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May 1, 1991

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PLANNING DEPT.  
COUNTY OF HAWAII

Michael Matsukawa, Esq.  
Corporation Counsel  
County of Hawaii  
101 Aupuni Street, Suite 325  
Hilo, Hawaii 96720

Re: Consolidation/Subdivision Application No. 90-20;  
TMK No. 8-1-09:03

Dear Mr. Matsukawa:

As a follow-up to our meeting of March 12, 1991 on the above-referenced matter, I want to confirm with you that as a result of our meeting, you stated you would meet with representatives of the Department of Public Works and the Planning Department to discuss your position on the conditions which might be imposed on consolidation/resubdivision actions. We understand from our meeting that you concurred with our position that only conditions which could be deemed necessary to mitigate additional impacts which a proposed consolidation/resubdivision would create could be imposed and that you would determine whether the conditions proposed by the Department of Public Works met that standard. You also indicated that the County's failure to promulgate standards in this regard further compounded the lack of consistency or uniformity between the subject application and others.

The subject application has been pending and deferred for approximately one year. We respectfully request that you take steps to resolve the matter immediately. We continue to believe that the Smiths should at a minimum be entitled to proceed forward as the applicants in similar Consolidation/Resubdivision actions were allowed to do.

For example, in Subdivision No. 5929, Application No. 90-48, the Department of Public Works' position is that because Hienololi-Kahului Road is a "County highway", no improvements to that road were required before final approval was granted. Not only has the Department failed to support its decision that Hienololi-Kahului Road is a County highway (we enclose information supporting the conclusion that the "road" which was originally part of a railroad system was not in existence until after 1892) despite our previous requests for information, but two prior consolidation/resubdivision applications were approved

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for property taking access off Kaawaloa Road without regard to the jurisdiction or road improvement questions. Since Kaawaloa Road is a public road or highway, the Smiths should be allowed to continue to take access off the same without the requirement of improvements or regard to the road jurisdiction issue.

The Smiths only ask that they be treated the same as other applicants in similar matters. We believe the present administration would also want the same result.

Please contact me to let me know when the Smiths can expect to receive final determination on their application (preferably by the end of May). May we hear from you soon.

Very truly yours,

MENEZES TSUKAZAKI YEH & MOORE

By   
\_\_\_\_\_  
THOMAS L. H. YEH

cc: Norman Hayashi,  
Planning Director  
Encl.  
cc: Dexter Smith, et al.  
TLHY:db

FRANCIS A. GUIDO  
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WEST COAST  
HAWAII

KONA HISTORICAL  
SOCIETY

From: SUGAR TRAINS

By J C Conde

Book currently out of print but  
my office currently is handling  
a contract for a new edition  
of all Mr. Conde' books.

4/30/85

*Francis A. Guido*

COPY FOR MR. MATSUKAWA. IF HE WOULD LIKE TO  
SEE MORE INFORMATION ON THE RAILROAD & THE  
COMPANIES THAT RAN IT, HE CAN CONTACT THE  
KONA HISTORICAL SOCIETY.

D.A.S.

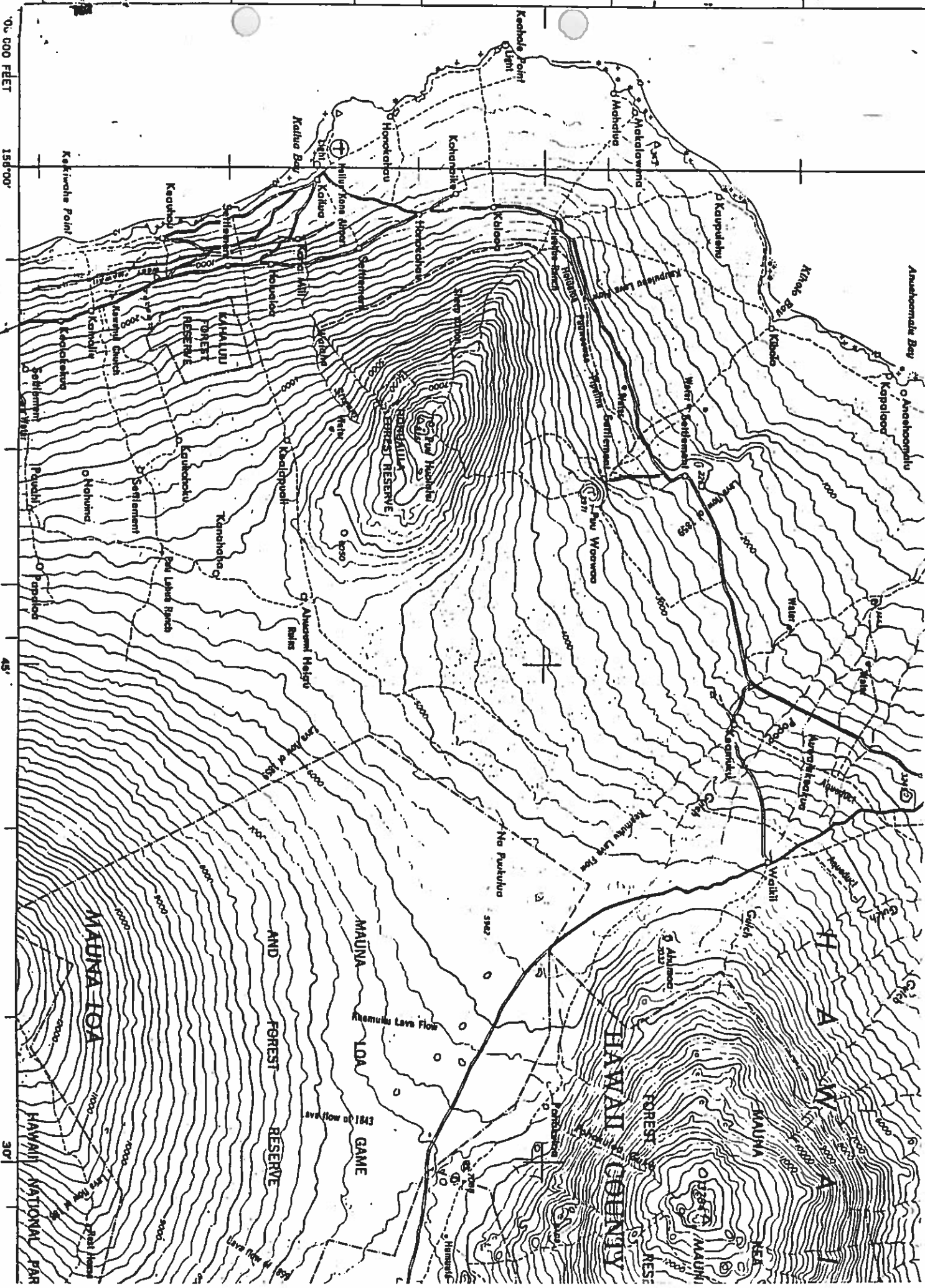
05,000 FEET

158°00'

45'

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MAP SHOWING 2 MI.



MAUNA LOA

AND FOREST RESERVE

MAUNA LOA GAME RESERVE

HAWAII COGNITIVE RESERVE

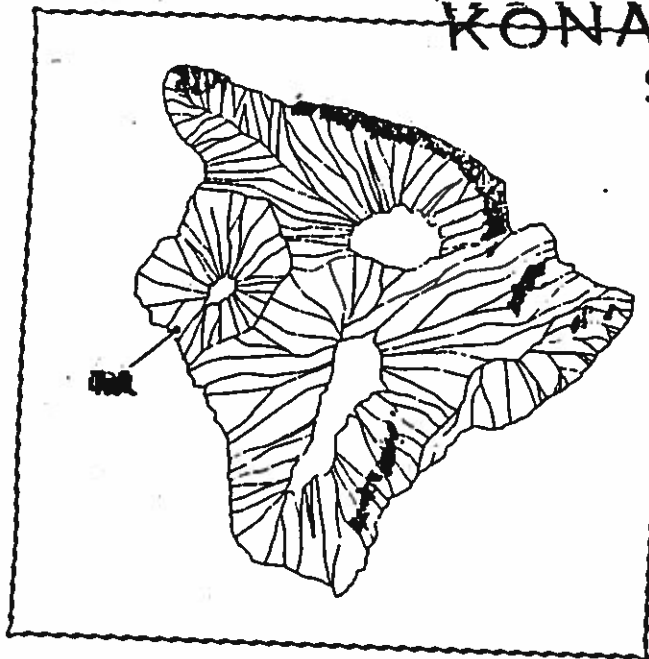
MAUNA KEA

HAWAII NATIONAL PARK

MAUNA KEA

# KONA HISTORICAL SOCIETY

Trust Co. as agents. It went out of business in 1926



## KONA SUGAR COMPANY Holualoa, Kona, Hawaii

Kona Sugar Company was established in 1898 with Mr. J. Coerper as manager and McChesney & Sons as agents. It was incorporated in 1899 at an evaluation of \$500,000.00, and the mill was built back of the village of Kailua. The firm of Whitehouse and Hawxhurst got the contract to build six miles of railroad for the firm in 1901. The sugar company failed in 1903.

The railroad of the sugar company was finally extended for approximately eleven miles along the west coast of Hawaii. Its later management was quite varied, and its history troubled. It was also destined to become the only surviving section of a great railroad plan which also failed in its objective of spanning the west coast and other parts of the Island of Hawaii.

The work of the original railroad was continued by Mr. James B. Castle who bought out the property and revived the plantation and the railroad about 1906. A long list of organizations were involved with the road. Among these were the Kona Sugar Company, the Kona Development Company, West Hawaii Railway Company, Hawaiian Development Company, T. H. Davies and Co., H. Hackfeld & Co. and the Waterhouse Trust Company. The firm was finally operated as the Kona Development Co. under Japanese management, with Waterhouse

SUGAR TRAINS

As far as can be determined, the railroad was started at Holualoa mauka (a Hawaiian direction, literally "toward the mountains"), from Kailua at the 764 foot elevation and one half the way to Hauloa. It traveled south on a grade to its southern terminus in Keopuka, a distance of about 11 miles. The only known station was at Kona Mill, about one mile south from the northern end of the railroad. Kona Mill was located at the junction of the roads to Kailua and Holuloa.

The work was done by Mr. Castle who started the Kona Sugar Company and continued the railroad at the same time, about 1906. Sugar cane was delivered to the mill in railroad cars with a wire rope lift in the fields to load the cars, and some cane was flumed.

The *American Beet Sugar Gazette* commented in 1906, "Another plantation which in the past has been able to grow sugar cane in abundance but return nothing but bankruptcy to its owners, now seems to be in a fair way to be rehabilitated. This is the Kona Sugar Company, on the western side of the Island of Hawaii. . . ."

It is also known that James B. Castle, Wm. R. Castle, Francis B. McStocker, James F. Morgan and Clinton J. Hutchins filed an application on April 4, 1906, for a charter for the West Hawaii Railway Co., and at the same time filed to incorporate the Kona Development Company. The West Hawaii Railway Company was formed to build a line of railroad through North and South Kona with an outlet on the seashore at Kailua, Napoopoo or Kaawaloa, and to be extended later into Kohala and Kau. The Kona Development Co. was formed for the purpose of rehabilitating the old Kona Plantation and operated as a sugar company in every sense of the word.

In February 1907 the *American Beet Sugar Gazette* had more comments:

In the Kona District of Hawaii there has never, as yet, been a successful plantation, though the difficulties there have not been agricultural, but financial. In both localities (Northwest Coast and West Coast) the progress and development now are in connection with railroad development and railroad building. In Kona there are three corporations which have interests there, which have spent considerable time in trying to develop the region, and in each case without much success up to the present. These are the Kona Sugar Company, the South Kona Development Co. and the West Hawaii Railway Co. These three firms are trying to reach a basis of mutual cooperation. . . . Railroad building is necessary to carry out this plan (land and cane development in the Kona

district), beyond the very rudimentary stage. But the railroad depends on the cane industry. The cane industry depends on the railroad.

By March of 1907 the prospective planning appears to have been brought to a head, and the *Beet Sugar Gazette* reported,

The plans for the development of the District of Kona . . . have progressed to the point of incorporation of the Hawaiian Development Co., Ltd. with a capital of \$1,000,000.00. The scope of the business proposed in the charter is very extensive including agricultural operations, direct and indirect, railroad building, ship owning, etc. etc.

An article in the *Pacific Commercial Advertiser* for October 1907 clarifies the intention of the Hawaiian Development Co.

### KONA TO HAVE THIRTY MILES OF RAILROAD

A Common Carrying Road —  
Three Allied Corporations To Issue \$1,000,000.00 of Bonds  
Kona's Great Day Arrives

Kona, Hawaii, meaning North and South, is going to have a railway more than thirty miles in length of which about one third is already built or in the course of construction.

Primarily the road is projected to carry sugar cane from the plantations in both districts to a central sugar mill. Yet it is to be public railway for passengers and freight.

The Kona Agricultural Company, at its meeting yesterday, in conjunction with the Kona Development Company and the West Hawaii Railway Company, authorized a joint bond issue of \$1,000,000.00 for the development of the several enterprises of these three corporations.

An issue of \$500,000.00 is to be made first, which is to be used primarily for the extension of the railroad from North to South Kona, and in the construction of a line to the sea at some point on Kealahou Bay.

The Kona Development Co. has its prime field of operations in North Kona, and the Kona Agricultural Co., a corresponding relation to South Kona, the two being closely allied, while the railroad is primarily designed to connect them up and carry the sugar from their respective plantations to the mill of the Kona Development Co. which is situated in North Kona.

Seven miles of the track have been built, three more miles are under construction and it is proposed, from proceeds of the bonds, to build an extension of twenty-two miles, making a total of thirty miles. As stated it will be a general public road and do a common carrying business as well as the transportation of cane of its owning companies.

It is expected to go ahead immediately with the extension of the railroad. As soon as it is completed it will enable the Hawaiian Mahogany Lumber Company to lumber both the Ohia and Koa wood forests, where there is now more of both kinds of timber than in a district where that company is now operating.

Reverting to the bond issue, it may be stated that \$200,000.00 of the bonds have already been placed at par in Honolulu, and plans are afoot for placing all of the balance that may be needed.

Unfortunately these plans did not materialize, basically because there were too many other expansion plans afoot on the island at the same time and the railroad was of no real service to the

people except for freight. Thus the plans for the so-called Kona-Kau railroad were laid to rest.

In actuality, the Kona Development Company and the West Hawaii Railway Co. were the same people. Apparently the nearest they ever came to carrying passengers was with an enclosed roof car with windows, to take the directors over the line to inspect the plantation; otherwise they used ordinary cane cars.

The *Kohala Midget*, a small newspaper started on July 17, 1908 by the "Boys Club of Kohala," has been the source of much information about railroads of the times quoted herein. One article by the group, under a date line of April 18, 1909, states: "Work continues steadily on the Kona Railroad (West Hawaii Railway), even tho' slowly. This road is not rightly located to be of service to people except in returning their productions to the company." Then in December of 1909, the same paper reports, "A train on the Kona railway ran into a mule and was severely kicked. The owner of the animal will be sued for damages."

In 1910, under the direction of Mr. Lorrin A. Thurston, all the development plans on the Island of Hawaii came under the auspices of the Hawaiian Development Co. with Mr. Thurston as president. The *Midget* again serves as a source and helped clear up this researcher's confusion:

At the annual meeting of the shareholders of the Hawaiian Development Co., Ltd., the Koolau Railway Co., Ltd., the Heeia Agricultural Co., Ltd., the Koolau Agricultural Co., Ltd., the South Kona Coffee Co., Ltd., the Kona Agricultural Co., Ltd., the West Hawaii Railway Co., Ltd. and the Kona Development Co., Ltd., the following officers and directors were selected to serve for the ensuing year: L. A. Thurston, President; D. L. Whittington, Vice-President; F. B. McStocker, Secretary; J. B. Castle and W. R. Castle, Directors. All the above gentlemen constitute the directorate of the above companies.

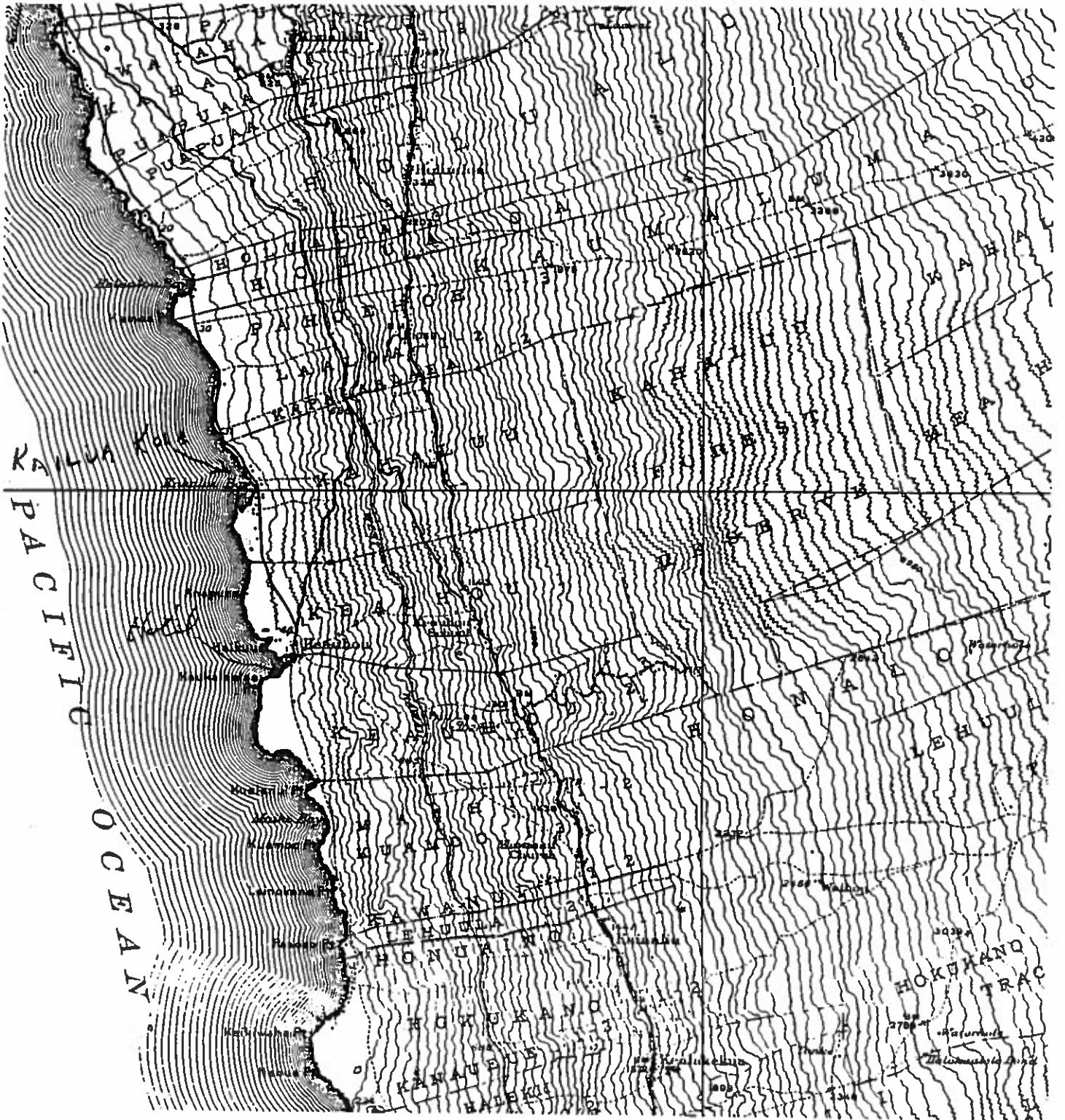
Confusing as this all may appear to a casual reader, it was a common Hawaiian practice in business affairs to have to untangle similar connections to find whichever item was being dealt with. These same names also appear in other ventures of the time on the Island of Hawaii, and were also involved in the lumber trade of the Hawaiian Mahogany Lumber Company, of which more will be noted later.

The Hawaiian Development Company continued to operate the West Hawaii Railway until 1916, at which time the railroad and the plantation, now known as the Kona Development Co., were purchased by a group of Japanese and operated under the managership of Mr. T. Konno, with the H.

Waterhouse Trust Co. as agents. This management went out of business in 1926, under a 1925 request for receivership, filed by "Tokyo Capitalists" who had financed the company since 1918.

The railroad record disappears from the Hawaiian directories, however, in 1918. Since no annual reports for the company have been turned up

there is little else to report on this road. In its time, however, it supported two Dickson Works locomotives in three-foot gauge and about 50 cane cars. As far as can be determined the sugar mill of the company was shipped to the Philippine Islands, but the end of the rail equipment is not known.



**KONA SUGAR COMPANY** Holualoa, Kona, Hawaii

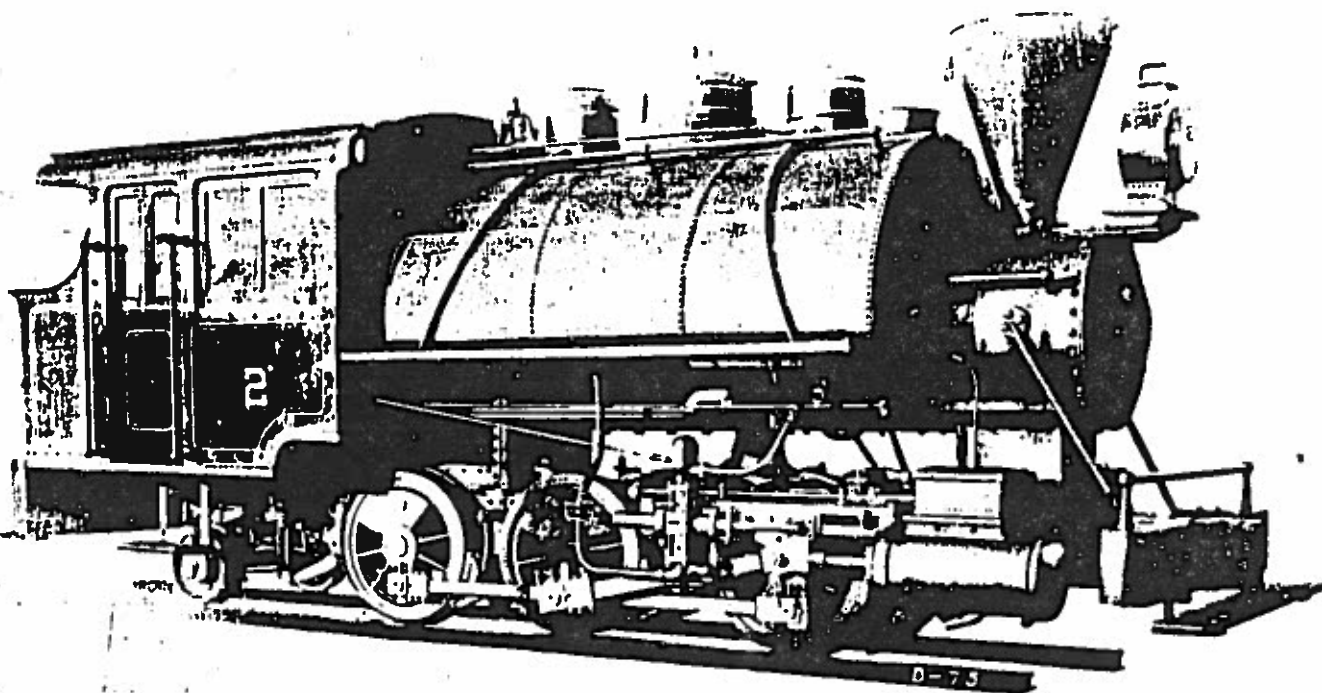
3 Foot Gauge

**LOCOMOTIVE ROSTER**

0-4-0T	Dickson 1143	6/1900	29-9x14	#1. Ordered by Fitzhugh Co. 14 Ton.
0-6-2T	Dickson 1144	10/1900	33-10x16	#2. Ordered by Fitzhugh Co. 21 Ton.

**LOCOMOTIVE NAMES**

(Locomotives Numbered)



Builder's photo of Kona Sugar Company #2, Dickson Works 1900.  
*Gerald M. Best Collection.*