STATE OF HAWAII
LAND USE COMMISSION

MEMORANDUM

June 30, 1971
1 p.m.

TO: Land Use Commission

FROM: Staff

SUBJECT: A71-272 - DEPT. OF LAND & NATURAL RESOURCES
(Kaumana, Hawaii)

This request by the Department of Land & Natural Resources to reclassify 45.6 acres of land at Kaumana, South Hilo, Hawaii, from an Agricultural to an Urban designation was publicly heard on April 16, 1971. If approved, the reclassification would make available low-cost houselots for sale or lease to moderate-income families.

It was indicated by the petitioner that the development cost per 10,000 square foot lot would be approximately $800.00. Based on the appraised value of the land, the petitioner believes that the lots would be available for not more than $8,000.00, which would include the $800.00 development cost. Participation by the HHA and the FHA under Act 105, SLH 1970 and Section 235 of the Federal Housing Act is expected to result in a house and lot package within the $25,000 to $30,000 range. Therefore, a family of 2 to 3 persons with an income of $6,000 or a family of 3 or 4 with an income of $8,500 could be accommodated in this development.

At the hearing held by the Hawaii County Planning Commission, the petitioner indicated that other lands owned by the State can be utilized. However, requirements of curbs, gutters, and other improvements for interior lots would result in higher development costs and would place these lands beyond the range of low-cost housing.

Since the public hearing we have received the Hawaii County Planning Commission's recommendation for denial of the petition based on the following reason:

> "That the request is contrary to the General Plan designation of the area which is intended to provide for residential-agricultural development with a recommended lot size area of one-half to five acres and used for small scale agricultural operations."

According to the petitioner, qualified applicants in the moderate-income range interested in the low-cost houselots will be selected by drawing for the lots in question, thus assuring equal opportunity for acquisition of the lots.

In summary, the staff finds that the proposed subdivision will help to relieve the critical shortage of housing for the moderate-income families in the Hilo area. Reclassification of the property would not add to the scatterization of urban development but would, in fact, effect a consolidation of two presently separated Urban Districts. The land is very poorly suited for the use for which it is presently classified,

and basic utilities such as water and electricity are available.

Based on the above findings, the staff finds that rezoning of the land to allow the proposed use would be in the public's best interest. It is therefore recommended that the petition be approved.