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January 26, 1973

COMMENT OF ECUALITY OF SERVICE SERVICES SERVICES

Mr. Lawrence Cunha Area Development Manager B. P. Bishop Estate 519 Halekauwila Street Honolulu, Hawaii 96813

Dear Mr. Cunha:

The petition by the Bernice P. Bishop Estate (A	72-343)
to amend the land use district boundaries from an Ag tural to an Urban District for approximately 15.4 ac	ricul-
land situated at Puaa, North Kona, Hawaii, identifia	ble by A YTHTH
Tax Map Key 7-5-10: 6, was denied by the Land Use Co	mmission A ONO
at its meeting on January 19, 1973.	PLANINER
	SHOOT DANGE ETVISION
Prior to taking action on this petition, the en	closed
memorandum was presented to the Commission.	L. C.
Should you desire any further information or ha	ve any
questions, please feel free to contact us. THE WHICH A WHICH	- 67
Very truly yours,	รา Y มเริ่มได้ถึง
	17K3;

Enclosure
cc: Hawaii Planning Comm.
G. Giacometti

TATSUO FUJIMOTO
Executive Officer

STATE OF HAWAII LAND USE COMMISSION

MEMORANDUM

January 19, 1973

1:30 p.m.

TO:

Land Use Commission

FROM:

Staff

SUBJECT: A72-343 - B. P. BISHOP ESTATE

A public hearing was held on November 30, 1972 on a request by the Bishop Estate and the Kamehameha Development Corporation, to amend the district boundaries for approximately 15.4 acres of land at Puaa, North Kona, Hawaii, from an Agricultural to an Urban designation. The Urban designation would permit the petitioner to utilize the subject property for the development of rental apartment units aimed at the moderate income rental needs generated by resort-hotel developments. The proposal includes 309 one, two and three bedroom apartment units, consisting of 20 buildings, each 3 stories high, parking for 419 cars, and a recreation center. The subject property is zoned for agricultural (Ag-la) uses and is designated for "medium density urban development" by the County General Plan land use pattern allocation guide map.

The Hawaii County Planning Commission recommended approval of this petition based on the findings that the subject area is contiguous to existing urban areas, meets urban district standards, and would minimize the consumption of other agricultural lands having high capacity for cultivation.

Additional data dated December 11, 1972 was received from the petitioner which is summarized below:

1. Existing hotels as well as anticipated resort projects will generate a need for moderate cost rental accommodations on the part of hotel employees as follows:

Project	Start Date	No. of Employees
Kona Lagoon	Early 1974	250
Keauhou Bay Club and Shops	1975	60
Kona Colony Club (Heeia)	1975	40
		350

Increasing occupancy at existing hotels will require an

additional 175-200 new employees. These needs will be increased by 50% if 1 out of 2 have dependents.

- 2. Letters from W. D. Child, Jr. of Interisland Resorts and Kanae Kobayashi of Hawaiian Pacific Resorts indicate that additional hotel employees will be hired to staff the new hotels and existing ones as noted above.
- 3. Development of the Bishop Estate lands at Kahaluu and Keauhou has been constrained because of pending litigation; thus, planning for housing on these areas are precluded. The subject site is the most ideal for the proposed use.

ANALYSIS

An evaluation of the petitioner's submittal of December 11, 1972 finds that the "need" for the proposed facilities is not as urgent as he indicates. For example, the petitioner has indicated that 250 new employees will be hired to staff the new Kona Lagoon Hotel which is expected to begin operations in early 1974. However, Mr. Kobayashi's letter of December 6, 1972 reveals that initially, only 150 full and part-time employees will be hired. Only after occupancy rates have been stabilized will employment at Kona Lagoon Hotel be at the 250-person level. Further, it is noted that the other projects listed by the petitioner will initiate operations in 1975 if proposed development schedules are met. Within the 2 year intervening period, it is expected that on-going and imminent developments on lands now districted Urban will adequately accommodate the needs referred to by the peti-Further, the court litigation referred to by the petitioner as deterring employee housing on his considerable holdings at Keauhou and Kahaluu which are already in the Urban District may well be resolved within the 2-year period, thus allowing the siting of employee housing at a more appropriate location from the standpoint of convenience and travel time on the part of the employees, since the employment centers referred to by petitioner are located over 5 miles away. With regard to this point, there has been no evidence submitted to show whether all or just part of the Bishop Estate lands at Keauhou are affected by the litigation and in what manner the litigation would prevent planning or even construction of the proposed use at the Keauhou site.

In a summary of vacant land acreage by County zoning classification and land ownership as of December, 1971, by districts and tax key sections, prepared by the County of Hawaii Planning

Department, in their <u>Land Use Report</u>, Volume II, 1971, it was estimated that there were 570 vacant acres of single-family residential land and 249 vacant acres of multi-family residential land in the North Kona District, as of December 31, 1971. Specifically, there were 86 vacant acres of single-family residential land and 90 vacant acres of multi-family residential land in Tax Key Section 5, within which the subject property is located.

As stated previously in the staff report, in December of 1970, the Land Use Commission reclassified 7 acres of land, immediately makai of the subject property, from an Agricultural to an Urban designation for the development of approximately 128 apartment units. This property is presently vacant.

Based on the above, it is staff's findings that:

- 1. Adequate Urban lands exist in the area to accommodate foreseeable urban needs.
- 2. The petitioner has not substantiated the need for reclassifying the subject property for the proposed use, particularly since the principal employment generating centers identified by the petitioner are located 5 miles away.

Therefore, based upon the above analysis and findings, it is recommended that the request be disapproved at this time. It is also suggested that the entire Kona area, including the parcel now under consideration and the undeveloped lands now in the Urban District, be reassessed during the forthcoming boundary review for redistricting to more appropriate classifications.