

HAWAII BUSINESS – Cover Story

Kauai In Crisis - Mayor Bryan Baptiste deals with a garden of gridlock.

Jacy L. Youn

September, 2005

<http://www.hawaiiibusiness.com/kauai-in-crisis//>

As government Web sites go, the county of Kauai's is pretty impressive. Chock full of good information, from bus schedules to city council meeting agendas, www.kauai.gov is a virtual hub of information for all things city government. And, as avid Web surfers can appreciate, nothing is more than a click or two away from the home page, making it arguably one of the state's most easily navigable county Web sites. Too bad the same can't be said for Kauai's roadways, which are a snarled web of traffic woes. The island's two major state highways, Kaunualii and Kuhio, which begin on opposite ends of the island and merge in the town of Lihue, are beyond congested, and its county-administered thoroughfares are equally clogged. From sun-up to sundown, bumper-to-bumper traffic is the norm. During rush hour, traffic is downright unbearable.

At the same time, development on Kauai is far from idle. On the contrary, developers from the north to the south shores are moving full speed ahead, with over 10,000 new visitor and residential units being built over the next year or two, and a total of more than 16,000 new units coming online over the next two decades. Now tack a car (or in some cases, two) onto each of those units, and you've got a slow-motion train wreck in the works.

"There's no doubt, Kauai's infrastructure is just not keeping up with the pace of development," says Louie Abrams, the Kauai commissioner for the Hawaii Real Estate Commission and longtime advocate for community-minded growth. "In theory, what's supposed to happen is the county is supposed to build the infrastructure in advance of its zoning. But the reality is that back when we zoned all these things, we didn't give much thought to what infrastructure was going to be needed, so all of a sudden we've given [developers] pretty much a vested right to go ahead and build, even though we don't have adequate infrastructure, particularly if we're talking about our roads and highways."

It Should Be Obvious that's Inadequate

To be fair, it's not as though the state Department of Transportation, which is in charge of the island's two main highways, doesn't have any plans for road construction on the island. According to DOT spokesperson Scott Ishikawa, the state's currently got two major construction projects underway: an expansion of the existing "temporary" bypass road in Kapaa and the widening of Kaunualii Highway from two to four lanes. But both projects are extremely costly and, even with the bold assumption that there'll be no problems acquiring the funding, neither one is due for completion until 2011 at the earliest. By then, Kauai will likely have around 10,000 more registered vehicles than it has currently, increasing the need for even more road construction.

In the past 10 years, from 1995 through 2004, vehicle registrations on Kauai have grown 35 percent, from 54,860 to 74,322 (yes, that's more vehicles than there are people). During the same period, however, there's been very minimal road creation. In fact, aside from the construction of a few scattered bypass roads, major state road construction has been in short supply for as far back as most residents can remember, and the county doesn't even have a dedicated budget for

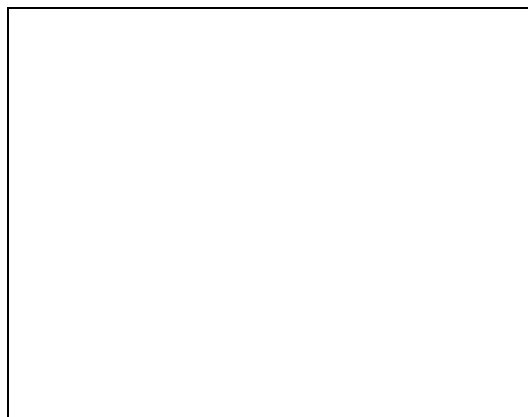
new roads. Furthermore, until earlier this year, the island's county engineer position - whose job it is to oversee the Department of Public Works (including all county roadways) - was vacant for three whole years.

When Donald Fujimoto was finally hired to fill the position in April 2005, it didn't take him long to uncover pukas in the system. "The whole concept of doing more with less is evident at the county. The planning department is the agency that's supposed to be giving us direction on where we should expand and build our roads, but they're so busy putting out fires, they haven't even met with us yet," says Fujimoto. "So for all we know, everything could be fine. Maybe sitting in traffic for 15 or 20 minutes to an hour is okay. I don't know, because they haven't told us."

Former mayor and current councilwoman JoAnne Yukimura has the same concerns about the planning department, which is understaffed and overworked. "The planning department needs to plan their office first before they can plan the island. I've asked Ian [Costa, the planning director] several times how he plans to transform it from a permitting department into a planning department," she says. "Because we can't just keep growing if the infrastructure's not there, and it's the responsibility of the planning department to figure that out, but it's hard for them to think long-range if all they're doing is permitting."

The thing is, there is a person there, Keith Nitta, whose job it is to do long-range planning. And he actually does have a pretty firm grip on where the island is headed, in terms of development and growth. (Nitta provided Hawaii Business with a detailed map that we recreated, outlining all the development projects slated for the short-, mid-, and long-terms) In fact, Nitta isn't trying to hide that, by his estimate, the island's infrastructure - from the roads to sewer and water - has been utilized above capacity since as far back as the late '90s. The problem is that it's difficult, if not unreasonable, to expect one man to coordinate the long-range planning of commercial, urban and ag development and public infrastructure, particularly for something as complex and mammoth as roads. As Yukimura puts it, "It should be obvious that that's inadequate."

The number of vehicles on Kauai already far exceeds the population ...



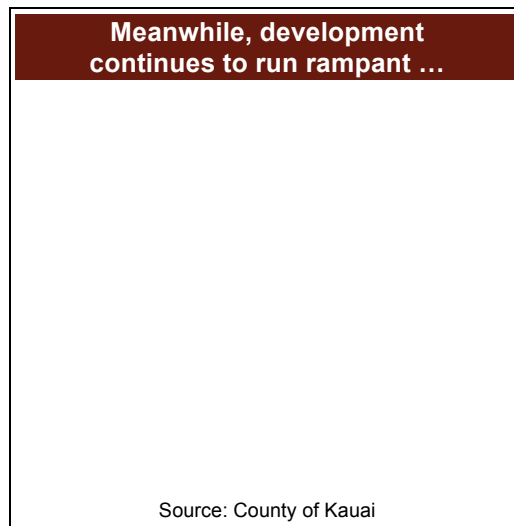
Source: U.S. Census, County of Kauai

Caught Behind The Eight Ball

Despite the roads being already obviously maxed beyond capacity, and despite the overwhelming amount of development projects on the horizon, neither the county nor the state

has taken the time to do a detailed assessment of whether Kauai's roads can handle the additional capacity. Forget about whether residents and visitors to the island even want this type of growth to begin with - that's long since been determined for them, with the creation of Kauai County's General Plan nearly 30 years ago. The document, which can be found on the county's Web site, is supposed to outline the strategy for growth on the island, but, ironically, the plan is a big part of the reason the island's been caught behind the eight ball in terms of infrastructure.

"I think our forefathers, in their wisdom, created the comprehensive zoning ordinance and designated areas of growth with good intentions at the time," explains Kauai Mayor Bryan Baptiste, who is very concerned about the pace and type of growth occurring on the island. "But we've since encountered obstacles they didn't plan for, especially traffic, and our infrastructure cannot handle the volume we already have today, much less an increase in those volumes."



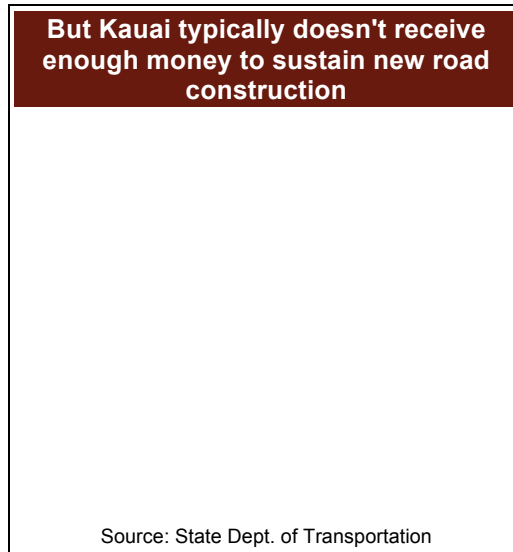
Baptiste says that even up until the late '90s, when the county's general plan was most recently updated, its planners hadn't anticipated things such as the timeshare boom and second-home phenomenon - both of which continue to attract droves of additional bodies to the island. On top of that, adds Yukimura, after Hurricane Iniki hit in 1992, long-term planning took a backseat to simply surviving. With everyone so intently focused on rebuilding the island, she says, the powers that be (herself included, since she was the mayor) weren't able to sit back and strategize a long-range, comprehensive plan for growth. And it's understandable that at the time, it probably wasn't a pressing priority.

In The Event Of An Emergency

Now, however, the story is completely different. Everyone from the citizens on up to the mayor is worried the island is developing at a rate faster than its infrastructure can keep pace with. Even Sue Kanoho, the head of the Kauai Visitors Bureau, whose job it is to attract more visitor dollars to the island, is concerned about the rate at which Kauai is developing, and in particular the extraordinary growth of visitor units on the island.

"If you look at the growth in the number of visitor units on Kauai last year, it was 11.7 percent, while Big Island was only 5.9 percent, Oahu was 0.9 percent, and Maui was only 0.8 percent," Kanoho points out. "That's telling. So yes, I do think it's really important that the leaders of the

island take the time right now to look at the growth, look at the number of new units, and make sure we have the necessary tools to deal with that growth so we don't put an extra strain on the island."



Many people on Kauai are wondering the same thing - whether a coordinated growth management plan for both development and infrastructure is in the works, and, subsequently, if it is determined that the county is in fact developing too much, too soon, what is it going to do about it? It makes sense, after all, that if the roads aren't keeping up with the number of projects, maybe the county should put the brakes on some of the development.

But that's where it gets tricky. Nitta says that because the majority of the county's zoning was authorized 30 years ago, it's difficult to rescind the landowners' rights. "For years, these landowners haven't been using their land, but they're paying the higher taxes on it because it's zoned for urban use," he says, adding that the planning department does, however, carefully scrutinize each applicant during the permitting process. "To me, get two categories of the so-called 'builders of Kauai' - the long-term guys and the rapers of the aina who come here, make money and Aloha! So we tend to be more amenable for the guys who make the long-term investments. And if it sounds like we're discriminating, fine. But we gotta be hard on the guys who are here for the short haul."

Others agree that there are ways to manage and control growth without putting an outright moratorium on development. "We do have the authority to take back the zoning, but it's not about taking. It's about doing creative, proactive planning. On ag land, for example, all you have to do is enforce that a farm dwelling is a farm dwelling and not a subdivided condominium lot," says Yukimura. "Zoned urban use is harder, but you can approach the developer and say, 'For every unit you transfer from an area where we don't want density to one where we do, we'll give you the right to build five units.'" The point being, she says, that there are creative ways to control growth, versus succumbing to the "Well, we zoned it so we can't stop them from building it," school of thought.

NO.	PROJECT	UNITS	NO.	PROJECT	UNITS
1.	Princeville Mauka	950	30.	Coconut Grove timeshare	170

2.	Central/Eastern Plateau	1,200	31.	Kauai Lagoons affordable housing	82
3.	Kilauea Town Expansion	350	32.	Hanamaulu Triangle	400
4.	Kealia Affordable	90	33.	Lihue Infill	1,500
5.	McCloskey Kealia Mauka	N/A	34.	Kauai Lagoons affordable housing	24
6.	Hulemalu Plateau	800	35.	Nawiliwili Hui	50
7.	Knudsen	1,000	36.	Puali	104
8.	Kikiaola-Mauka	600	37.	Pikake	180
9.	Princeville Shopping Ctr. Affordable Housing	100	38.	Kauai Lagoons	723
10.	Hanalei Plantation	385	39.	Rice Camp	56
11.	Nukolii II	N/A	40.	Self Help	41
12.	Puakea III	150	41.	Schuler	56
13.	Kikiaola 250	250	42.	Kalepa	80
14.	Kekaha Mill	N/A	43.	Regency II	80
15.	DHHL - Wailua	600	44.	Kukuiula	1,500
16.	Brookfield timeshare	102	45.	Regency	320
17.	MLB - Condo	68	46.	Kiahuna	1,400
18.	Bali Hai Expansion timeshare	200	47.	Starwood (Sheraton Exp.)	150
19.	Starwood timeshare	367	48.	Kakela Makai - II & III	115
20.	Queen Emma II	118	49.	Paanau	60
21.	Meadows	130	50.	Kukuiula Employee Housing	100
22.	Greens	40	51.	Koloa Town N.C.	40
23.	DHHL- Anahola	186	52.	Poipu Beach Hotel	125
24.	Kealia Mauka	192	53.	Port Allen	135
25.	Kulana	110	54.	Habitat	123
26.	Kulana Kai	55	55.	Kapalawai	250
27.	Waipouli Beach timeshare	190	56.	DHHL – Kekaha	49
28.	Coco Palms Resort	252	57.	DHHL - Hanapepe	500
29.	Former Blackfield	325			

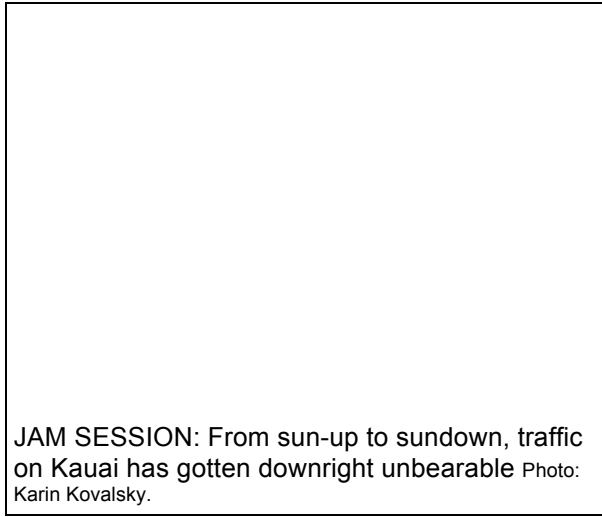
Another potential solution being widely discussed on Kauai is the creation of an assessment impact fee, whereby developers would pay x amount of dollars per unit into an infrastructure fund. It's not really a novel concept, but is one that hasn't yet been employed uniformly on Kauai. "We've been pushing for an impact fee ordinance for a long time," says Abrams. "Determine what the county infrastructure needs are going to be, quantify it, spread it out to all the developers and simply say, you guys are going to pay your fair share." But on an island where the booming construction and real estate industries are giving the economy a much-needed shot

in the arm, people are cautious of biting the hand that feeds them.

Looking Forward

Like G.I. Joe says, knowing is half the battle. And most of the island's leaders appear acutely aware of the issue, and are eager to get the horse out from behind the cart. "Part of the reason we're in this situation is that it all comes down to money and it all comes down, I think, to political will over the years. People have always been divided not on the need for bypass roads, but how it looks and where it goes," says Baptiste. "And that general lack of decisiveness, I think, especially on the main highways, has caused us to get to this point, but there's nothing I can do about that now, other than look toward what we can do for the future."

As Hawaii Business went to press in August, Baptiste was busily meeting with state DOT executives, the city council and his county engineers to discuss varying strategies. One of his ideas is a five-year, use-it-or-lose-it ordinance, requiring any landowner to begin construction within five years of obtaining zoning entitlements. The idea is not to push people into development, but to make sure their plans are firm before the entitlement stage. Another long-term idea, he suggests, is to request special congressional appropriations over and above what the state allocates to Kauai each year for road construction. In the past three years combined, Kauai got a mere \$27.4 million for CIP projects - less than 6 percent of the statewide budget of \$465.2 million. Meanwhile, Kauai's general plan calls for a combined total of \$317 million to \$399 million worth of roadway improvements needed by 2020.



JAM SESSION: From sun-up to sundown, traffic on Kauai has gotten downright unbearable Photo: Karin Kovalsky.

Yukimura suggests yet another solution - improving the public transportation system. She hopes to expand the county's bus service, which runs a handful of daily routes to and from Lihue, and suggests doing promotional events to encourage people to ride. "Public transportation is one piece of the puzzle," she says. "But no matter what, it's definitely time to look at where we're going and whether we want to go there or not, and if we don't, we need to make some adjustments."

Baptiste couldn't agree more: "This is no doubt going to be a challenge, and honestly, I believe a lot of the things we do now may not help today, but we definitely need to start putting in the structure necessary to prevent this from happening in the future, and also to make sure we create the kind of island we want for our future generations."

