into the association. We're growing by leaps and bounds. This is a Statewide organization. We have all processors and manufacturers throughout the state that's in this association. The bulk of the guava puree come from here. We have the bulk of the farmers here on this island. On the island of Kauai, Kilauea Agronomics has already planted 150 acres.

I found on my trip to Honolulu that the processing plants in Honolulu are suffering the same kind of a dilemma that we have here. Our farmers are parking on the street, too, and trying to deliver their guavas. In Honolulu, they have more wild guava pickers. We have a lot here, but the wild guava pickers cannot sell their guavas now because we only have one plant that's taking guava and Suisan is far too small right now to take all the guavas. Cultivated guavas, we expect to be selling about 10 million to 15 million pounds of guavas because we now have about 450 acres in cultivation with new acres being put into guava production. We're now working with the State for 100 acres in Panaewa land, agricultural land strictly for guavas. In Panaewa alone, Hawaiian Home lands, we have at least 150 acres in production. We have many trees that are very small. In another two years, they will be bringing in their guavas.

So the point is, we want to work with Suisan, we want to sell our fruits there, but how do we do it in a small place. We need the facilities. And so, as president of the Guava Association, I'm here to give you our problems and to see if you can approve this request or make some suggestions where we can help the farmers deliver their fruits.



JITCHAKU: Mr. Chairman, I have a question for Mrs. Dela Cruz.

CHAIRMAN: Yes, Commissioner Jitchaku.

JITCHAKU: Mrs. Dela Cruz, are you a lilikoi farmer or guava or both?

DELA CRUZ: My husband and I are in guava. We now have 8 acres planted. We will be harvesting this coming harvest period, 6 acres.

JITCHAKU: I'm curious, what is the maturity span of a guava tree? I know like macadamia nut, it takes about 7 or 8 years.

DELA CRUZ: Guava takes three years.

JITCHAKU: Three years.

DELA CRUZ: At five years, your tree has reached its maximum maturity and then you do your pruning and everything, but you can start from three years. But from three years you start harvesting your fruit where you can get at least 200 pounds from one guava tree.

JITCHAKU: That's a lot.

DELA CRUZ: And on 1 acre, we plant 200 trees.

JITCHAKU: Thank you.

DELA CRUZ: You're welcome.

CHAIRMAN: Yes, Commissioner Sakamoto.

SAKAMOTO: I have a question for Mrs. Dela Cruz. You were talking about 50 members?

DELA CRUZ: Yes.

SAKAMOTO: How many of that are farming at Panaewa?

DELA CRUZ: Off hand, I cannot really count. I have everything on paper, but I would say there's about 10 or 15 of us which would bring about 150 acres, between 150, but I'm sure there's about 100 acres, if I counted my fingers, you'll give me that time?

CHAIRMAN: We're not going to hold you to the exact number. Mrs. Dela Cruz, do I understand that there were some of your members who are farmers that did not have an outlet for their guava this year because of the limitations on the present Suisan facilities?

DELA CRUZ: Yes, our wild guava picker members.

CHAIRMAN: Mostly your wild guava pickers.

DELA CRUZ: Yes. Suisan did not take any wild guavas at all this last harvest season.



CHAIRMAN: And some of these members, are they retired senior citizens?

DELA CRUZ: Yes.

CHAIRMAN: So that they're into this to supplement their retirement incomes?

DELA CRUZ: Yes.

CHAIRMAN: Thank you. Commissioners, any further questions?

MURAKAMI: Mr. Chairman?

CHAIRMAN: Yes, Commissioner Murakami?

MURAKAMI: Mrs. Dela Cruz, when you folks deliver your guavas, how many trucks come at one time to the delivery plant?

DELA CRUZ: To deliver we start, in fact the main real harvest season, we've had farmers going to Suisan 2:30 in the morning and waiting until they open at 7:30 because at that time, you'll have cars parked right down the lane, 25 to 30 cars at one time. I personally have waited in that line 4 hours at one time trying to get my guavas in.

CHAIRMAN: Commissioners, any further questions that you'd like to ask Mrs. Dela Cruz concerning her testimony on behalf of the growers' association?

NAKANO: I want to ask Mr. Umamoto some questions.

CHAIRMAN: Mr. Umamoto? Oh, okay. Mrs. Dela Cruz, I want to thank you very much for your testimony tonight and to tell you that the Planning Commission's role would be to make a recommendation to the State Land Use Commission. We don't have the final approval on Special Permits.

DELA CRUZ: I see. Thank you very much.

CHAIRMAN: Thanks for coming down. Mr. Umamoto, Commissioner Nakano had some questions for you.

NAKANO: Mr. Umamoto, you said that this is a long-range program and if I did hear you right, you said that you expect to proceed with this operation about 5 years from now?

UMAMOTO: Well, it really depends on a lot of different things. Now, how much we can develop the market. We're in business to make money as you know. It depends on the market not only in this state here in Hawaii, but on the mainland and Japan. It depends on the amount of acres the farmers are going



to be growing in the future, the amount of acres they're going to be harvesting in 5 years or 3 years. It depends on the economy at that time. For all we know, 3 years from now our business might go broke, and you know -.

NAKANO: Well, Mr. Umamoto, what I'm kind of wondering about is this, the farmers say they're having a hard time delivering guavas to your place, the company talks about congestion, they want an open space, and if you're going to wait 4 or 5 years, you've got a problem. That thing is just going to keep on mounting.

UMAMOTO: We realize that, and now we're working with Yoshi Watanabe, who's in the back there, with the County Research and Development. We're trying to find areas where we could purchase the fruit away from the plant and truck it in. In other words, the farmers would drop off their fruits. We're trying to get the airport area, drop off the fruit there, we'll buy it and collect it there and put it on flatbed trucks and truck it over to our plant.

CHAIRMAN: So you are looking at alternate ways to handle this congestion problem right now, even recognizing that it might mean double handling?

UMAMOTO: Right. I think Mrs. Dela Cruz dropped by about a month and a half ago and she really was very outspoken about the fact that the farmers had to wait for such long periods of time.

MURAKAMI: Mr. Chairman?

CHAIRMAN: Commissioner Murakami.

MURAKAMI: Mr. Umamoto, is it correct that there is a demand as far as the demand for the market? I assume that from what I gather from the information is that you folks cannot meet the demand because you don't have enough raisers as far as guavas and certain types of fruits, is this correct?

UMAMOTO: There is a potential demand for the puree. It's not only the amount of guavas coming in but we also lack the freezer space for storage. We have had quite a bit of orders last year which we could not fulfill basically because we could not keep an adequate inventory during the off season.

MURAKAMI: No, because I just wanted to clarify this because you're saying that it's a long-range program; but from what I gather from Rex is the demand is there so I assume that the building of the processing plant, if the demand is great then I assume that you folks would start building faster than what you folks think, right?

UMAMOTO: You have to remember that the cold storage facility that we're in the process of constructing at Kumau Street will be used by the fruit processing company also.

CHAIRMAN: Thank you. Commissioners, any further questions?



JITCHAKU: One more question. I don't know if it's a question or just clarification. Charles, in reference to Commissioner Nakano's question, we understand you have your long-range plans as far as the Company is concerned. However, as far as the processing plant, if approved, if all goes well with the State Land Use Commission, you do have plans for the processing plants though?

UMAMOTO: Well, we have plans for it, but no real definite plans as far as what type of building we're going to build.

JITCHAKU: Yes, however, you are planning. I was just concerned because there may be some recommendations, in fact, from this Commission for instance, that in the event it is approved by this body of sending a favorable recommendation that, and the State Land Use may include in its findings that the building of your plant be completed within 2 years or 3 years, but you do have plans for the processing plant?

UMAMOTO: Yes, we do have plans. But again, as to the time that we're going ahead to construct that thing, that I cannot give you an exact date.

JITCHAKU: Thank you.

CHAIRMAN: Yes, Ms. Piianaia.

PIIANAIA: I just have one question for Mr. Umamoto. If this application were recommended favorably for approval, you still have to obtain the State lease for this land at public auction. How long a process would you expect that to be?

UMAMOTO: Gee, I really don't know. From my understanding it might be 6 months. Sidney, do you - you don't know?

FUKE: No. Mr. Chairman?

CHAIRMAN: Yes, Mr. Director?

FUKE: As best as I can understand your developmental timetable, Mr. Umamoto, is essentially that your company is looking at this area here as a means to provide for your current as well as your future commercial needs, commercial and the processing needs. And that right now you recognize that your facilities are inadequate, you realize also that there are other hurdles that you'll have to go over, over and beyond getting the County Planning and the State Land Use Commission's approval, which is, of course, you would also need to get the approval from the State relative to the title of the land; but nevertheless to preserve alternative options, you are looking at other areas. Such as, I think you mentioned earlier that during the interim you are looking at the old airport area as a temporary storage area, your current facilities down at the harbor area, as well as your existing processing plant?

UMAMOTO: Yes.



FUKE: So what you're saying in a sense is that this is an area ideally, you'd like to go into; however, you cannot nail down a specific timetable because there are so many unknown factors and because of these unknown factors, you are still keeping your options open.

UMAMOTO: Right, now you must understand that we are continuously looking for other industrial lots. If there were some that opened up in Hilo or closer to our present plant, we would consider applying for those parcels. Now, if we were to get the 20 acres at Panaewa, initially we would go in and plant lilikoi or some fruit.

CHAIRMAN: Commissioners? Mr. Umamoto, thank you. Members of the audience, this is a public hearing. Again, the Chair would like to invite anyone from the audience who would like to testify either for or against the application of Suisan.

SAKAMOTO: Mr. Chairman?

CHAIRMAN: Commissioner Sakamoto.

SAKAMOTO: If there's no one going against or for the application, I would like to close the public hearing.

NAKANO: Second the motion.

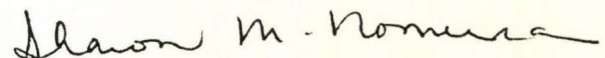
CHAIRMAN: It has been moved by Commissioner Sakamoto and seconded by Commissioner Nakano that the public hearing on the application by Suisan Company, Ltd. for a Special Permit be closed. All those in favor so signify by saying aye?

COMMISSIONERS: Aye.

CHAIRMAN: Oppose, same sign? Public hearing is closed.

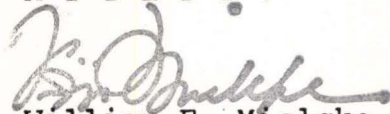
Public hearing adjoured at 8:21 p.m.

Respectfully submitted,



Sharon M. Nomura  
Secretary

A T T E S T :



William F. Mielcke  
Chairman, Planning Commission



March 23, 1970

Mr. Rex Matsuno, President  
Suisan Company, Ltd.  
1555 Kamehameha Avenue  
Hilo, Hawaii 96720

Dear Mr. Matsuno:

Special Permit Application  
Tax Map Key 2-4-49:21 and 22

The Planning Commission at its meeting of March 22, 1970, held a duly advertised public hearing on your application for a special permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.6+ acres of land situated within the State Land Use Agricultural District in Panacea Farm Lots, 2nd Series, Waialea, South Hilo, Hawaii.

In accordance with the provisions of Section 205-6, Hawaii Revised Statutes, the Commission shall act on such petition not earlier than fifteen (15) days after the said public hearing.

We shall notify you when the Commission is ready to take action on your request.

Sincerely,



William F. Mielcke  
Chairman, Planning Commission

lgv

cc Mr. Charles Uemoto  
State Land Use Commission  
Land Use Division, DPED

EXHIBIT V

MAR 23 1970

March 29, 1978

Mr. Rex Matsuno, President  
Suisan Company, Ltd.  
1965 Kamehameha Avenue  
Hilo, HI 96720

Dear Mr. Matsuno:

Special Permit Application  
Tax Map Key 2-4-49:21

Your application will again be discussed on Thursday, April 13, 1978, by the Planning Commission. The meeting will be held in the Kealakehe School Cafetorium, Kealakehe, North Kona, Hawaii, and is scheduled to begin at 2:30 p.m.

You will be notified of the Commission's decision.

A copy of the agenda is enclosed for your information.

Sincerely,

Sidney M. Fuke  
Director

smn

Enclosure

cc: State Land Use Commission  
Land Use Division, DPED  
Mr. James J. Detor  
Mr. Chas. Unamoto

EXHIBIT W  
MAR 29 1978



SUISAN COMPANY, LTD.

The petitioner, Suisan Company, Ltd., is requesting a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>±</sup> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeast side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo (TMK: 2-4-49:21 and 22).

More specifically, the petitioner proposes to construct three (3) single story structures to house fruit processing (14,400 square feet), freezer/cooler storage (31,000 square feet), and office/retail (10,800 square feet) uses. In addition, plans submitted to the Planning Department reflect landscaping strips and off-street parking to serve the proposed structures.

The 2.8<sup>±</sup> acres under consideration are a portion of two (2) adjoining lots comprising 20.486 acres that the petitioner proposes to lease from the State of Hawaii. The petitioner also proposes to utilize the remainder of the property for the cultivation of lilikoi and guava.

On a December 8, 1977, letter to the Planning Director the State of Hawaii, Department of Land and Natural Resources, Land Management Administrator stated, "By this letter, we are authorizing the Suisan Company, Limited, to sign as applicant for the Special Use Permit. We would like to point out, however, that this by no means implies that Suisan Company, Limited, will have any preference to the proposed lease of the property, as the lease must be offered at public auction."

An environmental assessment of the proposed project has been submitted to the State of Hawaii Environmental Quality Commission. The assessment concluded that the proposed use will not result in any significant environmental impact, *thus a negative declaration has been accepted by the Dept. of Land & Natural Resources*

In describing the proposed project the applicant has stated, in part:

"The principal uses of the premises for our diversified business will be:

- '1. A tropical fruit processing plant with at least 3 lines for producing guava and papaya puree, and passion fruit juice.
- '2. A jams, jellies, and preserves manufacturing and packing plant.
- '3. Refrigerated rooms which will house fresh fruits, quick freeze puree and juices, store and hold all types of frozen merchandise for inventory.
- '4. Fruit buying and sorting areas.
- '5. Parking areas.
- '6. Visitor center.
- '7. General offices.

"To maintain a healthy and progressive program in a business such as ours, it is of utmost importance that all of our operations be centrally located. This includes our fruit processing, manufacturing, wholesaling, and retailing, except our fresh fish enterprise.



'In support of the maximum use of our projected investment, we feel the following should be given serious consideration:

- '1. It is 15 years since we first started our guava puree business. Over the years we gained considerable knowledge and experience in fruit processing, packaging, and storing. We have established a gainful trade to a point where we have expanded to processing of other Hawaiian fruits as passion fruit and papaya. We are confident that the market for processed products of these Hawaiian fruits will gain in popularity and demand both on the Mainland and the Orient, especially in Japan.
- '2. Of the 3 fruits we process, other than papaya, guavas and passion fruits are seasonal with two crops each year. Even though papayas are available year-round, this crop also has its periods of peak and low productions.
- '3. Thus far, the best method of preserving and shipping high quality guava and papaya puree, and passion fruit juice is by freezing. Our operations presently freezes these products in bulk packages, 30 pounds or more per package. We plan to continue this type of operation. During peak fruit season, processing must be accomplished quickly in large volume to accommodate farmer's harvesting and to avoid spoilage. Therefore, allowance for adequate refrigeration space (chill, quick freeze, storage) is most essential.

- '4. Experience has proven to us that to achieve a profitable return on investment in freezers (this includes chill, quick freeze, and storage) maximum use of such facilities must be maintained at all times. This means that because of the seasonal nature of the 3 fruits mentioned, it would be impractical for us to operate and maintain a refrigeration system solely for our fruit processing operations. This will not achieve the desired results on even part of our investments. It should be noted here that the largest portion of what investments we plan to expend in our projections will be in refrigeration facilities.
- '5. In order to attain the maximum use of the facilities mentioned in item 4 and to achieve our objectives, it is imperative that our non-agricultural commercial-industrial operations be included in the entire complex at the intended site. Furthermore, overall efficiency and coordination can be better maintained through this centralized system.

'If possession of the premises becomes a reality, we will program our capital improvements in increments with priorities given to the most important projects. We thank you for your assistance, and shall be pleased to answer any questions concerning the contents of this letter."

In support of the subject request the applicant has stated:

(READ ATTACHMENT 5)



The subject property is within the General Plan Land Use Allocation Map Orchard designation and is within the Hilo Community Development Plan Zone Guide Map Agricultural - 10 acre (A-10a) designation. The current zoning designation is Agricultural - 10 acres.

The U. S. Department of Agriculture, Soil Conservation Service, Soil Survey shows the subject property to be composed of two soil series. Roughly two-thirds (2/3) of the property is in the Keaukaha series and is described as Keaukaha extremely rocky muck, 6 to 20 percent slopes. This soil is undulating to rolling. Rock outcrops occupy about 25 percent of the area. The surface layer is about 8 inches thick and is underlain by pahoe-hoe lava. The soil is strongly acid. The soil above the lava is rapidly permeable. The pahoe-hoe lava is slowly permeable but the water moves rapidly through the cracks. Runoff is medium and the erosion hazard is slight.

The remainder of the property has Papai extremely stony muck, 3 to 25 percent slopes. This soil is similar to the Keaukaha soil described above except that it is underlain by Aa lava. Permeability is rapid and runoff is slow.

The Land Study Bureau Master Productivity rating of the soil on the subject property is "E" or very poor. The property in question is not designated as Unique, Important, or Other Important Agricultural Land, by the State Dept. of Agriculture.

Upon review of the subject request the Soil Conservation Service stated, in part, that "...these soils have lava at 10 inches or less,

and a qualified soils engineer should assist in the design of foundations for buildings. The limitation for septic tanks or filter fields for both soils is severe due to lava at shallow depths."

The subject property is vacant of any structures and is currently overgrown with ohia, tree ferns, various shrubs, vines and grasses. Rainfall in the area averages approximately 150 inches per year.

Surrounding land uses include diversified agricultural activities, vacant lands and <sup>a</sup>forest reserves. *strip between the subject property and the Volcano Highway*

Upon review of the subject request the Department of Public Works commented that: "The existing frontage road is County maintained with 18-foot wide pavement width in good condition." For the Commissioner's information, Kealakai Street fronting the subject property has a 50-foot right-of-way."

The Department of Water Supply noted that: "Water for the proposed development is available from the 8-inch waterline along Kealakai Street".

The Department of Health commented as follows: "Following are the environmental health concerns and reference public health regulations:

"1. Sewage

Chapter 38, 'Sewage Treatment and Disposal System'.

"2. Food Manufacturing

Chapter 1-A, Food Service and Food Establishment  
Sanitation Code.



"3. Air Conditioning and Mechanical Ventilation

Chapter 28, "Air Conditioning and Ventilation."

All other cooperating agencies, including the Department of Agriculture, had no comments on or objections to the subject request.

## REASONS FOR THE SPECIAL USE PERMIT

1. Since the adoption of the district boundary regulations, there has been increasing concern throughout the State with respect to the need to expand our diversified agriculture base. Particularly with problems facing our primary agricultural industries, there is a need to seek other viable alternatives to utilize our valuable agricultural land resources and promote agricultural development in the State.

In recent years, there has been growing interest, both in the public and private sectors, in the possibilities of expanding the export potentials of the local fruit industry. Presently the State is in the process of forming an agricultural organization specifically for the purposes of promoting the local fruit industry.

We have already seen the development of major fruit orchards and processing facilities in Kahuku, Oahu. Similar facilities are being planned for Kilauea, Kauai.

The proposed use, would provide a similar processing facility for the island of Hawaii. Presently there are a few local processors, operating on a small scale. However, in order for the industry to expand into one that can compete in national and international markets, large modern facilities, and adequate room for expansion are an economic necessity.

2. The proposed use would not be contrary to the objectives sought to be accomplished by the Land Use Law and Regulations. The Land Use Law and Regulations are intended to preserve, protect, and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people in the State of Hawaii.

The proposed use would directly support these objectives in terms of the proposed orchard activities, and in terms of providing a processing facility which will provide an important support function to the orchard use, as well as other orchard uses throughout the County.

Furthermore, the proposed use would be in direct support of State policies to promote the diversified agriculture industry, promote economic growth in the Neighbor Islands, and promote developing industries with large employment potentials.

The proposed use would also promote the County of Hawaii General Plan policies by assisting the expansion of the agricultural industry, particularly diversified agriculture, and by aiding diversification of the economy by strengthening an existing industry.

The proposed use would be in accordance with the General Plan recommended course of action to encourage manufacturing operations which utilize local raw products.



3. Major portions of the proposed use, including the orchards, and proposed storage and processing facilities are directly related to agricultural activities. If the processed products were to be solely grown on the premises, a Special Use Permit would not have been required for these uses.

It should also be pointed out that the proposed visitor facilities, wholesale, retail, and office facilities will facilitate and complement the proposed agricultural operations. Furthermore, consolidated facilities are essential to the economic viability of the proposed operations.

4. The proposed use will not adversely affect the surrounding properties and land uses. Surrounding lands are either vacant and undeveloped or in agricultural type uses.
5. The proposed use will not substantially alter or change the essential character of the land and the present use. On the contrary, the proposed facilities will promote the further development of agriculture throughout the County by providing a facility to process and market locally grown fruits and other products.
6. The proposed use will not unreasonably burden public agencies in the provision of public utilities and facilities. All essential services and facilities required for the proposed use are available to the subject site. Water is available. Existing roadways are adequate. Waste disposal can be handled by the use of cesspools. Existing drainages are adequate to accommodate any additional runoff to be generated from the proposed use.

RECOMMENDATION: SUISAN COMPANY, LTD.

Upon review of the subject request for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8<sup>±</sup> acres of land situated within the State Land Use Agricultural District, the staff recommends that it be approved based on the following considerations:

1. That the proposed use will not be contrary to the objectives sought to be accomplished by the State Land Use Law and Regulations. The intent of these statutory provisions is to preserve, protect and encourage the development of lands in the State for those uses to which they are best suited in the interest of the public health and welfare of the people of Hawaii. In the case of the Agricultural District, the intent is to preserve lands of high agricultural potential for agricultural uses. The purpose of the subject request is to allow the establishment of a processing plant for fruits such as guava and lilikoi. The proposed use would directly support regional agricultural activities, in this particular case orchard crops. The proposed use is intended to service farmers in the area by buying, processing and marketing their products. An integral aspect of agriculture is the distribution of the product from the grower to the consumer.



The proposed use would provide this essential link. As such, it will benefit the overall agricultural use of other lands in the region and will further the objectives of the Land Use Law and Regulations.

Further, the subject property is classified as "E" or very poor by the Land Study Bureau and is not considered by the Department of Agriculture as lands of agricultural importance to the State of Hawaii. The use of such lands for supportive agricultural facilities in an accessible area will not increase pressures to convert lands with high agricultural potential to non-agricultural uses. In addition, the petitioner intends to utilize the remainder of the parcel for fruit orchards.

2. That the proposed use will further the State and the County's policy of encouraging and supporting agricultural activities, inasmuch as it is an essential agricultural support facility. Approval of the subject request will also directly implement the County General Plan. The General Plan Economic Element explicitly states that the County shall assist the expansion of the agricultural industry, especially diversified agriculture. The Economic Element also calls for the diversification of the County's economy. The establishment of the fruit processing plant is in concert with these General Plan policies in that it would provide essential support services for one form of diversified agriculture.

It should also be pointed out that an increasing amount of land is being put into fruit orchard and that there is a need for a processing facility for the fruit growers. In addition to those cultivating fruits, there are also persons gathering wild fruit and contributing to the quantity of processable fruit.

3. That although there will be some alteration of the existing character of the land, such alteration is not expected to adversely affect surrounding properties. The subject property is currently vacant. Surrounding lands are primarily used for agriculture. Adverse effects from the proposed use will be mitigated through existing rules, regulations and requirements. In addition, the petitioner intends to utilize a portion of the adjacent area for orchard.
4. That the proposed use will not unreasonably burden public agencies to provide facilities and services. All essential services and facilities are available to the subject site. In addition, approval of the subject request would allow the petitioner to relocate <sup>persons</sup> an existing facility from an area which is now heavily congested. Relocation of the existing facility to the area under consideration will not involve the provision of additional services than are now needed.

It is further recommended that the request be approved subject to the following conditions:



1. That the effective date of the Special Permit shall be upon approval by the Board of Land and Natural Resources to lease the subject area, *but in no event not more than 3 years from the SLUC's action.*
2. That the use of the subject area shall be limited to the processing of fruits and the sale of products processed on the premises. Office use within the proposed facility shall be ancillary to the fruit processing activities.
3. That the petitioner or its authorized representative shall submit plans to the Planning Department for preliminary plan approval within one (1) year from the effective date of the Special Permit.
4. That construction of the proposed facilities shall commence within one (1) year from the receipt of final plan approval and shall be completed within two (2) years thereafter.
5. That the petitioner shall submit a metes and bounds description of the 2.8<sup>+</sup> acre area to the Planning Department prior to the receipt of final plan approval.
6. That all other applicable rules and regulations, including those of the Department of Health, shall be complied with.

Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void.



SP78-298

Suisan Company, Limited

Exhibits : Z and AA



RECORD OF VOTING  
PLANNING COMMISSION  
County of Hawaii

Date April 13, 1978

Petitioner Suisan Company Ltd - Special Permit

     Preliminary hearing      Public hearing      Request      Action

ACTION: ✓ Approve

     Deny

     Defer

     Continue

     Schedule for public hearing

Other: Cond #1 amended - 3 year limit for  
SP to take effect.

Commissioners	Aye	No	Excused	Abstain
FUJIMOTO, Shigeru			✓	
HANLEY, J. Walsh <i>Moved</i>	✓			
JITCHAKU, Lorraine R.	✓			
MURAKAMI, Haruo	✓			
NAKANO, Bert H.	✓			
ORITA, Alfredo	✓			
PARIS, William Jr.			✓	
SAKAMOTO, Charles <i>2nd</i>	✓			
MIELCKE, William F.	✓			

EXHIBIT BB

PLANNING COMMISSION

Planning Department  
County of Hawaii

MINUTES  
April 13, 1978

The Planning Commission met in regular session at 2:30 p.m. in the Kealahou School Cafetorium, Kealahou, North Kona, Hawaii, with Chairman William F. Mielcke presiding.

PRESENT: William F. Mielcke  
J. Walsh Hanley  
Lorraine R. Jitchaku  
Haruo Murakami  
Bert H. Nakano  
Alfredo Orita  
Charles H. Sakamoto

ABSENT: William J. Paris, Jr.  
Shigeru Fujimoto

Ex-officio Member  
Akira Fujimoto

Sidney M. Fuke, Director  
Ilima Piianaia, Planner  
Keith Kato, Planner

David Murakami, representing Ex-officio Member Edward Harada  
Lionel Meyer, Deputy Corporation Counsel

and about 9 people in attendance at 2:30 p.m., 8 people  
at 4:00 p.m. and 14 people at 7:00 p.m.

MINUTES: It was moved by Commissioner Murakami and seconded by Commissioner Jitchaku that the minutes of March 22, 1978, be approved as circulated. Motion was carried.

All those testifying were duly sworn in.

SPECIAL PERMIT Application of Roy R. Gomes for a Special Permit  
ROY R. GOMES to allow the construction of a second dwelling  
HONUAULA, NORTH on 1.129 acres of land situated within the State  
KONA Land Use Agricultural District. The area involved  
is located along the mauka side of the old  
Mamalahou Highway, approximately 100 feet north of the Keolu Cemetery,  
Honuaula, North Kona, TMK: 7-5-01:24.

Staff presented background information and recommendation for denial on file.

Staff explained that there was no date given as to when the existing dwelling would be torn down, and that the soil classification is "C" or fair.

EXHIBIT CC



The petitioner or his representative were not present.

Staff explained that the petitioner was not informed of the Planning Department's recommendation.

It was moved by Commissioner Murakami and seconded by Commissioner Hanley that the application be denied based on the recommendation of the staff. A roll call vote was taken and motion carried with six ayes. Commissioner Jitchaku abstained from voting as she was not present at the public hearing.

At this time, the Chair explained that under new business, Item 1, application of Darryl M. Freeman, Sr., has been postponed, and that Item 2, application of Seymour Shingle, has been withdrawn.

PDP No. 2 <u>MAUNA LOA LAND,</u> <u>INC.</u> SOUTH KOHALA	Application of Mauna Loa Land, Inc. to amend Planned Development Permit (PDP) No. 2 to allow the ultimate construction of 3,000 hotel units and approximately 3,182 condominium apartment units. The area involved is located makai of the Queen Ka'ahumanu Highway between Puakō and Honoka'o'ope Bay in the land divisions of Waikoloa, 'Anaeho'omalu and Kalāhuipua'a, South Kohala, TMK: 6-8-1:22, 6-9-1:3 and 5.
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Staff presented background information and recommendation for approval with conditions on file.

It was moved by Commissioner Sakamoto and seconded by Commissioner Orita that the application be approved with the conditions outlined by the staff. A roll call vote was taken and motion carried with seven ayes.

SPECIAL PERMIT <u>SUISAN COMPANY,</u> <u>LTD.</u> WAI'AKEA, SOUTH HILO	Application of Suisan Company, Ltd. for a Special Permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8 <sup>+</sup> acres of land situated within the State Land Use Agricultural District. The property involved is located along the northeastern side of Kealakai Street, approximately 3,200 feet from Stainback Highway in the Puna direction, Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, TMK: 2-4-49:21.
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Staff presented background information and recommendation for approval with conditions on file.

Staff replied to Commissioner Hanley's question that in terms of existing regulations, Condition No. 6 would satisfy Mr. Tom Matsumoto's concerns expressed at the March 22, 1978, Planning Commission meeting on the affect on his property from this proposed operation.

Commissioner Murakami questioned how soon the land would be leased and in the event they are unable to get the lease, would the Special Permit be null and void. Staff replied that the Special



Permit is effective simultaneously with the DLNR's approval. The Planning Director explained that technically, the Special Permit runs with the land. However, in reflecting the questions raised by Commissioner Murakami, the Planning Director suggested that Condition No. 1 be amended, as there was a possibility that the lease may not be approved inasmuch as it must go through the bidding process. The Planning Director pointed out that as it is right now, the Special Permit could be effective even in the year 2025, which would not be the intent of the Commission or the staff. He suggested a reasonable timetable be given to secure the lease, and pointed out that if they fail to comply with that condition the Special Permit would be voided.

RECESS: The Chair called a recess at 3:03 p.m. to discuss the wording for the amendment to Condition No. 1.

RECONVENED: The meeting reconvened at 3:08 p.m.

The Planning Director recommended that Condition No. 1 be amended to read, "That the effective date of the Special Permit shall be upon approval by the Board of Land and Natural Resources to lease the subject area, but in no event not more than three years from the State Land use Commission's action."

Staff explained that the petitioner was unable to be present at today's meeting; however, they were informed of the recommendation.

It was moved by Commissioner Hanley and seconded by Commissioner Sakamoto to send a favorable recommendation to the State Land Use Commission with the conditions outlined and amended by the staff. A roll call vote was taken and motion carried with seven ayes.

SPECIAL PERMIT MANFRED CIESLIK <u>KEAHUOLU, NORTH</u> KONA	Request by Manfred Cieslik for an extension of time to commence construction of a bowling center facility granted through a Special Permit on 3 acres of land situated within the State Land Use Agricultural District. The area involved is on the mauka side of the Old Kailua Airport Road, across from the old airport terminal building and approximately 3,000 feet from the Kuakini Highway-Palani Road intersection, Keahuolu, North Kona, TMK: 7-4-08:portion of 2.
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Staff explained that they are circulating one of the docket exhibits and that the Department has sent all the exhibits including the original maps to the State Land Use Commission.

Staff presented background information and recommendation for approval with a condition on file.

The petitioner, Manfred Cieslik, informed the Commissioners that he has an option on a 35-year lease which is in front of the Liliuokalani Board of Trustees right now to be signed. He said he has the funding





COUNTY OF  
HAWAII

## PLANNING DEPARTMENT

25 AUPUNI STREET • HILO, HAWAII 96720

LAND USE COMMISSION  
STATE OF HAWAII

APR 24 8 27 AM '78

HERBERT T. MATAYOSHI  
Mayor

SIDNEY M. FUKU  
Director

DUANE KANUHA  
Deputy Director

April 14, 1978

Mr. Rex Matsuno, President  
Suisan Company, Ltd.  
1965 Kamehameha Avenue  
Hilo, HI 96720

Dear Mr. Matsuno:

Special Permit Application  
Tax Map Key 2-4-49:21

The Planning Commission at its regular meeting of April 13, 1978 considered your application for a special permit to allow the establishment of a fruit processing plant with retail sales facilities on 2.8+ acres of land situated within the State Land Use Agricultural District in Panaewa Farm Lots, 2nd Series, Waiakea, South Hilo, Hawaii.

The Commission voted to forward a favorable recommendation to the Land Use Commission subject to the following conditions:

1. That the effective date of the Special Permit shall be upon approval of the Board of Land and Natural Resources to lease the subject area, but in no event not more than 3 years from the SLUC's action.
2. That the use of the subject area shall be limited to the processing of fruits and the sale of products processed on the premises. Office use within the proposed facility shall be ancillary to the fruit processing activities.
3. That the petitioner or its authorized representative shall submit plans to the Planning Department for preliminary plan approval within one (1) year from the effective date of the Special Permit.



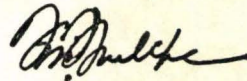
Mr. Rex Matsuno  
April 14, 1978  
Page 2

4. That construction of the proposed facilities shall commence within one (1) year from the receipt of final plan approval and shall be completed within two (2) years thereafter.
5. That the petitioner shall submit a metes and bounds description of the 2.8+ acre area to the Planning Department prior to the receipt of final plan approval.
6. That all other applicable rules and regulations, including those of the Department of Health, shall be complied with.

Should any of the foregoing conditions not be met, the Special Permit may be deemed null and void.

In the meantime, should you have any questions, please feel free to contact the Planning Department at 961-8288.

Sincerely,



William F. Mielcke  
Chairman, Planning Commission

lgv

cc Mr. Charles Umamoto  
✓ State Land Use Commission  
Land Use Division, DPED  
Mr. James Detor, DLNR