

April 19, 1982

Mr. Kenneth Fujiyama  
Kenneth Fujiyama Realty Inc.  
1059 Kilauea Avenue  
Hilo, Hawaii 96720

Dear Mr. Fujiyama:

Nullify SMA Use Permit No. 149  
Tax Map Key 2-3-07:11, 28, 29 & 38

At its meeting on April 15, 1982, the Planning Commission voted to nullify Special Management Area (SMA) Use Permit No. 149 which allowed certain improvements to the former Kress Store building in Downtown Hilo, Punahoa, South Hilo, Hawaii.

Sincerely,



ALFREDO ORITA  
Chairman, Planning Commission

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APR 22 1982

PLANNING COMMISSION

Planning Department  
County of Hawaii  
Hilo, Hawaii

APPLICATION FOR	)	
SPECIAL MANAGEMENT AREA	)	
USE PERMIT	)	SMA USE PERMIT
by	)	NO. 149
KENNETH FUJIYAMA	)	
for	)	
CERTAIN IMPROVEMENTS, INCLUDING	)	
ADDITION OF A THIRD FLOOR, TO THE	)	
EXISTING KRESS STORE	)	
in	)	
HILO DOWNTOWN, PUNAHOA,	)	
SOUTH HILO, HAWAII	)	

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SPECIAL MANAGEMENT AREA USE PERMIT

The County Planning Commission at a duly held public hearing on January 22, 1981, considered the application of KENNETH FUJIYAMA for a Special Management Area Use Permit in accordance with Rule No. 9 of the Planning Commission, Rules and Regulations Relating to Environmental Shoreline Protection to allow certain improvements, including the addition of a third floor, to the existing Kress Store for the purpose of converting it to a multi-use building at Hilo Downtown, Punahoa, South Hilo, Hawaii, Tax Map Key 2-3-07:11, 28, 29 and 38.

The Commission has found the following:

That the subject development will not have any substantial adverse environmental or ecological effect. The proposed improvements will primarily involve the interior renovation and improvement of the existing Kress Building in downtown Hilo. In addition, an exterior structural change would extend the roof line of the Kamehameha Avenue building in a makai direction. The subject site and surrounding areas have been extensively developed in the past and currently serve as one of the primary commercial centers of Hilo. Consequently, the proposed improvements will not increase the degree of environmental impact which now exists.

There may, however, be some adverse impacts resulting from the proposed improvements associated with the parking situation in downtown Hilo. According to the Downtown Development Plan, there was an estimated shortage of about 800 parking stalls in the area makai of Kinoole Street in the downtown area. While these needs were proposed to be addressed by the development of a Parking Improvement District, this has not yet been implemented. In the meantime, however, the parking requirements of the Zoning Code were waived for this area. In recognition of the parking shortage in this area, the petitioner is proposing to provide 26 stalls as part of the development, despite the

lack of parking requirements for the subject improvements. However, there still will be an estimated shortage of 87 parking stalls directly attributable to the subject development. In order to mitigate this impact, it is recommended that a condition of approval be imposed requiring that the Kress building participate in a Parking Improvement District, if and when such an Improvement District is implemented. While this will not relieve the immediate parking shortage, it will provide for the eventual resolution of the parking problem in downtown Hilo.

The proposed improvements are consistent with the Objectives, Policies and Special Management Area Guidelines. These objectives, policies, and guidelines were established by Chapter 205A, Hawaii Revised Statutes to provide guidance for the preservation, protection, and development of the coastal resources of the State and County. They identify several areas of management concern including historic, recreational, and scenic resources, coastal ecosystems, economic uses, and coastal hazards. Because of the limited nature of the proposed improvements and the prior development of the subject and surrounding areas, the granting of this request will not impact on the identified resources. Only with respect to the coastal hazards, is there a potential conflict with the Coastal Zone Management Objectives and Policies.

The subject area is situated within the potential tsunami inundation zone and in fact has been flooded twice by tsunami action; in 1946 and 1960. In recognition of this, both the General Plan and the Downtown Development Plan (DDP) call for the conversion of the subject area from the existing commercial activities to open space and parking uses. However, the DDP further recommends that this conversion occur only at such time that the area is destroyed beyond repair by a tsunami. In the meantime, the DDP calls for the rehabilitation and maintenance of the area to preserve and enhance the economic viability and attractiveness of the area. The proposed improvements of the Kress building are consistent with these revitalization efforts of downtown. Furthermore, any improvement or rehabilitation must still be in conformance with the regulations and requirements of the County with respect to development in Flood Hazard areas. Based on the above, it is determined that the subject improvements will not be contrary to the CZM Flood Hazard objectives and policies.

That the proposed development is consistent with the General Plan, the Zoning Code and other applicable ordinances. The General Plan provides a long-range, comprehensive plan to guide the overall future development of the County. The General Plan Land Use Pattern Allocation Guide (LUPAG) Map, identifies the entire area along Kamehameha Avenue, including the subject site, for future open uses. The General Plan also encourages the implementation of the "Environmental and Urban Design Proposal, East Hawaii Project, City of Hilo" for the open space Kaiko'o and Bayfront areas. This proposal recommended that the entire area between Kamehameha and Keawe Streets be redeveloped, the lower half being utilized for open space, circulation, and parking, and the upper half for commercial and cultural features.

Within this broad, comprehensive focus, the General Plan also calls for the adoption of Development Plans to provide

further definition and specificity to the objectives of the General Plan as they relate to a particular area or region.

In the case of the subject area the Hilo Downtown Development Plan was adopted by Ordinance in 1974 to provide such definition and clarity and furthermore, to provide a specific implementation plan to achieve these long range goals and objectives of the General Plan.

The DDP adopted specific short range and long range land use plans for the downtown area of Hilo, including the subject area. The long range land use plan for the downtown area called for the relocation of the Kamehameha retail establishments to the Keawe Street Mall and for the conversion of the area below the mid block between Kamehameha and Keawe to open space uses including parking. This long range plan would effectively implement the aforementioned "Environmental and Urban Design Proposal", and therefore would be consistent with the Open designation of the General Plan LUPAG Map for the subject area.

However, the DDP's Long Range Land Use Plan did not have a time frame for its completion nor a detailed program for its implementation. In this regard, the DDP stated that the long range plan:

"...is essentially a refinement of the County's General Plan and is presented here for two reasons. One is to show that the Short Range Land Use Plan is in conformance with the General Plan and, in fact, represent a major step towards implementing it. And the other is to have a plan available in the event a tsunami or other major disaster should occur during the planning period, which devastates the lower part of downtown."

With respect to the adopted short range land use plan for the subject area, the DDP stated in part:

"The existing shops on Kamehameha Avenue between Mamo and Shipman Streets are to be retained in the Short Range Plan. These stores have been the backbone of the downtown retail operations for many years, and though many of them are rundown in appearance, their removal would seriously impair the economic viability of the area as a whole. Rehabilitation of the existing structures should be encouraged, but total redevelopment must be prohibited unless it is in accord with the General Plan..."

Consequently, the Long Range Land Use Plan is to be implemented only when a tsunami destroys the structures along Kamehameha Avenue beyond reasonable repair or when the shop exceed their economic or structural lives. In the meantime, the DDP calls for the continued use and revitalization of this area.

The DDP's Urban Design Plan, similarly calls for the restoration and rehabilitation of the old false front buildings on Kamehameha Avenue including the Kress Building. More specifically, the DDP stated:

"...[O]ne major grouping [of structures] is of [historic] significance to this study. It is the row of retail establishments on the mauka side of Kamehameha Avenue

between Mamo and Shipman Streets. This continuous band of approximately 25 buildings still recalls an era of the early 1900's, and with proper incentives and design guidelines, could be rehabilitated to intensify the nostalgic experience of that period in time as a consumer attraction (much as Lahaina has tried to do on exemplifying an earlier era). The need to retain these structures in order to maintain the economic viability of the entire downtown is essential to the success of the revitalization program in the short range planning period. It is essential that none of the buildings be allowed to deteriorate to a point where demolition would be required for if the chain is broken, the continuity of the historical image will be destroyed and the impact of the grouping will be lost."

The DDP's Urban Design Plan for the subject area also recommended that a two-story height limit be maintained for the buildings along Kamehameha Avenue. However, this recommendation reflects the retention of the existing structures along Kamehameha Avenue, the majority of which are two stories in height. In fact, the only exception is the Kress Building which is three stories and over 50 feet in height.

Upon careful review of the DDP, it is determined that the proposed Kress Building improvements, including the extension of the third floor of the Kamehameha Avenue building, are consistent with the provisions and intent of the Hilo Downtown Development Plan. Similarly the subject improvement are in conformance with the General Plan and represent a step in implementing the Long Range Land Use Plan.

The proposed improvements will result in the refurbishing and improvement of one of the most significant structures in the Kamehameha Avenue area. Not only will these improvements ensure the continued viability of the Kress Building, it will also provide additional incentives and opportunities for the rehabilitation and improvement of the surrounding structures by attracting new retailers and consumers to the downtown area. This clearly is in concert with the revitalization efforts called for by the DDP.

Furthermore, it is determined that the proposed extension of the third floor area of the Kamehameha Avenue building will not be contrary to the Urban Design Plan of the DDP. The exterior improvements proposed to the Kress Building are limited to the extension of the existing roof line of the Kamehameha Avenue building a total of 88 feet in a makai direction. These improvements are designed to complement and blend with the existing architecture of the building and furthermore, will be set back from the street area. Not only will this setback preserve the existing Kamehameha Avenue facade, but it will also reduce the visual impact of the improvements when seen from the makai areas. As such, it is felt that the proposed improvements will not affect the architectural or historic integrity of the existing building.

The subject area is situated within the County's General Commercial (CG) zoned district. This district applies to areas suitable for commercial uses and services on a broad basis to serve as the central shopping or principal downtown area for a

city or region. The proposed improvements and retail, restaurant and office uses are consistent with the intent and requirements of the CG zoned district.

It may be noted that there is an inconsistency between the zoning designation (CG) and the General Plan's long-range land use designation (Open), where the General Plan is proposing a "lower" use than the zoning designation allows. In a recent opinion by the County's Office of the Corporation Counsel, this problem was specifically addressed. In this opinion, it was found that where there is an inconsistency between the LUPAG Maps and the Zoning designation; and where a "higher" use than that designated on a LUPAG Map is proposed pursuant to the Zoning Map; and where such a proposed use contravenes goals, policies, and standards of the General Plan; then the General Plan controls. This conclusion was based on the precept that County land use decisions must complement and further the General Plan.

Based on the prior discussion of the General Plan and the Downtown Development Plan, it is determined that the proposed improvements would not contravene or frustrate the long range plan to convert the general subject area into an open district under the circumstances that would allow such a conversion.

Based on the foregoing, it is therefore determined that the proposed development will not have any substantial adverse impacts on the surrounding area. Furthermore, its approval will be consistent with the objectives and policies of Chapter 205-A and Rule 9 and with the General Plan, Zoning Code and the Downtown Development Plan.

Therefore, the Commission hereby grants to the petitioner a Special Management Area Use Permit to allow certain improvements, including the addition of a third floor, to the existing Kress Store for the purpose of converting it to a multi-use building at Hilo Downtown, Punahoa, South Hilo, Hawaii, Tax Map Key 2-3-07:11, 28, 29 and 38, pursuant to the authority vested in it by Rule No. 9 of the Planning Commission.

Approval of the Special Management Area Use Permit is subject to the following conditions:

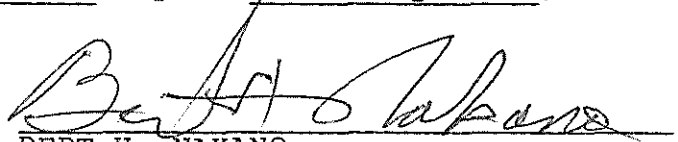
1. That the proposed improvements shall substantially conform to the plans submitted and the representations made by the petitioner or his authorized representatives.
2. That the petitioner or his authorized representative shall submit plans and secure Final Plan Approval for the subject improvements within one year from the effective date of approval of the Special Management Area Use Permit.
3. That the construction of the improvements shall commence within one year from the receipt of Final Plan Approval and shall be completed within one year thereafter.
4. That the petitioner shall make every effort to preserve the existing facade of the building fronting on Kamehameha Avenue. Furthermore, any alteration or changes to the facade must meet with the approval of the Planning Director.

5. That the petitioner shall record at the Bureau of Conveyances, as an encumbrance upon the subject property, a legal obligation to participate in a parking improvement district as outlined in the Hilo Downtown Development Plan whenever such district may be initiated; this legal obligation shall also be stated in any document transferring petitioner's interest in the subject property.
6. That the petitioner or his authorized representative shall comply with the requirements of the Building Code regarding construction within Flood Hazard Districts.
7. That the petitioner or his authorized representative shall comply with the requirements and recommendations of the Department Of Public Works regarding the parking and driveway scheme for the subject area.
8. That all other applicable rules, regulations and requirements shall be complied with.

Should the foregoing conditions not be met, the Special Management Area Use Permit may be deemed null and void by the Planning Commission.

The effective date of this Permit shall be January 22, 1981.

Dated at Hilo, Hawaii, this 11th day of February, 1980.

  
BERT H. NAKANO,  
CHAIRMAN, PLANNING COMMISSION

APPROVED AS TO FORM AND LEGALITY:

  
DEPUTY CORPORATION COUNSEL

Date: 2 Feb 81