

PUNA COMMUNITY DEVELOPMENT PLAN STEERING COMMITTEE ISSUES

(Taken from a letter written by Hawaii County Planning Director, Chris Yuen, to the Puna CDP Steering Committee on November 13, 2006)

The Puna Community Development Plan has potentially such a broad scope that it is useful to step back and look at some of the current trends and community needs. We need a focused set of priorities and goals. This letter tries to suggest some critical issues, from the standpoint of land use planning.

The most basic function of a community development plan is to serve as the guide to county government actions. This has to be done in the context of an overall community vision, after determining the general goals of the community. That stage—of hearing what people think is important and what they want—has been the reason for much of the work in the plan to date.

The main tools to implement a plan are regulatory tools, such as land use controls, and financial tools, like spending money to build roads and parks. The government can offer incentives, but the incentives often involve reducing regulations, or spending money. Finally, the government can act as a catalyst for private action.

Because of the Planning Department's main powers involve land use regulations, this letter focuses on the uses and limits of those regulations as a tool in shaping the future of Puna.

The private subdivisions created from the late 1950's to the early 1970's create the land use pattern in Puna. We have about 48,000 lots in these subdivisions. The owners of each of these lots have a legal right to build one house per lot, and current county and state laws make it possible to build more than one home on most of these. At present, perhaps a quarter of these lots have homes on them, depending upon the subdivision. Clearly, there is a vast potential for future residential development in Puna.

Puna's population grew from 5500 in 1970, to over 31,000 in 2000, and continues to grow at an even faster pace in the six years since the last census, because of the vacant lots on these subdivisions. The land was originally cheaper because of the vast supply of lots and and poor infrastructure. This will remain true, and the trend of the population moving into these subdivisions is likely to continue. The reform of the county subdivision code in 1968 put an end to the era of rampant subdividing that created the Puna lots (although some subdivisions already in process were finalized in the early 1970's.) Current subdivision requirements for water, roads, and drainage systems mean that any new residential or small agricultural lots will be more expensive than the typical market prices of Puna lots, even ignoring raw land costs.

Land use regulations in Hawai'i, like the county zoning and the state land use commission, control growth and development in most areas of the state. This is not true

for Puna's overall growth, although land use regulations still control the location of future commercial and industrial development.

It is sometimes suggested that the county try to change the basic land use pattern created by the private subdivisions and try to reduce the potential development that can occur in them. For example, it has been suggested that we use "transfer of development rights" so that landowners wanting additional density in areas where urban growth is wanted could buy development rights (in this case, the right to build a home) from existing lots. While it may be a good idea to try to make more compact village clusters, requiring the purchase of development rights from other properties to do that would make it more expensive to try to create such centers, as compared to just allowing them through the zoning process. Direct regulation, such as making it difficult to build homes through zoning code changes, cannot work. The county would have to pay compensation if it tried to ban building on lots that are currently buildable. Although the question of trying to move development rights out of the existing subdivisions, or otherwise changing the pattern that they set, is one that we have asked our consultants to explore and investigate, I personally do not believe there is any feasible way to do this.

The goal of county planning, including the CDP, should be to try to work with the existing land use pattern, and to try to improve life based on the existing subdivisions. This may involve trying to encourage more concentrated development in a village pattern, but this will have to be done in a way that co-exists with the subdivisions as they have been platted.

Working with the present land use pattern poses serious challenges because the subdivisions were, for the most part, not well planned to be major population centers. Most were built with poor roads, and although the residents of some subdivision have made great improvements on their own, for the most part, the roads are substandard. A level of infrastructure that was tolerable when only a fourth of the lots were inhabited will seem less tolerable as the subdivisions build out. And the feeling of open space that brought many people to Puna will change as the population develops.

I see some of the main issues for the Puna Community Development Plan as follows:

1. What are the best transportation solutions?

Because the population is so dispersed, transportation is a difficult issue. Most people live far from where they work, shop, or go to school.

Although we can try to reduce auto travel with more opportunities to buy basic goods closer to residential neighborhoods, the Puna Regional Circulation Plan projected that even with more village-oriented development, there would be a need for 6 highway lanes between Kea'au and Pahoia by 2030. In recent years, about two-thirds of the total population growth in Puna is occurring in lower Puna, between Kea'au and Kalapana, while about one-third is occurring in upper Puna, between Kea'au and Volcano. It is obvious that the existing Hwy. 130 is already inadequate at two lanes and that additional

lanes must be added soon, at least between Ainaloa Blvd. and the end of the Kea'au Bypass. Between 2001 and 2005, about 1700 building permits for new homes were issued for the area served by Hwy. 130. As a point of comparison, the highway can only handle about 1000 cars per hour each way.

The current status of the Kea'au-Pahoa corridor is that on Hwy. 130, a state highway, there is a current project funded to turn the Shower-Kea'au Bypass shoulder lane into a permanent third lane. The state, through SSFM, is also studying the widening of Hwy. 130 to four lanes. The study is funded, but actual construction is not funded.

Preliminary studies have been done of a "Puna Makai Alternate Route", or "PMAR", which would run makai of Hwy. 130. Funding does not currently exist to build this route.

Critical issues with the PMAR:

Should this be a regular highway, or just an emergency route to use if Hwy. 130 is blocked?

If it is a regular highway, should it continue through Paradise Park, and on to Hawaiian Beaches, or should it simply be a parallel route to Hwy. 130 ending at the Kea'au side of Paradise Park? Going through Paradise Park creates issues discussed, but not resolved, in the Puna Regional Circulation Plan.

Could the PMAR replace or delay the need for Hwy. 130 widening, or is it a longer-term project?

Is there a way to phase the construction? Although the long-range concept is a road that extends into Hilo, this is clearly much too expensive to build in one project. It would have to be done in segments, for example, Paradise Park to Milo St.

Improved bus service is one way to reduce auto travel and highway congestion. But to use the bus in Puna, most people will need a car to get to the bus. This means that park-and-ride lots probably necessary.

2. Where should new commercial and light industrial development go?

Commercial development—retail stores, restaurants, offices—have not kept up with the population growth in Puna. This is also true of light industrial development—locations for warehouses, contractor's baseyards, and the like. Although private enterprise has the primary role in actually developing commercial and light industrial areas, county planning should designate appropriate and feasible locations for such development to take place.

In the 1989 General Plan, the basic land use direction was that commercial development should occur in Keaau and Pahoa, and along Highway 11 in Kurtistown and Mt. View,

and Volcano Village. Shipman Business Park was the primary area for light industrial development. It may be that allowing more neighborhood-oriented commercial

development outside these areas—especially in the subdivision area midway between Kea’au and Pahoā—will reduce the need for highway travel. This general area, including Hawaiian Paradise Park, Ainaola, and Orchidland, contains about 16,000 lots, and is rapidly becoming one of the island’s biggest population centers.

In the 1990’s, special permits were granted to allow a small commercial area on Orchidland Dr., to serve the subdivisions between Kea’au and Pahoā. The 2005 General Plan formally designated this area as Medium Density Urban to encourage commercial development. In addition, the 2005 General Plan adopted the portions of the 1998 Hawaiian Paradise Park Master Plan by designating two 20 acre sites in Paradise Park as Medium Density, and two other 20 acre sites as Industrial.

Later in 2005, I initiated interim General Plan amendments to expand the Orchidland Dr. commercial area, and to add another Medium Density Urban area along Ainaloa Blvd., but still within Orchidland. The council eventually decided against approving these, preferring to wait for the CDP.

3. What should the County’s policies be toward commercial and light industrial development on special permits?

In the state land use agricultural district, commercial and light industrial development can be allowed by special permits. The decision on a special permit is made by the Planning Commission; the Planning Department makes a recommendation. A wide range of businesses have applied for special permits over the years: retail commercial operations like the Wiki-wiki Mart in Orchidland, a self-storage facility in Paradise Park on 13th St., contractor’s baseyards and warehouses, auto repair shops, cabinet shops, certified kitchens, and even small personal services like hairdressers. The locations generally do not follow any overall land use plan. Typically, the entrepreneur buys a lot and starts the business there. Often, the business is started illegally, and the special permit application comes after the owner has been cited by the Planning Department.

The special permit route is a tempting one for many small businesses. Many lots in Puna are large enough to fit a warehouse, a contractor’s baseyard, or other small business, and the ordinary lot is far less expensive than a finished light industrial lot with infrastructure in Shipman Business Park.

On the other hand, it is usually considered good planning to designate areas for commercial and light industrial activity in advance, and to zone them for such use, to reduce the potential for conflict with residences.

The current attitude of the Planning Department is that significant commercial and light industrial development should go to the sites currently designated in the General Plan.

Because some of these, such as the Paradise Park sites, are currently not available because they have not been developed, the Department has recommended, and the Planning Commission approved, several special permits with 5 years terms, with the condition that if the designated sites are developed, that they should move there when the five years is up.

The Planning Department has supported small-scale special permits for businesses that would generally fall under the category of “home occupations.” These are businesses that are operated by the occupant of a home on the property, with a maximum of one employee other than the occupants, and some other limitations. They are allowed as a matter of right in residentially-zoned areas, such as most neighborhoods in Hilo, but the current zoning code requires home occupations in the agricultural district to get a special permit. As a practical matter, there are undoubtedly hundreds of “illegal” home businesses operating in Puna.

4. What should the county do to help improve infrastructure in the private subdivisions?

For the last few decades, the county government has consistently taken the position that it would not take over the private roads within the subdivisions, nor would it subsidize improvements to those roads. The only major exception was Ainaloa Blvd., which was taken over by the county to create an alternative access out of lower Puna.

There were, and are, strong fiscal reasons for this policy. The private roads are substandard, and the cost of improving them is high. To own them without improving them would expose the county to significant liability for accidents. But roughly a third of the population increase on the island is going into these Puna subdivisions.

The Puna CDP can at least discuss what options exist for financing improvements within the subdivisions, such as improvement districts.

5. Where should new county facilities be built?

Basic county facilities—parks, fire and police stations—have not been built in Puna at the same pace as the population increase. One major focus of the CDP should be on such facilities, especially parks. Where should they be located? Given the need to properly allocate limited resources, what should be the balance between parks that serve a large region (like the Pahoia pool, or the current concept of a Puna Gym and regional ballfield complex near the Kahakai Blvd./Hwy. 130 intersection), and more neighborhood-oriented parks? Do neighborhoods **not** want parks (because they can be magnets for undesirable activities)?

6. How can the county foster the development of community gathering places?

Community gathering places help weave the fabric of community life. Planners speak of “third places”—other than the home and work—where people can spend time and meet

each other informally, and even accidentally, as a key ingredient in community life. It can be a beach park, a town square, a shopping mall, even a coffee shop. Puna has some outstanding community gathering places, like Cooper Center in Volcano, but it needs more. The government can often stimulate this kind of community building, by providing land or funds.

7. What should the policies be toward second dwellings on a lot?

The potential population increase in Puna is very large with one house per lot, but current county and state land use rules often permit two or more houses to be built on a lot. The requirements depend upon whether the lot is in the state land use agricultural district or in the urban district. Almost all of the subdivisions in Puna are in the state land use agricultural district. In the agricultural district, county rules allow more than one house through the “additional farm dwelling” process. The owner must submit a farm plan and show some need for agricultural labor. The current requirements for a second home are not very stringent.

It is almost certainly true that most additional farm dwellings have not actually been built to house farm laborers. More often, they are really used as ordinary rentals, or to provide a separate house for a family member.

In the state land use urban district, a second home can be built using the “‘ohana dwelling” process. As a practical matter, almost all lots in the urban district will qualify for ‘ohana dwellings, but it is often difficult to put the ‘ohana dwelling on the lot because the Zoning Code requires an additional 5’ setback for the ‘ohana dwelling, and does not permit setback variances.

From the standpoint of the individual lot owner, being able to get a second home can be a great convenience, but looking at the area as a whole, it creates the potential for even more population growth than the number of lots indicates.

A few years ago, it was becoming common to see the second home combined with the creation of a “condominium property regime”, or “CPR”, on a lot. The CPR enabled the lot owner to sell off a separate portion of the lot, in effect, creating a re-subdivision of the property without any improvements to the subdivision infrastructure. Left unchecked, this would have led to even more units in the subdivisions, but the county essentially ended the practice with a change to the subdivision code in 2002.

At present, the second dwelling on a lot is not that commonly used, and so there is time to re-evaluate the policies on this issue.

I will be happy to discuss these and other issues at the Steering Committee meeting on November 15.