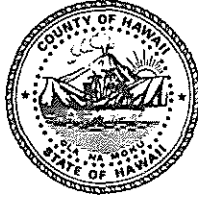


Stephen K. Yamashiro  
Mayor



Virginia Goldstein  
Director

Norman Olesen  
Deputy Director

## County of Hawaii

### PLANNING DEPARTMENT

25 Aupuni Street, Room 109 • Hilo, Hawaii 96720-4252  
(808) 961-8288 • Fax (808) 961-9615

#### CERTIFIED MAIL

July 28, 1994

Mr. Alex B. Franco, Manager  
Hawaii Beef Packers, Inc.  
P. O. Box 388  
Paauilo, HI 96776-0388

Dear Mr. Franco:

Special Management Area (SMA) Use Permit Assessment  
Application (SMAA 94-45) & Special Management Area Minor  
Permit No. 16

Applicant: Hawaii Beef Packers, Inc.

Request: Proposed Construction of Barbed-Wire Fencing to  
Allow for Grazing of Beef Cattle

Tax Map Keys: 4-3-5: 1 and Portion 2; Portions Pohakuhaku,  
Kemau 1st & 2nd, Alaeakila, & Kaumaoali, Hamakua, Hawaii

We have reviewed your proposal and have determined that this project requires an SMA Minor Permit. According to Planning Commission Rule 9, Special Management Area Rules, "construction, reconstruction, or alteration of the size of any structure" is subject to SMA review. The project is not expected to have any significant adverse impacts on the coastal zone, and it does not exceed \$125,000 in value. Therefore, the project requires an SMA Minor Permit. We hereby issue Special Management Area Minor Permit No. 16 to allow construction of the proposed fence.

#### PROJECT DESCRIPTION

1. **Hawaii Beef Packers, Inc.** is proposing to erect a barbed-wire fence around approximately 395 acres of former Hamakua Sugar Company cane land. The project site includes one 185-acre parcel which will be leased directly from the Department of Agriculture (DOA), and approximately 210 additional acres which will be leased from the Hamakua/North Hilo Farmers Cooperative. The project is part of the DOA's Hamakua Agricultural Park, Phase II. The intent is to raise and market local forage-fed beef. The beef will be processed at the applicant's existing packing house, which is located on the northeast portion of TMK: 4-3-5: 2.

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2. Only former sugar cane land will be included in the pasture area. The applicant proposes to erect a 5-strand barbed-wire fence around the perimeter of both parcels, excluding the portions of this boundary which are already fenced. Parcels 6 and 8, two small parcels located within parcel 2, will be fenced off from the pasture area. The existing feed lot operation which is run by Pacific Livestock, Inc., the existing packing house, and some of the existing cane haul roads which run throughout the project site will also be fenced off. Approximately 40 acres located in the southern portion of parcel 2 will be fenced off for papaya production. Lastly, the portion of both parcels which is in the Conservation district will be fenced off from the cattle. The Conservation land extends from the shoreline to the mauka edge of the ironwood tree line. No cattle grazing will be permitted in this area. Approximately 3 gates will also be erected: one on the eastern boundary of the site, and one on either side of the gulch which runs through the western portion of the site -- to allow the applicant to retrieve cattle which inadvertently wander into the gulch. Fence posts will be constructed of wood or steel, and will be spaced approximately 20 feet apart. The estimated cost of this project is \$96,000.
3. In July of 1994, the applicant secured approval from the Department of Land and Natural Resources (DLNR) to utilize TMK: 4-3-5: 1 for cattle grazing, as long as no grazing is permitted in the Conservation district land along the coast. The applicant also received DLNR approval to fence off the Conservation district land along the entire makai boundary of parcel 2. In June of 1994, the applicant secured approval of the Board of Agriculture to lease approximately 185 acres of land for cattle grazing. The remainder of the land will be leased directly from the Hamakua/North Hilo Farmers Cooperative.
4. The applicant provided the following projections for herd size over the first four years:

Year 1:	100 steers	350 cows
Year 2:	250 steers	500 cows
Year 3:	250 steers	500 cows
Year 4:	325 steers	400 cows

All cattle will be exclusively range-fed, and will be marketed state-wide as natural grass-fed beef.

#### STATE AND COUNTY PLANS

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5. The State Land Use District classification is Agricultural to the mauka edge of ironwood tree line; the land makai of this tree line is in the Conservation district. The General Plan Land Use Pattern Allocation Guide (LUPAG) Map designation is Intensive Agriculture, with a strip of Open land along the shoreline. The County zoning is Agricultural 40-acres.
6. A portion of the project site from the shoreline to roughly 500 feet inland is located within the Special Management Area. Therefore, the project is subject to SMA review.
7. Pursuant to Chapter 343 of the Hawaii Revised Statutes, a Final Environmental Assessment/Negative Declaration for the Hamakua Agricultural Park, Phase II, was submitted by the Department of Agriculture and published on November 8, 1993.

#### SITE DESCRIPTION

8. The property is bounded by the ocean to the north, and by former sugar cane land to the south, the east, and the west. The site is just over a mile west of Pa'auilo village.
9. The project adjoins the existing slaughterhouse and feedlot operation located in Phase I of the Hamakua Agricultural Park. There are 8 holding ponds in the Phase I Park; 4 for the feedlot and 4 for the slaughterhouse. Water from the 4 slaughterhouse holding ponds will be used for irrigating the pasture area. There is an 8,867 square foot privately owned parcel, TMK: 4-3-5: 6, located along the southern boundary of the site, and a Chinese cemetery located on a one-acre parcel, TMK: 4-3-5: 8, in the interior of the site. Both these parcels and the access to parcel 8 will be fenced off from the pasture area. The remainder of the site is former sugar cane land.
10. The project site is located just mauka of the Conservation district boundary, which coincides with the existing ironwood tree line. The elevation of the project site ranges from roughly 200 to 700 feet above sea level. The Flood Insurance Rate Map (FIRM) prepared by the Federal Emergency Management Agency designates the area from the shoreline to approximately 100 feet inland as Zone VE 16-feet, or within an area subject to coastal flooding with tsunami inundation hazards. The remainder of the property, including the entire project site, is located in Zone X, or outside the 500-year flood plain.

11. The site has been extensively cultivated by the Hamakua Sugar Company, and the proposed cattle grazing should not further impact any natural resources or historic sites in the area.

#### INFRASTRUCTURE

12. Access to the property is from the Old Government Main Road, a paved County-maintained roadway. Internal access roads are former cane haul roads; most of these are also paved.
13. Water is provided by the Hamakua Ditch and by Pa'auilo Well No. 157. Electricity is available via the Hamakua Sugar Company tie line. Other essential services are available at the site.

#### ASSESSMENT

The purpose of Chapter 205A, HRS, and Planning Commission Rule No. 9, Special Management Area Rules and Regulations of the County of Hawaii, is to preserve, protect, and where possible, to restore the natural resources of the island's coastal zone areas. Special controls on development in these areas have been enacted, to prevent permanent loss of valuable resources. Upon review of the applicant's request for a Special Management Area Permit, the Planning Director finds that this project is consistent with State and County SMA policies, as outlined below:

- a. **Recreational Resources:** The project will not interfere with recreational uses of the coastal area, since the proposed fencing will be located mauka of the Conservation district boundary. The public will continue to enjoy free access along the Conservation district land for fishing and other recreational purposes.
- b. **Historic and Natural Resources:** The site has been extensively cultivated for sugar cane, and the proposed conversion to cattle grazing should have no further adverse effects on natural or historic resources in the area.
- c. **Scenic and Open Space Resources:** The proposed fencing should have no impact on the coastal view plane, as no structures will be erected at the site and existing ironwood trees obscure the view of the ocean.

- d. **Coastal Ecosystems:** The proposed fencing will be located well inland of the shoreline, and the cattle will not be permitted to graze in the Conservation area. The grazing operation will be intensively managed, and should have no adverse effects on the coastal ecosystem.
- e. **Economic Uses:** The project will create approximately 12 jobs in the immediate future and up to 50 jobs over the next several years. The venture will utilize existing agricultural land and infrastructure, which otherwise would be abandoned after the final cane harvest. The intent of the project is to create locally produced forage-fed beef, for sale in local markets. By increasing the volume of cattle processed at the packing house, the applicant hopes to lower processing costs for other island ranchers -- thereby eliminating the need to export cattle to the mainland for processing.
- f. **Coastal Hazards:** The site is not located in a flood zone, and the project will in no way intensify coastal hazards at the site.

#### **DETERMINATION**

Based on the preceding assessment, the Planning Director has determined that the construction of barbed-wire fencing to allow for managed cattle grazing at the site will not be contrary to State and County policies governing the Special Management Area. The Planning Director hereby approves a Special Management Area Minor Permit, **subject to the following conditions:**

- 1. The applicant, successors, or assigns shall be responsible for complying with all of the stated conditions of approval.
- 2. The proposed construction shall be completed within **two years** from the date of this permit.
- 3. No cattle shall be permitted to graze in the Conservation area, which extends from the mauka edge of the ironwood tree line to the shoreline. A fence will be constructed along the Conservation district boundary, to prevent cattle from entering this area.
- 4. The applicant, successors, or assigns shall comply with all other applicable County, State, and Federal regulations.

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5. A progress report shall be submitted to the Planning Director within **six months** from the date of this permit. This report shall include the status of the project and to what extent the conditions of approval are being complied with. Additional progress reports will be required every six months, until all of the conditions of approval have been complied with and the Planning Director acknowledges that further progress reports are not required.
6. An extension of time for the performance of conditions may be granted by the Planning Director only when a) the non-performance is the result of conditions that could not have been foreseen or are beyond the control of the applicant, successors, or assigns, and that are not the result of their fault or negligence; and b) granting of the time extension would not be contrary to the original reasons for the granting of the permit; and c) the time extension granted shall be for a period not to exceed the period originally granted for performance (i.e., a condition to be performed within one year may be extended for up to one additional year).

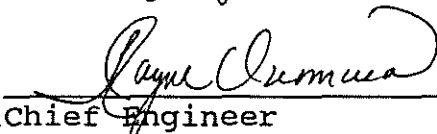
Should any of these conditions not be met or substantially complied with in a timely fashion, the Planning Director may initiate procedures to revoke this permit.

Please feel free to contact staff members Linda Copman or Alice Kawaha at 961-8288 if you have any questions.

Sincerely,



VIRGINIA GOLDSTEIN  
Planning Director



Chief Engineer

Date

LC:mjh

SMM16

xc: Ms. Donna Kiyosaki, Chief Engineer  
Mr. John P. Keppler, DLNR  
Mr. Paul T. Matsuo, DOA  
Planning Commission  
SMA Section *apw*