Kahaluu: an ahupuaa in transition and its history

Ethnic Studies Program
UNIVERSITY OF HAWAII
East-West Road 4, Room 4-D
Honolulu, Hawaii 96822

By Pete Thompson

There is in Hawaii growing concern over land development, its nature, causes and effects. To local families threatened with eviction and displacement, names like Kalama, Halawa, Chinatown and Ota Camp have real significance. These places used to be home for many...but for far fewer today.

Kahaluu is in many ways an experiment in community self-determination. Can the people who live there decide for themselves how they want their community to develop? Also, how will their success or failure affect the people of similarly threatened communities?

The people of Kahaluu firmly state that their fight is not against development, but against development that does not serve their interests – that is, against development that seeks to build $50,000 and $100,000 homes. They are also against development that will lead to the condemnation of their kuleanas (small, fee-simple, native Hawaiian land holdings) so that sewage treatment plants can be built for these luxury homes.

In April of 1972, Hui Malama Aina O Koolau, a community organization composed primarily of Hawaiian kuleana land holders, issued the following statement, which reads in part:

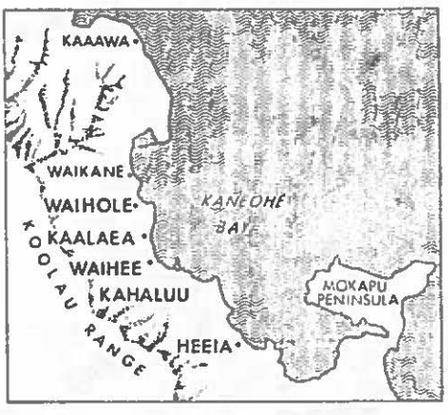
"We are not against development. We know that there is a need for more housing for all people and especially for many of our younger people. There is also a need for economic opportunity for our people. What we set out to see is if the development that they have planned for us will hurt us or help us. What we found is shocking. We have been through all the records of the City Planning Department for the past 20 years, and we could not find even one sentence that recognizes that we exist. All of the planning for the General Plan and for Public Works projects and H-3 is written up as if this was empty land with no history and no people....Worse than that it looks as if the development they planned will force us to sell our kuleanas, will force many of us onto public welfare, and will drive us out of our homeland."

Hui Malama Aina O Koolau is currently fighting several major real estate developments. One of these is Parklane Country Homes, a 115-unit project to be built on nine and a quarter acres of land adjacent to Waihee Road near Kahaluu Elementary School. The area is mostly marshland. More than 60 per cent of the project site cannot be developed because of flooding and drainage problems.

Another major project, the Waihee Valley development, has been planned at the end of Waihee Road. The road that connects the development site to the Kamehameha Highway is one of the best roads in Kahaluu. Unlike most of the roads in the area, it has curbs, gutters, sidewalks and streetlights. It is clearly wide enough to accomodate traffic for a sizeable community. (The project, when completed, will consist of eight- and sixteen-story apartment buildings as well as two-story townhouses with a total capacity of 1,067 units.) While a large thoroughfare is crucial for the development project, it has proved to be needlessly expensive for those who are now living alongside it. One unlucky resident of the area was assessed more than $50,000 for the widening of the road.

The Waihee development also poses environmental problems that cannot be overlooked. Its site, for example, was described by the U.S. Soil Conservation Service in August, 1972 as having "severe limitations for homesite development due to flooding and steepness of the land."

Besides posing severe environmental problems, such projects do not meet the most important criteria set by the community – the housing needs of the Kahaluu residents. At a recent public hearing held at Kahaluu Park Pavillion, a resident asked the Parklane developer how many low-income units he was planning to build on the site. His answer was that he would not touch low-income units.



The ahupuaa surrounding the Kaneohe Bay region including Heeia, Kahaluu, Waihee, Kaalaea, Waiahole and Waikane. Drawing by Brad Evans.

As development spreads into Kahaluu and the surrounding areas, the differences between the long-settled residents, especially poor Hawaiian families, and the new, wealthier and predominantly haole suburbanites are becoming increasingly evident. The quarrel Sam Lono, a kahuna, and his friends have with the affluent residents of Haiku Plantation has taken on very serious class and racial overtones. The dispute centers around whether or not Lono's guests have the right to park on the side of Haiku Plantation Road when they are visiting him. Lono has been accused of harassing his neighbors, hitting a woman who lives there, and being generally disruptive. None of these accusations has been substantiated, but no one yet knows what effect Judge Allen R. Hawkins's "no parking" court order portends for the parties in the dispute.

Another of the effects of development has led to a clash between the residents of Kahaluu and the State. In December, 1972, when the Department of Land and Natural Resources (DLNR) proposed a fishing kapu – under the name "Kapuku Plan" – which would ban fishing in the area for two years, more than 400 fishermen showed up at a public hearing to inform Senator John Hulten (D-3rd) and Representative Richard Wasai (D-23rd) in no uncertain terms of their strong opposition to the plan. They angrily rejected DLNR arguments that there are no longer enough fish in Kaneohe Bay because there are too many fishermen. The fishermen retorted that the real reason for the lack of fish is real estate developments that produce siltation and effluent in Kaneohe Bay. As a result, the coral has died, causing changes in the reef ecology that in turn have driven the fish away.

The changes and dislocations now taking place in Kahaluu should not be viewed as sudden or unique. They are part of a long history reaching back to the European discovery of Hawaii.

Kahaluu geographically and topographically resembles the other four ahupuaa (old Hawaiian land divisions) running from the Koolau mountain ridge to the ocean. Kahaluu, which means "diving place," is next in line after Heeia ("washed away"), the nearest to Kaneohe, and is followed farther along the coast towards Kahuku by Waihee ("octopus water"), Kaalaea ("ocherous earth") and Waiahole ("water of the ahole fish").

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Writing about the five ahupuaa in *Native Planters in Old Hawaii* (1972), E.S.C. Handy noted that they share "a broad coastal plain which was converted by the Hawaiians into an almost continuous expanse of lo'i (taro patches) irrigated with water from large streams flowing out of the deep valleys that cut back into the Koolau range. The hinterland must have produced great quantities of sweet potato, yam, banana, upland taro, wauke [paper mulberry for tapa], olona [cord fiber] and awa [an organic tranquilizer]."

Kahaluu was one of the most densely populated areas on the Island of Oahu before the arrival of the haoles (foreigners). In 1853, the first year for which a census report of the islands by district is available, about 2,250 people out of the total Oahu population of 19,000-plus lived in the Kaneohe Bay area alone. Of those 2,250 persons, approximately 1,850 lived in Kahaluu and neighboring Waihee.

Besides possessing excellent taro land, the shoreline was ideal for fishponds. This bountiful land had a special significance for the Hawaiians of old. The relationship of the people to their land, reflected in mele (songs) and pule (prayer chants) and in genealogical records, tied them and their ancestors to their homelands. The people were close to the land and celebrated its outstanding features.

The Hawaiian word for land, "aina," conveyed a deep relationship between the people and their land. Aina is a term coined by an agricultural people. It is derived from the noun or verb "ai," meaning "food" or "to eat," and when the particle "na" is added, aina may be rendered either "that which feeds" or "the feeder." Aina was also used in the compound "maka ainana," meaning "the common people or country folk in general," as distinguished from the alii (chiefs).

The economics, politics and culture of the early Hawaiians revolved around taro. In *Native Planters in Old Hawaii* Handy says, "The requirements of labor in connection with the building and maintenance of dams, ditches, terraces and embankments, and the planting, tending and harvesting of the taro determined the ordering of cooperative work and relationships between individuals and families within the community."

Early Hawaiian society was ordered by the kapu system. It enabled the Hawaiians to organize enough labor to carry out the vital tasks of the community such as building taro patches and the massive fishponds. Another function of the system was to prevent resources in various areas from being overexploited.

Contrary to what haole- and missionary-influenced Hawaiians have said about the kapu system, it was not oppressive -- that is, at least not until the traders came and the sources of the chiefs' political power changed. From relying on custom and traditional authority, the chiefs turned to coercion and guns.

The coming of the haoles brought about numerous changes to the way people in ancient Hawaii lived. The Hawaiians fell victim to several new diseases: chicken-pox, smallpox, measles, and venereal diseases. The development of port towns and the Hawaiians' loss of water rights to the expanding plantations caused many of them to move to the towns. The culture and religion of the haoles undermined Hawaiian culture and religion. In 1819 the kapu system was formally abolished by Kamehameha II, and in 1820 the missionaries came.

The most important of the changes, however, was the importation of an alien economic system. The haole economy encouraged profit, gain and competition, whereas the Hawaiian subsistence economy was based on cooperation. This point is essential to an understanding of the changes in land use in the Kahaluu area.

In the days when Kahaluu was first used for the cultivation of taro, the land was not held privately by the chiefs, but was owned and worked by the people in common. A view corroborated by Handy: "The idea of private ownership of land was...unknown until Kamehameha's autocracy, established as a result of the intrusion of foreign concepts, set up the figment of monarchy, a politico-social pattern alien to the Polynesian scene theretofore existing."

Up until the Great Mahele of 1850, land use in the Kahaluu area and the four surrounding ahupuaa, Heeia, Kaalaea, Waiahole, and Waihee, was defined by the needs of a taro-based economy. But the Mahele ushered in a whole new era of land use alien to the Hawaiians. Prior to the Mahele, the foreigners had their money first in fur, then in sandalwood and whaling -- control of land was not yet a major factor in production. But when whaling began to decline, they sought other ventures to invest their capital in.

The big stumbling block for haole investors was the unstable state of land tenure and the lack of written laws governing it. This state of affairs, the haoles considered, was feudalistic and a fetter to agricultural development based on capital investment.

Two other trends were noticeable. First, many chiefs were in debt to the foreigners...who had gunboats to enforce payments. And second, sandalwood was becoming increasingly scarce, for it had been, as R.S. Kuykendall remarks in *The Hawaiian Kingdom, 1778-1854* (1947), "ruthlessly stripped from the islands."

One of the main reasons for instituting the Great Mahele was to provide the chiefs with an alternative source of income. King Kamehameha III passed the Great Mahele on the advice of Dr. Gerrit P. Judd, the Rev. William Richards and John Ricord, three of his influential haole advisors. The Mahele, known as "the great division of land," resulted in the King receiving approximately one million acres, the government one and a half million acres and 245 chiefs another one and a half million acres. The rest of the 72,000 Hawaiians received less than 30,000 acres.

Once capital investments in land were protected from arbitrary royal appropriation, or the threat of it, by written laws, the way became clear for the rise of sugar.

Kaalaea Plantation began its operations in 1855. It was one of the business enterprises of Janion, Green and Co., a British firm. Robert C. Janion and his wife Domitilla never set foot in Hawaii, but invested and collected profits through their partner and appointed agent William L. Green. Later on, the partnership expanded to include the interests of other money-minded foreigners, namely H.B. Jackson and Robert McKibbin, Jr. Land for sugar was obtained through several leases from Charles Kanaina, the father of William C. Lunalilo. (Lunalilo would later become King in 1873 after the death of Kamehameha V, the last of the Kamehamehas.) Kanaina leased all of Kaalaea, except for the kuleanas and a few other small parcels, for $310 a year to one George Galbraith for 37 years. The land passed from Galbraith to John Montgomery and then to Janion, Green and Co., making a profit for each with each new transaction.

On June 15, 1864, James Steward sold 382 acres in Kahaluu to William L. Green. The land amassing program advanced. On February 1, 1865, Ben Parker leased ten acres of land at Waihee at $100 a year to Kaalaea Plantation for 99 years. And on March 15, 1869, Parker leased all of the Waihee ahupuaa, except for the rights to the native kuleanas, to Kaalaea Plantation for 36 years. Among Jackson, Green and Janion -- along with a few others like Theophilus H. Davies and Walter MacFarlane -- there took place a merry-go-round of sales, mortgages, and powers of attorney, after which all interests in the plantation came to rest in Jackson's hands. On July 19, 1880, Jackson sold Kaalaea Plantation for $52,000 to Sing Chong and Co., and the stage was set for rice farming in Kahaluu.

The growing and milling of rice was

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Honolulu, Hawaii 96822

controlled to a large extent by a single hui, Sing Chong and Co. From its business office in Honolulu, it recruited laborers from China for the rice fields and mill; it also handled investment capital from its rich absentee landlords (one-third of whom were still living in China) and tallied the profits. Around 1909, however, rice production in Hawaii began to decline; owing to the adoption of new techniques by mainland producers, Hawaiian rice became noncompetitive.

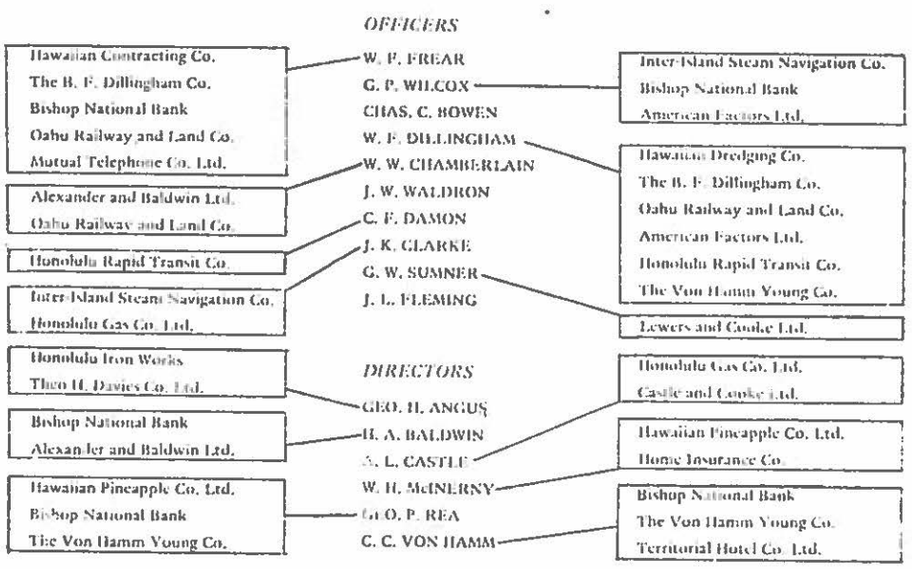
The Hawaiians had begun cultivating the land in Kahaluu by growing taro. Next, with the consolidation of land and capital came sugar. Then, when H.B. Jackson sold Kaalaea Plantation to Sing Chong and Co., the major crop became rice. Now, following the decline of rice, pineapple raised its spiky head.

J.B. Castle and Walter MacFarlane were the key promoters of this early pineapple venture. In 1909, the Hawaiian Cannery Co. began operating a small cannery at Libbyville. And by 1910, Castle was in possession of a thousand acres in Ahuimanu which were suitable for pineapple. The same year Hawaiian Cannery changed its name to Libby, McNeil and Libby (LML) of Honolulu, with MacFarlane as its president. The following year, the Hawaiian Pineapple Co., which James D. Dole had founded in 1901, bought out Castle's Koolau Fruit Co., Ltd. and sold it five years later to LML of Honolulu. Ten years later, the cannery represented a quarter of a million dollar investment with a maximum of 750 regular employees, plus an additional 125 at the height of the harvesting season.

Pineapple was phased out around 1926 owing to plant diseases, and the Libbyville cannery closed down. Rice and taro continued to be grown, but gradually more and more rice paddies and taro patches grew over and were converted to pasture land. Also, around 1930 new highland areas were opened up for truck farming. Within a decade it became apparent that land could be put to another kind of use...speculative, residential development made possible by the system of Land Court applications.

In 1855, Kamehameha IV granted the ahupuaa of Waihee to Ben W. Parker for $48.00 and, in 1857, the ili (small land division) of Maluaka within that ahupuaa. At the time of the Great Mahele, Waihee was government land so it remains uncertain whether this was a government land-grant transaction or if it constituted a repayment of a royal debt. In June of 1864, seven months after the King died, his administrator J.O. Dominis put Kahaluu and the ili of Luukoi up for auction, and James D. Steward bought if for $4,000. Descendants of both Parker and Steward willed their claims to the Bishop Trust Co. Parker's descendants realized $80,000 from that transaction in 1926, although the total sum may be even greater, as the land was rewilled in 1927. The Steward heirs and shareholders did the same in 1925 for an unrecorded sum. The era of great land speculation was about to commence.

Many kuleanas in Kahaluu and the surrounding ahupuaa experienced similar changes in ownership. For example, before the Kaalaea Sugar Plantation ended up in the hands of the Bishop Trust Co., it was owned by the Kaalaea Mill Co., the Sing Chong Co. and the Hawaiian Trust Co. Some lands, however, took a short cut from their original Hawaiian owners to the Bishop Trust Co. via the Land Court.



A small portion of a chart constructed by the author of *Economic Determinants in Education* (1933). It shows how interlocking directorships form the basis of the Hawaiian oligarchy. The author, Frank Midkiff, is now a trustee of the Bishop Estate and has become part of his chart.

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By means of the Land Court Application (LCA), the Bishop Trust Co. managed to acquire vast acreages in Kahaluu and elsewhere. The LCA was the channel through which a landholder secured undisputed legal ownership of the land that he or she claimed was his or hers, thereby annulling claims that may have been made on the same land by other persons. Not many people could file a Land Court Application because payments were necessary for the services of an attorney, an abstractor and a surveyor – in addition to the fees charged by the courts for services rendered. Such expenses often exceeded $2,000, effectively ruling out most Hawaiians.

LCA procedures went something like this:

First, the Examiner of Titles (hired by the applicant) proved or attempted to prove through an investigation of government records that the applicant had rights to the land claimed. Failing to establish this, the applicant had to go to court and prove by other means such as adverse possession (squatter's rights) that the land was rightfully his or hers. Second, notices were to be published in a newspaper of general circulation addressed to all potential claimants, asking them to appear at a Land Court hearing on a certain date to show why the application should not be granted. This method of notification was, of course, grossly unfair to the Hawaiians, whose habits of communication were predominantly verbal; besides, only a few could read well enough to understand legal verbiage. As it happened, the system was doubly unfair because the general circulation newspapers reached the outlying parts of the island, such as Kahaluu, only once a month. Many families, unaware of the hearings, did not go to court on the appointed day and were forever barred from contesting Bishop Trust claims to their land. (Some managed to reply. The heirs of Kulawahine and Alapai, [illegible] No. 7688, claimed that they, [illegible] Bishop Trust Co., were the owners in fee-simple and tenants-in-common of the disputed kuleana, but Bishop was awarded the land anyway.)

In the mid-1930's the Bishop Trust speculated in land as a normal part of its activities. Its board of directors and officers included such notables as George Angus (Director, Theo. H. Davies and Co., Ltd.), W.W. Chamberlain (Trustee, B.M. Allen Estate), C.F. Damon (Vice President, Bishop Trust Co., Ltd.), W.F. Dillingham (President, Oahu Railway and Land Co.), W.F. Frear (former Chief Justice and former Governor of Hawaii), George P. Rea (Executive Vice President, Bishop National Bank of Hawaii), C.C. Von Hamm (President and Managing Director, Von Hamm-Young Co., Ltd.) and G.P. Wilcox (Vice President, American Factors, Ltd.). These men were among the most powerful and influential members of the Hawaiian oligarchy, and they controlled business in the Territory through a system of interlocking directorates.

Companies like the Bishop Trust Co were securely in the hands of the old kamaaina families. One family was represented in 18 companies, another in ten. Five families had members on five or more boards of directors. By 1935, exactly one-third of the directors and officers of the 45 sugar plantations and factors in Hawaii were direct descendants of, or related by marriage to, the original missionary families.

After the Great Mahele, three out of every four landowners were Hawaiian, but three out of every four acres belonging to private owners were held by haoles and their corporations. They ensured that income taxes would be sharply limited and not graduated, that property taxes would favor the big landowners, and that taxation would be spread throughout the population whenever possible, through school, road, poll and excise taxes.

Social as well as economic and political control was firmly administered. "It was the Big Five men, their board members and executives," Alexander McDonald explains in *Revolt in Paradise* (1944), "who filled most public boards and commission seats, and thus dictated the policies for the channels of influence that reached into nearly every island home. They decided how the police administrator, the public schools, social agencies and governmental institutions should be run. They put a lot of extra-curricular time in it too."

The directors of the Bishop Trust Co. also left little to chance, and consequently had few problems with the Land Court in getting their applications approved.

Their curious dealings, however, did not go unnoticed. The 52nd Annual Master's Report on the Lunalilo Estate pointedly charges the Bishop Trust Co. with irregularities in its land procurement methods: "It thus appears that the Bishop Trust Co., Ltd. proceeded to apply for the registration and confirmation of the title, in its own name, and in its individual capacity in fee simple, of all the lands in Kahaluu – such act being, in the opinion of your master, deliberate fraud upon the Land Court of the Territory – and in such proceedings, its officers, it appears to your master, deliberately committed perjury." (The land referred to here is that applied for in LCA No. 979, dated June 19, 1930 and signed by E.W. Sutton and Cyril F. Damon.)

This kind of activity was fairly routine for the Bishop Trust Co. Other land trusts into which Bishop Trust moneys flowed were: (1) the Hobron Land Trust (whose majority owner was Hawaiian Dredging Co., Ltd., a company headed by Walter F. Dillingham), (2) The Waikiki Land Trust, (3) The St. Louis Heights Land Trust and (4) The Kapahulu Land Trust.

The Kahaluu Land Trust, owned by Bishop Trust Co., was reorganized in 1947 into two corporations, the Kahaluu Co., Ltd. and the Koolau Co. Upon reorganization, Dillingham became head of both. He bought out the lands owned by the Bishop Trust Co. in Kahaluu and Waihee and proceeded to develop the lands into single residences and small farms for sale to the public. So the fifth land use change came to Kahaluu: residential development and the beginnings of the urbanization process.

Many urbanization projects, particularly those which must be paid for with tax dollars, such as flood control projects, sewage treatment plants and additional highways, require political decisions. Some of these decisions and the influences brought to bear on them will be the focal point of the next article in this continuing series on Kahaluu.

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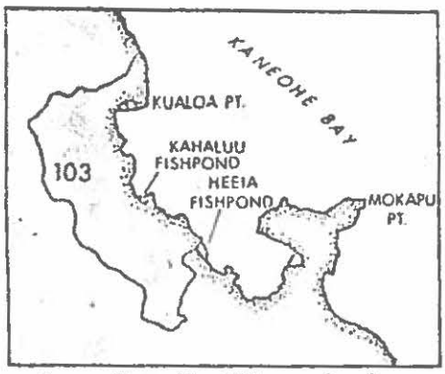

Census Tract No. 103 stretches from Heeia to Kualoa Point. Map by Brad Evans.

Kahaluu, broadly defined as the area between Heeia and Kualoa Point (Census Tract No. 103), has a land ownership pattern similar to most of Oahu or, for that matter, the rest of the State. The pattern consists of a few large holdings nestled among many smaller ones. One of the major landowners in the area is the Bishop Estate, the State's largest private owner of land. The Bishop Estate owns nearly a thousand acres in Heeia, on the Kaneohe side of Kahaluu, where over 5,000 units of high-priced housing ($40,000 to $80,000 according to developer Mike McCormack) are scheduled to be built. Kualoa Ranch is located at the opposite end of the Kahaluu area at Hakipuu and Kualoa. The ranch is largely made up of 622 acres of land bought for $1,300 from the Hawaiian government on November 11, 1850, by Dr. Gerrit P. Judd, Kamehameha III's minister of finance. (Elizabeth M. Wills's *The Sandwich Islands As They Are, Not As They Should Be* [San Francisco, 1852] claims that Judd's "purchases and grants of land were immense, and, it is a matter of record, in the Government House, that he purchased at one time 17,000 acres of land for 50 cents.")

What the annual report failed to mention was the effects of the tunnel on the streams and springs on the windward side — and on the taro and rice planters who depended on natural water supplies.

Kahaluu and the surrounding areas have several other large landowners, including U. S. Senator Hiram L. Fong and the McCandless Estate, who obtained their holdings by means other than royal grants or (bargain) sales. Though common knowledge, it is still worth bearing in mind that these landowners have a high degree of political influence. Senator Fong because he is presently the senior United States Senator from Hawaii, a director of Finance Factors, a millionaire and a director of several other companies. And McCandless because L. L. "Link" McCandless and his brothers received lucrative contracts to dig wells, invested in real estate, and actively participated in Territorial politics.

The McCandless Estate owns more than 6,000 acres of land on Oahu, much of it located in Waiahole and Waikane, two valleys just a few miles from Kahaluu. The estate deserves wider recognition, however, for many of its former activities shed light not only on Windward Oahu development and politics, but on the development of the leeward side of the Island as well. In fact, the history of the McCandless Estate frequently meshes with that of the Territory of Hawaii.

The exact details of how the McCandless brothers got their land will probably never be fully known, but there are people still living who distinctly remember that at one time large portions of the McCandless Estate properties belonged to them and their *ohana* [extended families].

(In testimony to Link's land acquisitions, the October 29, 1908, issue of The Pacific Commercial Advertiser devoted its entire front page to a listing of hundreds of deeds, mortgages and assignments, leases and assignments, chattel mortgages, agreements, surrenders of leases, mortgage releases and releases of dower he had obtained between 1887 and 1908. All under the large headline "Link Has Got Hold Of The Homes Of The Hawaiians — Startling Exhibit of the Number of Kuleanas the Democratic Land Grabber Has Added to His Vast Estate," followed by a lead paragraph which read: "While Link the Land Baron has been at work on a scheme to get votes by promising Government land which he does not own and cannot control, to the Hawaiians, he has been steadily grasping kuleanas to add to his private barony of 6000 acres. Most of the other land barons he attacks have had their holdings from the Government but Link has made a specialty of getting his from the natives whom he now says he desires to help.")

The McCandless brothers came to Hawaii in the early 1880's. The first to arrive was James S. McCandless, who in 1880 learned from Samuel G. Wilder, a pioneer shipping man and minister of the interior under King Kalakaua, that artesian wells were being drilled in Hawaii. McCandless had gained valuable drilling experience by working in West Virginia oil fields. His elder brother John A. McCandless followed him in 1881, and a third brother, Lincoln Loy McCandless, made the voyage to Hawaii a year later. They formed a partnership, which they called McCandless Brothers, and soon entered the well digging business. By 1925, their firm had drilled more than 600 wells throughout the Territory, providing irrigation water for the great sugar plantations of Ewa, Kahuku and Waialua. Ewa Plantation owes its existence to the discovery of subterranean water under its fields. It was the first plantation in Hawaii to install pumping plants for irrigation from artesian wells, and in 1925, Ewa was pumping 105 million gallons of water a day from 71 wells. McCandless Brothers also had a hand in developing the Oahu Sugar Plantation.

Dr. Gerrit P. Judd, Hawaii's Secretary of State for Foreign Affairs (1843), Minister of the Interior (1845) and Minister of Finance (1846) was described by Mrs. Elizabeth M. Wills Parker in 1852 as "the real King of the Sandwich Islands."

Part of Dr. Judd's 622 acres at Kualoa for which he paid $1,300 in 1850.

John S. McCandless, the first to reach the Islands had interests in two gold mines and a 30,000 acre ranch in California, besides being a stockholder in the Home Insurance Co. of Hawaii. John A. McCandless was even more enterprising. He was a member of the Committee of Thirteen, a group that aided the overthrow of Queen Liliuokalani in 1893. The next year, John A. was a member of the Senate and later became the first superintendent of public works under the Territorial Government. As the vice president of Pioneer Mill Co., the vice president of Oahu Sugar Co., the president of Home Insurance Co., a director of the Bank of Hawaii, president of McCandless Building Co. and a director of the Waialua Plantation, he was seriously interested in agricultural and industrial development. Like his brother James, John A. also had diverse investments on the mainland.

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The most interesting of the three brothers was Lincoln Loy McCandless. Two of his kuleanas were real estate and water rights, both have considerable bearing on the politics of land development in Waiahole and Waikane.

"Link," as he was familiarly known, could claim many accomplishments. In 1903, he lobbied through the Territorial Senate the Torrens Land System (more commonly referred to as the Land Court System), which was the device used by the Bishop Trust Co. to lay claim to land held by native Hawaiians. (Two of the men who were instrumental in the drafting of this bill were F. J. Lowrey, who later became the president of the Waiahole Water Co. and of the Oahu Sugar Co., and C. H. Merriam, the registrar of the Bureau of Conveyances, who later went to the land department of C. Brewer.) The Land Court System was expensive and complicated to use and required the services of a lawyer, an abstractor of titles, a surveyor and a judge. The haoles justified the high costs by stating that it was a worthwhile investment. Indubitably, it was.

Even more remarkable was Link McCandless's project to construct the Waiahole Ditch Tunnel. He believed it feasible to divert water from Waiahole, Waikane and Kahana on the windward side and convey it by tunnel through the Koolau Mountains to the rich sugar lands of Leeward Oahu. Link's success was one of the most significant events to occur on Oahu in the early 1900's.

Even more remarkable was Link McCandless's project to construct the Waiahole Water Tunnel. His success was one of the most significant events to occur on Oahu in the early 1900's.

Before obtaining the lands in Waikane and Waiahole and the water rights to them, Link had leased Leeward Oahu sites at Waimalu from the Austin Estate and Kalawao lands from the Bishop Estate. These lands became part of Link's cattle ranch. Later, James Low, who was trying to promote the Honolulu Plantation Co. for sugar growing, discovered he needed Link's leasehold rights to the land. Link was cooperative and loaned Low some initial capital with a verbal agreement that the family partnership, McCandless Brothers, would be given the well-drilling contracts for developing the water system at Waimalu and Kalawao. The plantation got started, but the understanding with Link was ignored. Later, the plantation came under the direction of Alvah H. Scott (after whom a school in Aiea is named), who did honor the original drilling agreement.

H. Hackfeld Co. (now known as Amfac), a neighbor of the Honolulu Plantation, had leased the lands of the Ii Estate, which was then owned by Charles A.

Lincoln Loy "Link" McCandless conceived the Waiahole Tunnel project.

Brown and his sons Francis and George (the father of State Senator Francis Kenneth Brown). Hackfeld also leased portions of land on Leeward Oahu from the Robinson and Campbell Estates. These leases began in April, 1897, when August Ahrens (after whom a school in Waipahu is named) was installed as the first manager of the Oahu Sugar Plantation.

McCandless Brothers began drilling the first wells for this new plantation the same month the leases began. Eventually, the Oahu Sugar Plantation's need for water would make two McCandless brothers rich, and its sugar profits would add to the fortunes of Walter F. Dillingham, among others. (Dillingham's transportation company, Oahu Railway and Land Co., established in 1888 with an exclusive 10 year franchise from King Kalakaua, hauled sugar from the plantations to the docks.)

The profits of the Oahu Sugar Plantation were excellent from 1906 to 1909. The return on capital as reported by the Hawaiian Securities Manual (1916) were: 1906 – eight and a half per cent; 1907 – twelve per cent; 1908 – nineteen and a half per cent; 1909 – twenty-one and a half per cent. But the returns from 1910 to 1911 levelled off at eighteen per cent and then shrank from fourteen and a half per cent (1912) to a meagre one and a half per cent (1914). In 1915, profits rose to nine per cent as a result of mechanization: in that year the plantation had installed a system of roller grooving, which effected a much higher sugar extraction rate.

In the Oahu Sugar Company's annual report for 1914, there is an indication of the plantation's future water needs: "The area to be taken in for the 1917 crop depends entirely on how soon water from the Waiahole aqueduct will be available."

In *A Brief History of the McCandless Brothers and Their Part in the Development of Artesian Well Water in the Hawaiian Islands, 1880-1936* (1936), James S. McCandless reports that "the Oahu Sugar Co. whose directors in 1914 were John A. McCandless, Walter F. Dillingham,

An early photograph of the Oahu Sugar Plantation in Leeward Oahu.

P. Meuhlendorff and H. Focke] bought Link's water rights outright, for the sum of $250,000" and that "Link reserved the rights to all the water below the 600 foot elevation."

By this time Link McCandless had acquired by various means, described in The Pacific Commercial Advertiser, many kuleanas ("land holdings") in Waiahole and Waikane, where the tunnel would be dug and whose water rights the Oahu Sugar Co. would need.

The Waiahole Water Tunnel and Link's water rights were of the utmost importance to the continued financial well being of the Oahu Sugar Plantation. Pumping costs for the wells were becoming prohibitively expensive. Link testified in 1909 before the U. S. Committee on the Territories that Oahu Sugar Company was spending nearly $250,000 a year to pump 70 million gallons of water per day. The Waiahole tunnel, however, would make it possible to bring water from the streams and gulches of Windward Oahu through the tunnel in the Koolau range and down to the dusty plains on the leeward side of the Island at gigantic savings for the plantation.

Work on the tunnel system began in February, 1913. Speed was of the essence. Before the tunnelling could begin, a logistical system had to be established. The tunnel was dug from the north (windward) and south (leeward) sides of the mountain simultaneously. Bases of supplies were set up at each portal so all possible speed could be made in constructing the railway from the Waikane landing to the windward portal and the railway from Pump 6 at the Oahu Sugar Plantation to the leeward portal. In the meantime, camps were built.

The actual work of excavation and construction was well underway by October 1, 1913. Water drained easily out of the leeward tunnel (by the force of gravity) because it sloped down *out* of the mountain. But drainage was difficult in the windward tunnel because it sloped

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Honolulu, Hawaii 96822

Three and a quarter miles of railroad tracks were laid from the Waikane landing to the windward portal.

down *into* the mountain. Until the two tunnels connected and water trapped at the bottom of the windward shaft could flow freely down and out through the leeward shaft, it was difficult to drain the artesian water pouring into the windward tunnel. By the time the main bore on the windward side reached 200 feet, water entered the shaft at a rate of two million gallons per day. At about 900 feet from the north portal, the flow of water increased to 26 million gallons per day. At this stage Japanese tunnel men were standing and working in ice-cold water up to their waist. Water gushing in from the face, the sides and the roof of the tunnel made blasting operations difficult. Dynamite had to be enclosed in thin metal sheets before it could be inserted into holes.

The windward boring proceeded. At 1,400 feet from the portal, approximately 35 million gallons per day were being taken out of the tunnel with the aid of two siphons. The men still had to work in three feet of water. At the beginning of the tunnel work, three 8-hour shifts were kept going. This was continued until the large volume of water coming into the tunnel made work so difficult that shifts were cut to six hours each, so an additional fourth shift could be employed.

In the month of September, 1914, Japanese tunnel men under the direction of Jorgen Jorgenson, the consulting engineer, broke the U.S. tunnelling record of 649 feet in 30 days by driving their eight-by-seven-and-a-half-foot face through 655 feet of lava rock in the same 30 day period.

Tunnelling from the leeward side did not pose as many problems. Because of the vexing water problems encountered on the windward side, 80 per cent of the tunnel was dug from the leeward side.

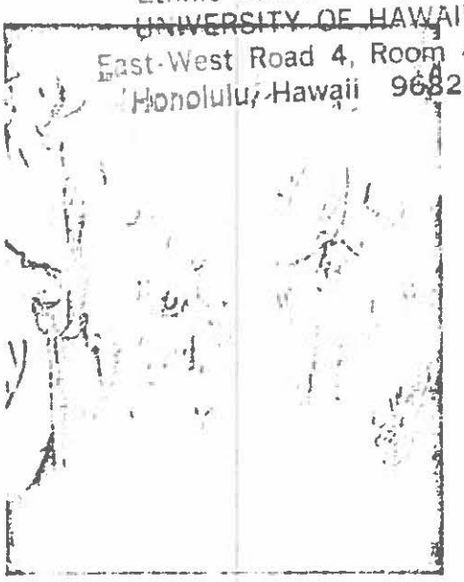
The Oahu Sugar Company's annual report in 1915 mentions that "good progress has been made on the construction of the Waiahole Aqueduct" and that the project is "now nearing completion."

What the annual report failed to mention was the effects of the tunnel on the streams and springs on the windward side – and on the taro and rice planters who depended on natural water supplies. The Waiahole tunnel system seriously affected the flow of the Waiahole, Waikane and Kahana streams because it diverted water at the 800 foot level. The Waikane stream, which drains into Kaneohe Bay, was affected to the extent that "except when the ditch overflows, the streambed is dry immediately below the ditch," according to a Windward Oahu Water Resources study written in 1969. During the construction of the main bore of the Waiahole Ditch, two Waiahole streams dried up. The combined flow of these springs in June and July, 1911, had been 5.7 million gallons per day. According to the Windward Oahu Water Resources study, similar tunnels constructed in 1940 in Haiku at an elevation of 550 feet drained the high level water reservoir to a level where the flow of the Kahaluu stream, two and a half miles away, was decreased by 26 per cent. Also, the flow of Iolekaa stream, half a mile away was decreased by 50 per cent. The Kahaluu tunnel, completed in 1946 at an elevation of 585 feet, dried up two springs at the 610 foot level.

Water, the key to many fortunes in the sugar industry, also helps to explain the pattern of agricultural development of the Central Oahu area and the decline of sugar on the windward side. In 1870, a year before James S. McCandless reached Hawaii, the first artesian well was drilled by James Ashley, a Californian, on James Campbell's Honouliuli ranch.

Artesian wells and the flow of water through the Waiahole tunnel from rain-swept Windward Oahu to the drier leeward side had a tremendous effect on both sides of the Island. Sugar was first grown on the windward side because of the availability of water. When it became possible to irrigate the larger Leeward Oahu plains, sugar operations not only shifted across the mountains, but by means of the Waiahole tunnel, took much of Windward Oahu's water supply with them. The amount of sugar cane cultivated increased to 18,000 acres, most of it on the previously dry leeward side of the Koolau Mountains. At the same time sugar on the windward side declined.

Although the artesian wells proved to be a boon to Honolulu's economic development, many wells were dug and used without control. According to the Honolulu Board of Water Supply's "2020 Plan" (a projection of water needs to the year 2020) most of the wells were uncapped and unregulated, and wasted water. Honolulu's vast and seemingly limitless water resources were at one time in danger. There was a complete lack of long-range planning. And since a unified and reliable water system did not exist, fire protection was minimal, and there was



During the month of September, 1914, these Japanese laborers broke the U.S. tunnelling record of 649 feet in a 30 day period by pushing their tunnel face 655 feet through lava rock.

an ever-present threat of disease. When drought hit Honolulu in 1891 and again in 1894, plans were formulated for the installation of the first units of the present pumping station at Beretania and Alapai Streets.

In 1917, the Honolulu Water Commission reported that the City's water supply system had been created in a haphazard manner: tunnels in Kalihi were running dry, and in Kaimuki the use of water was restricted to certain hours.

In 1929, the Territorial Legislature passed Act 96, creating a Board of Water Supply to solve the water problems then at hand. But now, over 40 years later, a water problem still exists in Kahaluu . . . not from a lack of water but from an uncontrolled abundance of it. The completion of the Kahekili Highway in 1964 opened up the Ahuimanu area for urbanization. And in 1965 the area suffered from a disastrous flood which left $300,000 worth of damages. The causes of the flood were the roof-tops, roadways and widespread laying of concrete (which do not soak up water), along with the indiscriminate grading of steep slopes and inadequate drainage.

The private sector, by its nature unconcerned with what happens beyond its immediate boundary lines, has as a by-product of urbanization created both water run-off problems and the need for a flood control program. Having created this need, private developers and owners then sought and got government approval of a flood control program that will move out local residents, increase property values, open up even more land for development and lead in turn to more flood control problems.

Political decisions surrounding roadway and zoning designations will be the subject of the third article in this continuing series on the development of Kahaluu.

3.

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Speaking at the 1971 Hawaii Congress of Planning Officials, Senator John Hulten (D-3rd) made a curious statement. "Government can have all the plans it wants," the State Senator said, laying it on the line, "but I think we'll all agree that the real planning of our lands has been done by the landowners or developers and not by the government agencies." We, the people of the State as well as the planning officials, might all agree, but at the same time we might want to express our concern over this state of affiars.

Improbable as it may seem, the State does not have effective control over land use in Hawaii. The Senator's point, alas, seems unarguable.

State land use controls are only 12 years old. Act 187, which was enacted into law by the 1961 Legislature, made Hawaii the first state in the union to have a State Land Use Commission.

County land use controls date back to 1915, when Ordinance No. 90, enacted by the City's Board of Supervisors, created a City and County Planning Commission. In 1922, the first zoning ordinance was approved, and two years later the position of the City Planning Engineer was established.

Planning had begun, but basically it was planning by the few — City and County and State officials — for the few — land owners and developers. The people in communities that were destined to be reshaped were rarely if ever consulted. Besides, much of the "planning" was haphazard.

In 1937, a City Charter Commission report written by Frank Midkiff stated that the City needed a master plan. In essence, the report proposed that "no highway or public or private structures be opened or erected except in accordance with this master map." And two years later, Act 242 was enacted into law by the Legislature of the Territory of Hawaii. The act gave zoning powers to the planning commission and called for the preparation of a master plan. Maps were soon prepared for various sections of Honolulu showing public improvements, street widths and widening, lot lines and proposed zoning categories. But everything was done on a piecemeal basis. Finally, this conglomeration of maps became the official master plan.

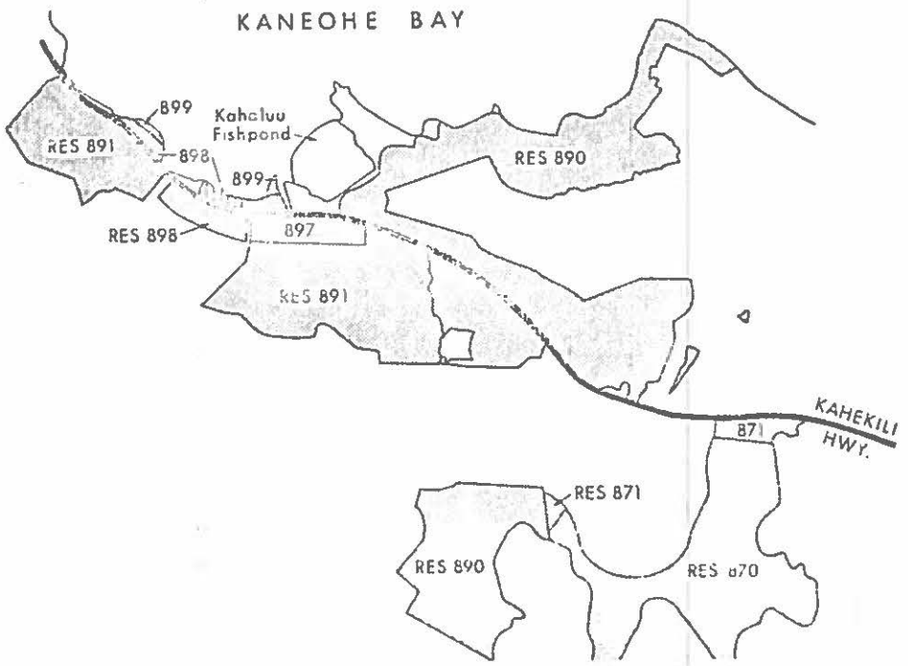
The proliferation of master plan maps began in downtown Honolulu. The master plan for the business district was completed by 1943, and by 1947 the Kaimuki master plan was in hand. The City and County Planning Commission approved the Kailua master plan in 1951. Eventually, the Kahaluu community found itself in a face-to-face confrontation with a master plan of its own, a document that deserves close scrutiny.

The Kahaluu master plan, dated February 11, 1957, states at the outset that there is a need and a demand for more industrial property on the island of Oahu. The highly questionable nature of this need is never argued fully. Actually, it has more the appearance of a premise than a conclusion, for the plan, which should be an expression of official policy, feebly rationalizes: "The availability of land for possible industrial sites in this area was brought to the attention of the City Planning Commission by the interested landowner of Ahuimanu and its consultant Charles B. Bennett, who foresaw the potentiality of developing a new industrial area at Kahaluu."

The "interested landowner" was none other than the Dillingham Investment Co. Although the "interested landowner" was left unnamed in the master plan, The Honolulu Advertiser reported on May 30, 1957, that the "chief industrial belt would be 340 acres owned by the Dillingham family in Ahuimanu." Dillingham's interest in the Kahaluu area seems to have been common knowledge. And by June 9, 1960, The Honolulu Star-Bulletin would be crediting "the impetus for the establishment of a port city" in Kahaluu to "members of the Dillingham family who [own] more than 1,000 acres in the Kahaluu area, including some on or near the land which would be zoned for industrial use."

Dillingham Investment Co. came to own more than 1,200 acres in the Kahaluu area (including large parts of Ahuimanu, Kaalaea and Waihee) on July 27, 1950, when it and the Hawaiian Property Management Co. bought the Kahaluu Land Co. from the Bishop Trust Co. A glance at the tax-key maps for the area at the time reveals that Dillingham owned about a third of the usable acreage in the area . . . including Tax Key Map No. 4-7-04, on which the industrial lands would be located.

The Kahaluu master plan called for the development of a new harbor "second to that of Honolulu Harbor." It also recommended the widening of an existing channel, the creation of some 100 acres of waterfront land for harbor and industrial usage by filling swamp land along the water's edge of Kamehameha Highway, dredging the harbor to a depth of 40 feet, filling in an additional 17 acres for a marina and ocean front park and the creation of a bird park sanctuary, which would also be located on filled land. All of these recommendations would be viewed with interest by Dillingham, which (1) has as a subsidiary the Hawaiian Dredging and Construction Co., which could provide both expertise and equipment for the harbor project and (2) owns a crucial bit of land in the area: going towards Kahuku, one can see on the makai side of Kam Highway, about a hundred yards past the Kahaluu Bridge, a small sign that reads: "property of the Hawaiian Dredging and Construction Co." Some of the recommendations — the marina, the ocean front park and the bird park sanctuary — would also be viewed with interest by Mrs. Walter F. Dillingham, who in 1957, when the Kahaluu master plan was announced, was a member of the City's Board of Public Parks and Recreation. It seems obvious that the Dillingham's were greatly inter-



As of August, 1970, many of the 1957 zoning designations (recommended by the Kahaluu master plan) remained: Resolution 870, Rural Noxious Industrial District No. 3; Resolution 871, Rural Semi-Industrial District No. 4; Resolution 890, Rural Class AA Residential District No. 27; Resolution 891, Rural Class AA Residential District No. 28; Resolution 897, Rural Business District No. 146; Resolution 898, Rural Limited Industrial Districts No. 4-A, 4-B, 4-C, 4-D; Resolution 899, Rural Industrial Districts No. 19-A, 19-B, 19-C, 19-D. The lined area below the words "Kahaluu Fishpond" is a 5.302 acre parcel of land owned by the Hawaiian Land Co., a Dillingham subsidiary. This property would front the land-filled industrial area on the Detailed Land Use Map (DLUM). Map by Richard Rhodes.

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ested in the 1957 master plan.

The 1957 Kahaluu master plan, purportedly an expression of official City policy, displays a spectacular lack of concern for the residents of the Kahaluu area. The City apparently did not conduct a study on the social and economic conditions of the community and its people, nor did it consider the impact such massive changes would have on this particular community. For example, no mention is made of the economic conditions of Kahaluu in 1957, or of the adverse environmental effects the construction of an oil refinery would have on an area that consistently has "on-shore winds" (which blow from the ocean to the shore), or of the impact major zoning changes would have on the life-style of long-time Hawaiian residents of the area.

The Kahaluu master plan was announced on February 11, 1957. After the February 28 public hearing on the master plan, the major land owners of Kahaluu began circulating a petition which in part reads: "We urge the early adoption of the plan prepared by the staff of the city planning Commission for a Master Plan for lands on Windward Oahu from Kaneohe to Waiahole as presented at a Public Hearing on February 28, 1957, in order that further haphazard, hit-and-miss, hodgepodge development of the area which is very damaging to the owners of the property cease forthwith . . . " The petition further urges that legislative action be taken immediately on the plan and that road construction during the next several years be made a priority item. In passing they also commend the plan as one that is well worked out and farsighted.

The petition is signed by Carl Wendell Carlsmith, Lowell Smith Dillingham, Benjamin Franklin Dillingham II and Harriet Barbour Dillingham, all of whom jointly represented 1,219.382 acres of Dillingham Investment Co. land. C.W. Humme, the vice president of the Hawaiian Dredging and Construction Co. (a Dillingham subsidiary) represented the company's 36.602 acres. The Retlaw Corp. Ltd., another Dillingham subsidiary, had its vice president and secretary sign for its 20.187 acres, and Dillingham Bros. Ltd. did the same for another 26.195 acres.

George Houghtailing, the director of the City Planning Commission in 1957. Drawing by Walton Lum-King.

Among the others that signed the petition were (1) Hiram L. Fong, who signed three times, once for a 2.52 acre parcel (presumably his beach property), again for a 16 acre parcel in the vicinity of Waihee Road and a third time for his 218 acres in Kaalaea and (2) Wilbert Choi, later a controversial State Land Use Commissioner, who signed for his 16.141 acre parcel. (In 1969 Choi, as a member of the State Land Use Commission, would to his own advantage down-zone his Makiki land, an 18,000 square foot parcel located on Tax Key Map No. 2-5-020-007.)

At the February 28 public hearing Hiram L. Fong spoke up and commended the Planning Commission for their fine plan. Another person who spoke was Ming Yee, a landowner and real estate developer who had been selling land in the area for farming purposes; he raised the point that the opening of the Wilson Tunnel would change the old concept of land use in Windward Oahu. He felt it was clear that the subdividers were doing a service by providing lands for subdivisions.

Not everyone at the public hearing agreed with the large land owners and Choi, Fong and Yee. A number of farmers registered strong opposition to the plan.

Thomas Nakama was at the hearing to represent his father, a pig farmer who, before coming to Kahaluu, had been evicted from his farm in Kalihi to make way for class AA residential housing. He questioned the decision of the City Planning Commission and the Board of Health to approve his father's 5 acre pig farm: he wanted to know why approval had been given if they knew of the master plan's proposals to industrialize the area. He concluded by relating how much money, time and labor would be needed to move the pig farm. A Mr. Onorato, another pig farmer, recounted a similar experience. Also, a Mr. Takeuchi, another displaced farmer complained that if the proposed development were to take place, the increase in property values would force him to subdivide his property, something he did not want to do.

Walter Serikaku, a farmer, summed up the sentiments expressed by the people of the community. He told the commissioners at the hearing that he used his land in Waihee for farming and that he intended to continue working on his farm and that he had no plans to subdivide his land. He protested the proposed master plan on the ground that his lot had been unjustly set aside as a school site when there was other land available, owned by the Dillingham interests, which he maintained were the ones who would actually benefit from the plan's proposals. He therefore requested that the school site be located on Dillingham land rather than on his much more limited landholding. The Kahaluu Elementary School, in accordance with the wisdom of the master plan, is now located on Serikaku's farm.

Because of the vehement public opposition to an oil refinery in Ahuimanu valley, the City Planning Commission made a deal with Dillingham. The deal took the form of a letter to the Commission, which "assured that the undersigned will not without the approval of the said City Planning Commission, construct or permit to be constructed or make a lease or other conveyance for the purpose of constructing, an oil refinery, paper mill or slaughter house upon the lands owned by said Dillingham Investment Company within Rural Noxious Industry District No. 3 created at Kahaluu and Heeia, Koolaupoko, Island of Oahu, Territory of Hawaii." The letter; dated October 28, 1957, is signed by Lowell S. Dillingham and Carl W. Carlsmith of the Dillingham Investment Company.

In a letter to the Mayor and the Board of Supervisors, dated November 5, 1957, Deputy City and County Attorney Walter M. Heen referred to the deal when he wrote: "Please be advised that the statutes relating to the duties and powers of the Planning Commission do not contain provisions giving [the planning commissioners] power to enter into such contracts." He further stated that "such an agreement, as is contemplated, is uniformly held by the courts to be illegal and unenforceable because it is contrary to public policy and because a municipality cannot contract for the enactment of legislation." Nine days later City and County Attorney Norman K. Chung, in a letter to the Planning Commission, gave the same verdict when he advised the commission that such an agreement would be "illegal" and "unenforceable." He also called the deal "unlawful." Such were the activities of the Planning Commission in 1957.

The Commission went ahead and adopted the noxious industry zoning on October 3, 1957, by means of Resolution No. 870. Resolution No. 871 zoned and created Rural Semi-Industrial District No. 4; Resolution No. 890, Rural Class AA Residential District No. 27; Resolution No. 891, Rural Class AA Residential District No. 28; Resolution No. 897, Rural Business District No. 146; Resolution 898, Rural Limited Industrial Districts Nos. 4-A, 4-B, 4-C and 4-D; and Resolution No. 899, Rural Limited Industrial Districts Nos. 19-A, 19-B, 19-C and 19-D. Resolution No. 911 officially extended

East-West Road
Honolulu, Hawaii 96822

the master plan to include the *ahupuaa* of Kahaluu, Waihee, Kaalaea and a portion of Heeia.

A key to an understanding of the Kahaluu Master Plan is the developer-oriented City Planning Commission (CPC) and the nine men who sat on it in 1957. They were all people who had connections with private landowners and developers.

The Director of the CPC in 1957 was George Houghtailing. When he resigned in 1957, he had 16 years of planning commission experience behind him. His next job was with the firm of R. M. Towill (later a Kahaluu land-owner), where he headed their planning department. Later he joined Community Planning Inc. as a private consultant.

The nine men who sat on the commission were: Henry C. H. Chun-Hoon, the General Manager and Treasurer of Chun Hoon Ltd., and Frank W. Hustace, Jr. (an ex-officio member as the Territorial Land Commissioner), who was also a director of Victoria Ward Ltd. (which manages the Ward Estate), both became directors of the American Security Bank. (By 1970, American Security was a stronghold of people with interests in development.)

Another commissioner was Katsuro Miho, who in 1957 was a partner in Hiram Fong's law firm of Fong, Miho and Chuck.

Yet another was R. Gibson Rietow, who in 1957 was a vice president of Lewers and Cooke, the State's largest supplier of building materials.

Three more were Kenneth W. Roehrig, a partner in the architectural firm of Merrill, Simms and Roehrig; Mervin B. Carson, a director of Hawaiian Airlines; and George F. Centeio, a realtor.

The remaining two were Harold K. Kometani, an assistant secretary of the Bishop Trust Co., and John H. Felix, a trustee of the Hawaiian Memorial Park and an executive of Roy Kelly Hotels.

The dual point should not be lost. In 1957, Windward Oahu land and business interests had adequate representation in the City administration, while the communities were not represented at all.

In 1961, amendments to the master plan were proposed because a reappraisal of the 1957 plan indicated that the basic pattern of development was going to be residential, not industrial.

The 1960 General Plan for Urban and Urbanizing Areas revealed that correspondence and discussions with Harbor Commission officials indicate that the development of wharfage facilities (in Kahaluu) "cannot be economically justified because of the present harbor facilities in Honolulu Harbor." It further mentioned that in the absence of any industrial development in the near future "Kahaluu may serve as a suburb for the city of Honolulu or it may handle the overflow of population which may occur in Kaneohe, Heeia, and Kailua as a result of further development of these areas." This basic industrial-to-residential shift was incorporated into the Planning Department's "Report On The Kahaluu General Plan," dated October 26, 1961, which stated: "Our projections indicate that the basic pattern of development for the ahupuaas of Kahaluu, Waihee, and Kaalaea will be that of a residential adjunct for the city of Honolulu." It also noted that "interest is high for residential development." What the report really meant was that Centrex-Trousdale, a large mainland developing company, wanted to develop the Ahuimanu Industrial Park area for residential purposes immediately following the construction of the Kahaluu cutoff road (Kaheikili Highway) – a factor that the "Report on the Kahaluu General Plan" failed to mention, but which is made clear in a memo from City planner James S. Tanaka to Wallace Kim, dated October 25, 1961.

The major deviations from the master plan were: (1) a redesignation of Ahuimanu Valley from noxious industry to residential and cemetery use, (2) the incorporation of proposed resort development plans in Waihee Valley into the General Plan, and (3) a redesignation of land near the Kahaluu fish pond from hotel and apartment use to low-density apartments.

Interestingly enough a letter from Mr. and Mrs. Hiram Fong protested the down-zoning of the hotel and apartment district (see letter above). Ordinance 2234 adopted most of the master plan amendments but did *not* pass the amendment (protested by the Fongs) down-zoning the hotel and apartment district.

In 1964, the Oahu General Plan was adopted by Ordinance No. 2443. In Kahaluu it showed the former noxious industrial zone as a cemetery, the waterfront area as an industrial area and the fishpond as a resort. This resort designation conflicted with a recommendation presented in the 1960 General Plan for Urban and Urbanizing Areas that urged the "preservation of the Kahaluu fish pond."

Nine years later would find the City in the process of revising their General Plan, while the developers were planning to put up over 10,000 units of high-priced housing in the area. The Kahaluu community is gearing up for a big fight to save itself from the flood of urbanization, which still has no controls. An analysis of some of the major private and public developments in the area will be the topic of the next article in this continuing series on Kahaluu.

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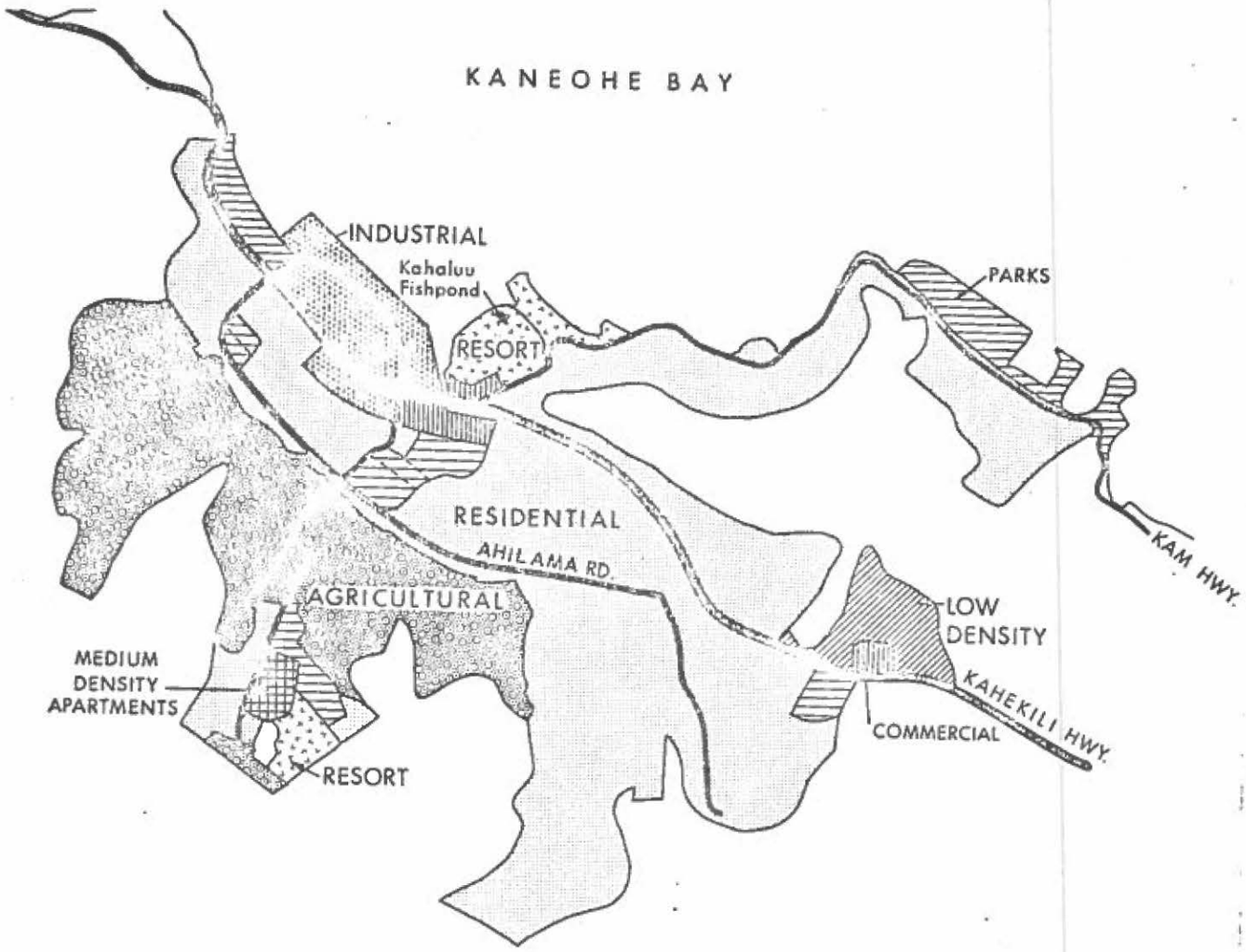

On July 29, 1964, a Detailed Land Use Map (DLUM) for the Kaneohe-Kualoa area was adopted by City Ordinance No. 2473. The DLUM designated the area at the mauka end of Waihee Road for a golf course, a lake and a mountain resort. It also realigned Ahilama Road to serve the proposed industrial waterfront area and the Ahuimanu residential area. It retained the hotel-apartment district and showed the H-3 freeway corridor. Map by Richard Rhodes.

Ethnic Studies Program
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The politics and planning of Heeia

On the night of February 14, 1973, Mike McCormack, accompanied by a small army of consultants, presented his plans for the development of Heeia to the Kaneohe Community Council at the Benjamin Parker School in Kaneohe. The school's cafeteria was packed with more than 500 interested residents. After introducing Senators John Hulten and George Mills, Representative Richard Wasai, Councilmen Toraki Matsumoto and Rudy Paccaro and Councilwoman Mary George, the community council spokesman turned the meeting over to Mike McCormack . . . who began by mispronouncing "ahupuaa" (the ancient Hawaiian land division running from the mountains to the sea) and was immediately corrected by a young Hawaiian woman in the audience.

McCormack delivered what turned out to be a mini-lecture on the history of the Heeia project, which began in 1949 when the first master plan for the development of Heeia was completed by Harland Bartholomew and Associates, a prominent city planning firm from St. Louis, Missouri. McCormack also mentioned that he had inherited the development rights to Heeia from his father, realtor Thomas F. McCormack, before entering into a joint venture with Gentry-Hawaii, the local branch of a northern California homebuilding company.

Next came Norman Dyer, Gentry-Hawaii's principal architect. He explained that Gentry had been building for five years in Hawaii, and that they had been working on the Heeia project for two years. Proceeding to an analysis of the vegetation in the area, Dyer said that the Java plum trees on the site had "no redeemable value and should be eliminated." Then he summed up his soils analysis by saying, "You can build on anything if you have the time and money to do it."

After a brief recess, the meeting reconvened and McCormack presented a slick, pre-packaged slide show using three projectors synchronized to a taped narrative. As part of his sales pitch, the slide show began with a Hawaiian chant — thereby vulgarizing an important element of Hawaiian culture. It then proceeded to tell the story of the rapid urbanization of Oahu and of the problems this sort of growth creates. To fast-paced music, the slides showed dilapidated housing, round-the-clock traffic jams, the proliferation of highrises in Ala Moana and Waikiki, and other disturbing urban problems. In contrast to this concrete and asphalt disorder, breathtaking shots of the cool, green Heeia Meadowlands, with the Koolaus in the background, appeared on the screen. Soft, easy-going Hawaiian music now set the tone. In subsequent slides, McCormack's development scheme made the promise that through rational planning and an integrated community concept the urban problems brought out by the first part of the slide show could be avoided.

The presentation's appeal was geared to mobile suburbanites who have enough money to escape the urban mess. Overall, it was a little too slick for local consumption, prompting one resident to ask whether the development would be marketed on the mainland. McCormack replied, "Not yet."

Afterwards, McCormack and his team of consultants conducted a question and answer session with the audience. However, many questions were left unanswered or were lost amidst the vague technicalities of the consultants' jargon.

One resident asked how much traffic would be created by the project. But an ambiguous two minute answer from the transportation consultant yielded no count of the number of cars the proposed development would generate. Also, no answer was given in response to the question: "After dredging the silt [for a man-made lagoon], how long would it take for the lagoon to fill up again?" And when asked what the public cost of the entire Heeia project would be, a definite answer of sorts was given: the consultants didn't know. Most of their answers were not as clear.

The best reply was given to one resident who asked, "Is there a rational way to block your development plans?" By this time McCormack seemed somewhat annoyed, but answered candidly that there was — "through your devotion to that cause, and the commitment you can enlist from the community."

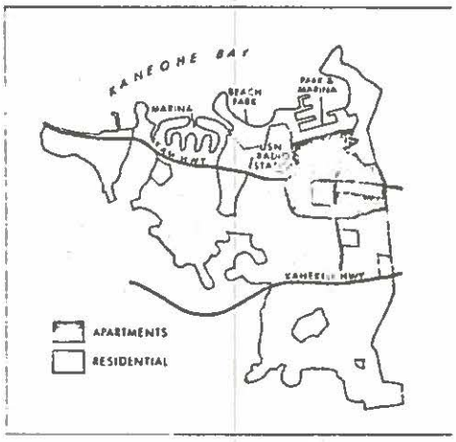
This enlightening meeting in Kaneohe was yet another page in the history of Heeia.

Prior to the Great Mahele of 1848 the ahupuaa of Heeia included the end of Mokapu peninsula, the site of the Kaneohe Marine Corps Air Station. Legends have it that on Mokapu the three main Hawaiian gods, Kane, Ku and Lono, created the first man.

After the Great Mahele, the lands of Kaneohe and Kailua were given to Queen Kalama. The adjacent ahupuaa of Heeia was given to the high chief Abner Paki, whose wife was Konia, granddaughter of Kamehameha I. Paki's daughter, Bernice Pauahi Bishop, the great granddaughter of Kamehameha I, inherited the ahupuaa as part of the Kamehameha family estate after the death of her father in 1856. The Mokapu peninsula portion of the ahupuaa reverted to Kamehameha III and was sold at a public auction for $870 to William and John Sumner.

During Princess Pauahi's ownership, three small parcels were added to the ahupuaa of Heeia, and the Heeia Sugar Plantation was formed in the 1870's. On the death of the princess in 1884, the ahupuaa of Heeia and all of her other properties became the 431,379 acre Bernice Pauahi Bishop Estate.

The Estate is today managed by a Board of Trustees that is chosen by the Justices of the Hawaii Supreme Court. Under the provisions of Bernice Pauahi's



Making full use of the projects's Bay frontage, the 1957 Comprehensive Development Plan for Heeia called for a boat marina, a man-made beach and (upper left hand corner) 170 residential marina lots in the fishpond.

will, the income from the lands is to be used exclusively to manage the Estate and to support the Kamehameha Schools, which she founded to help educate Hawaiian children.

The Bishop Estate has been a perennial source of controversy. As far back as the last days of the monarchy, two members of its first board of trustees, Samuel Damon and William O. Smith, helped to overthrow Queen Liliuokalani.

In 1907, Herman Von Holt's Hygienic Dairy received a 50 year lease for 682.41 acres in Heeia from Wilhelmina Tenney and others who had the original lease from the Estate. In turn Hygienic subleased some of its land to 145 sublesses. Also, the Kahaluu Land Trust (one of Bishop Trust Company's many land speculation ventures) subleased 199.8 acres from

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Tenney's group.

In 1948, nine years before the Hygienic Dairy leases were due to expire, the Bishop Estate hired the consultant firm of Harland Bartholomew and Associates to develop a plan that would serve as a guide to the development of the Heeia area. The report, "The Existing and Future Development of the Bernice P. Bishop Estate Lands within the Ahupuaa of Heeia," dated November 10, 1949, offered plans for the 2,714 acres of Estate lands in Heeia. It proposed to develop Heeia as a giant bedroom community that would have an eventual population of 30 to 40 thousand residents. The most important marketable aspect of the plan was the project's location in relation to Kaneohe Bay. The report stated: "There seems to be no question but that the development of a marina would have a significant effect upon all of Heeia." And further: "The opportunities for yachting are the most significant asset of the Heeia lands. No available lands on Kaneohe Bay are more strategically located to the Bay as a whole . . . . "

Owing to the "significance of Kaneohe Bay to boating enthusiasts," the consultants concluded that "it is entirely reasonable to plan a marina which could have a capacity as great as 1,000 to 2,000 boats." But without proper access to the site, the marina as well as the whole development would remain a Bartholomewan fantasy. In recognition of this fact, the report includes a pragmatic observation: "It cannot be expected, however, that intensive development will take place in Heeia, or for that matter to any great extent in other Windward Oahu areas until and unless a more satisfactory route and accompanying public transportation facilities are provided."

Essential to the development of Heeia would be the Wilson tunnel and the Kahaluu cut-off road. But construction on the tunnel did not begin until 1957 and on the the road until 1964.

In 1957, when the Hygienic Dairy lease and its subleases had expired, the Kalihi tunnel was under construction, and the second major study on Heeia by Harland Bartholomew was delivered to the Bishop Estate trustees. This second report was considered a supplement to the original report of 1949.

Among the factors that would influence the development of Heeia, the supplemental report listed: (1) 600 acres of proposed industrial property in Kahaluu that was largely owned by the Dillinghams, (2) the construction of a new sewage treatment plant at Kaneo Stream in Kaneohe that was specified in a 1957 Department of Public Works plan for sewage disposal in the Kaneohe-Heeia area and (3) the vital highways.

The Kahekili Highway alignment, in particular, posed problems. The staff of the City Planning Commission had one plan and the Territorial Planning Department had another. Harland Bartholomew and Associates believed that until the alignment question was resolved its "uncertainty [would] seriously impede the development of Heeia."

The question was in fact eventually resolved in 1959 through negotiations between the Castle Estate, the Dillingham Investment Corporation and the Bishop Estate which resulted in all three putting their support behind the route proposed by the City. The State route would have benefited only the Bishop Estate and Dillingham because it was planned to run diagonally across Bishop Estate property from the Estate's Kaneohe boundary at Kamehameha Highway to Dillingham's Ahuimanu property. The City alignment, however, would benefit all three.

A central figure in the choice of the City route appears to have been Centrex-Trousdale, a joint venture between two mainland corporations, the Centrex Development Co. and the Trousdale Construction Co. Their joint venture was active in developing hundreds of acres of Castle Estate lands in Kailua and Kaneohe. One of their projects was the Kapunahala subdivision which was adjacent to the Likelike Highway at its intersection with the proposed Kahekili Highway. At the other end of the proposed Kahekili Highway, Centrex-Trousdale was planning to develop the largest fee-simple homesite tract in the State along with a 442 acre cemetery. Their future success necessitated a strong interest in the Kahekili alignment controversy.

Besides Centrex-Trousdale, several other Windward Oahu landowners and developers such as the Kaneohe Ranch Co., Joe Pao and the L. L. McCandless Estate were planning for an additional 6,360 lots. Even the Bishop Estate had plans for another 3,659 lots in addition to the 5,000 planned for Heeia.

Who were these lots being planned for? In 1960, Thomas F. McCormack commissioned a market survey of Heeia. The study, conducted by Survey and Marketing Services, included a profile of the existing Heeia population. The profile surveyed the average family size, income, educational level and occupation. It concluded that "With this profile, which is distinctly lower than average, it is unlikely that the developers of Heeia can attract more than a fragmentary portion of the present Heeia population to the proposed developments." No wonder, when the 1957 plan for the development stated that "within the entire community of Heeia, homes can vary from $14,000 to $100,000 or more in cost" — a price range far beyond the means of the local residents.

By the late 1950's Windward Oahu urbanization was speeding ahead. Developers now had to face the possibility of an "overbuilt market." In this sort of market situation, the company that can get its homes built first makes large profits, and those that lag behind lose substantially. To remain competitive, the Bishop Estate began to look around for someone to develop its lands.

As it turned out, the Bishop Estate trustees selected the Heeia Development Co., an influential real estate hui that had been set up for the sole purpose of developing Estate lands in Heeia. Mitsuyuki Kido and George M. Hasegawa were the key members of the hui, for it was they who in 1957 received the development rights to Heeia from the Bishop Estate. Later, they took on George Miki as the company's general manager.

Mitsuyuki Kido was active in Territorial politics from 1946 to 1952. In 1952 he began his term of office as a City Supervisor, but after only two years on the Board of Supervisors (the forerunner of the present City Council), he returned to the Territorial Legislature — this time as a senator.

George M. Hasegawa, like Kido, came from Maui and did very well for himself: in 1959 he and his associates were engaged in projects worth $60 million. He passed his real estate broker's exam in 1954 and prospered from the start. By the end of his first year in the real estate business, Hasegawa grossed over two million dollars in sales. At the time he was only 28 years old.

His success in real estate is matched by his elevated notions of business theory. In a 1959 interview conducted by Honolulu Star-Bulletin reporter Ben Thompson, Hasegawa claimed that real estate is the "foundation on which all business stands."

But success in the real estate business is difficult to achieve without friends. Hasegawa acknowledged this when he told Thompson, "I've been fortunate in having many and good friends assisting

McCormack's 5,020 unit project will require a widening of the Kahekili Hwy.

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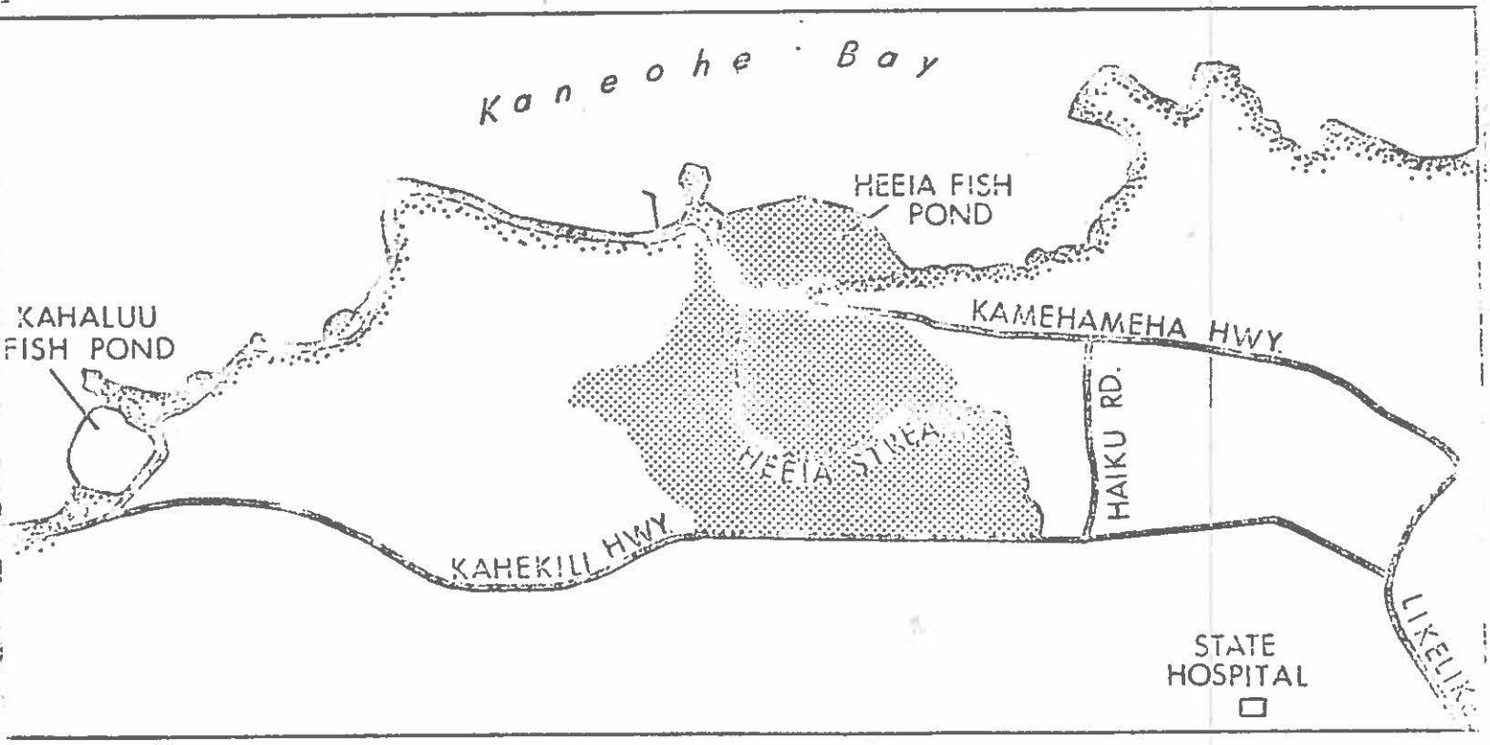
me in whatever so-called success I've had. I owe more to my friends and family than anything else." Nothing could be nearer the truth.

Hasegawa had many close, powerful and influential friends. A number of them became partners in the Heeia Development Co. They included: Harold K. M. Lau, currently a trustee of the $400 million Hawaii Employees Retirement System; Seichi Hirai, the State Senate clerk; Sunao Kido, Mitsuyuki Kido's brother and the head of the State Department of Land and Natural Resources; Douglas R. Sodetani, an officer of the Maui Realty Co., Inc. and the chairman of the Real Estate Commission in 1971; and Matsuo Takabuki, who in 1952 was a City Supervisor along with Mitsuyuki Kido. On July 7, 1971, Takabuki's name was dropped from the list of the Heeia Development Co.'s limited partners – had he remained, his new position as a Bishop Estate trustee and his membership in a hui that would be developing Bishop Estate lands in Heeia might have constituted a conflict of interest.

The future of Heeia, then, is in the hands of two major development companies. The mauka portion of the Heeia project will be developed by the Heeia Development Co. and the makai portion, including the fishpond, by Gentry-McCormack.

But before they can implement their latest plans, crucial zoning designations must be obtained. Some of the ways zoning and planning are achieved will be the main topic of the next article in this continuing series on Kahaluu and the development of Windward Oahu.

McCormack's latest plans call for 625 boats in the Heeia fishpond, one of five left in Windward Oahu. Photos by Patrick Mulvey.



The site of McCormack's 673 acre Heeia project. Maps by Brad Evans.