State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawai'i 96813

February 13, 2009

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawai'i

Board Members:

SUBJECT: REVIEW AND APPROVAL OF PROJECT RECOMMENDATIONS FOR FUNDING FROM THE FISCAL YEAR 2009 LEGACY LAND CONSERVATION PROGRAM (LAND CONSERVATION FUND)

SUMMARY:

Pursuant to H.R.S., §173A-2.5, the Legacy Land Conservation Commission (the Commission) has produced recommendations to the Board of Land and Natural Resources on project selection for Fiscal Year 2009 (FY09) funding from the Legacy Land Conservation Program (LLCP). Pursuant to H.R.S., §173A-5, the Department has sought and received the consultation of the Senate President and Speaker of the House of Representatives. This submittal summarizes the results of these processes for the Board's review and requests approval of the Board for projects to receive FY09 LLCP funding based on these results.

BACKGROUND:

Legacy Land Conservation Commission Recommendations:

For the Fiscal Year 2009 application cycle, the Legacy Land Conservation Program (LLCP) announced $4.7 million available in project funding from the Land Conservation Fund (LCF) for the purchase of lands having value as a resource to the State. Nonprofit land conservation organizations, county agencies, and State agencies applied for funding for 10 separate resource land acquisition projects for the September 15, 2008, application deadline. The Legacy Land Conservation Commission made the following recommendations to the Board of Land and Natural Resources:

1. Providing funding the following eight project proposals (in order of priority):

State of Hawai'i at $537,500 for the acquisition of 3,582 acres in Honouliuli Preserve, Wai'anae Mountain Range, Island of O'ahu;

State of Hawai'i at $450,000 for the acquisition of 65.56 acres in Hamakua, Kailua, Island of O'ahu;

State of Hawai'i at $7,000 for the acquisition of 7 acres in North Kohala, Island of Hawai'i;

Kaua'i Public Land Trust at $750,000 for the acquisition of 0.74 acres in the area of Black Pot Park, Hanalei, Island of Kaua'i, to be held by the County of Kaua'i;

Center for Non-Violent Education and Action (Malu Aina) at $201,787.50 for the acquisition of 11.14 acres in Puna District, Island of Hawai'i;

State of Hawai'i at $1,250,000 for the acquisition of 17.05 acres in Lapakahi, Kohala, Island of Hawai'i;

Kona Historical Society at $448,831 for the acquisition of 2.11 acres in Kona Mauka, Island of Hawai'i; and,

Maui Coastal Land Trust at $609,425 for the acquisition of an agricultural conservation easement over 27.44 acres, in Pupukea, North Shore, Island of O'ahu, to be held by the North Shore Community Land Trust.

2. To consider the Kauai Public Land Trust's project as amended at the December 18, 2008, Legacy Land Conservation Commission meeting. This amendment consisted removing two parcels (0.42 acre; "Sheehan parcels," tax map keys (4) 5-5-001:049 and (4) 5-5-001:050) and replacing them with a nearby parcel (0.74 acre; "Hodge parcel," tax map key (4) 5-5-001:011).

3. To provide any additional funds available under the $4,700,000 amount to applicants in the order ranked, as limited by the matching funds requirement under Chapter 173A, H.R.S.

The ranking of projects is indicated by the Project Ranking Table (Attachment I). The result of the third recommendation would be an increased award to the State of Hawai'i for the acquisition of 3,582 acres in Honouliuli Preserve, Wai'anae Mountain Range, Island of O'ahu. The amount of this award would increase by an additional $445,456.50, from $537,500 to $982,956.50.

Details on each project are included in the discussion below and in the Project Ranking Table (Attachment I).

Legislative Consultation

On December 23, 2008, Department staff and the Commission Chair met with Speaker of the House of Representatives Calvin Say and Senate Vice President Russell Kokubun to seek the consultation of these legislators regarding the Commission's recommendations, pursuant to H.R.S. Chapter 173A. The legislators agreed with the Commission's recommendations regarding the funding of the eight grants listed above. The Senate President and Speaker of the House of Representatives then confirmed support for these projects in a follow-up letter dated December 30, 2008 (Attachment III).

DISCUSSION:

The following discussion describes the details surrounding each of the Legacy Land Conservation Commission's recommended projects.

State of Hawai'i at $537,500 for the acquisition of 3,582 acres in Honouliuli Preserve, Wai'anae Mountain Range, Island of O'ahu

The State of Hawaii, with the assistance of Trust for Public Land (TPL), requested funding for a parcel of land, a portion of tax map key (TMK) (1) 9-2-005:013, in Honouliuli, Oahu, for the protection of its natural, scenic, and watershed values. The parcel is being acquired from the James Campbell Company and TPL has secured over $3 million in matching federal funds for this project. The State of Hawaii, DLNR, Division of Forestry and Wildlife will hold the property and will cooperate with the U.S. Army to continue the restoration, management, and preservation activities that are currently being performed by the U.S. Army and The Nature Conservancy.

State of Hawai'i at $450,000 for the acquisition of 65.56 acres in Hamakua, Kailua, Island of O'ahu

The State of Hawai'i requested funding for a parcel of land, TMK (1) 4-2-003:017, on the Hamakua hillside, adjacent to Hamakua marsh Wildlife Sanctuary, Kailua, Oahu, for the protection of its natural habitat, scenic, and watershed values. The parcel is being acquired from Kaneohe Ranch (Castle Family Limited Partners) and the State has secured approximately $755,000 in matching federal and private funds for the acquisition. The State of Hawaii, DLNR, Division of Forestry and Wildlife will hold the property and manage it for the protection of its watershed and habitat values as part of a 10-year Hamakua Marsh Watershed restoration and education project. Management and operations will also be in accordance with U.S. Natural Resources Conservation Service Cooperative Agreement and Conservation Plan covering the area.

State of Hawai'i at $7,000 for the acquisition of 7 acres in North Kohala, Island of Hawai'i

The State of Hawai'i requested funding for a parcel of land, TMK (3) 5-6-001:0051 and TMK (3) 5-6-001:0051, in Kukuipahu Ahupua'a, leeward North Kohala, Island of Hawai'i, for the protection of its scenic, cultural, and historic values. The parcel is being

acquired from Chalon International of Hawaii, Inc., by the State of Hawaii with the aid of a $960,000 land value donation from the owner. The State of Hawaii, DLNR, Division of State Parks, will manage the land as a protective and scenic buffer for the neighboring Kukuipahu Heiau, as part of the North Kohala Historic Sites State Monument.

Kaua'i Public Land Trust at $750,000 for the acquisition of 0.74 acre in the area of Black Pot Park, Hanalei, Island of Kaua'i, to be held by the County of Kaua'i

The Kaua'i Public Land Trust (KPLT) requested funding for a parcel of land, TMK (4) 5-5-001:011, in Hanalei, Kaua'i, for the protection of its recreational, open space, and natural values. The parcel is being acquired from a private owner by KPLT and KPLT plans to secure approximately $2.7 million in land value donation and county funding for the acquisition. The County of Kauai will hold and manage the property for the protection of its habitat, coastal, and recreational values.

KPLT's mission is working with others to use land conservation tools to preserve Kaua'i's places of the heart. KPLT is a nonprofit organization exempt from federal taxation under 501(c)(3) of the Internal Revenue Code (IRC).

Center for Non-Violent Education and Action (Malu 'Aina) at $201,787.50 for the acquisition of 11.14 acres in Puna District, Island of Hawai'i

The Center for Non-Violent Education and Action (Malu 'Aina) requested funding for a parcel of land, TMK (3) 1-7-002:016, south of Hilo in the Puna District, Island of Hawai'i, for the protection of its agricultural, natural habitat, and open space values. The parcel is being acquired from a private owner by Malu 'Aina and Malu 'Aina has secured approximately $67,000 in matching private funds and land value donation for the acquisition. Malu 'Aina plans to manage the land for the preservation of its agricultural values and the expansion of its community-supported organic farming operations.

Malu 'Aina is an all-volunteer nonprofit organization that grows food to share with people in need and works for justice, peace and preserving the environment. Malu 'Aina is a nonprofit organization exempt from federal taxation under 501(c)(3) of the Internal Revenue Code (IRC).

State of Hawai'i at $1,250,000 for the acquisition of 17.05 acres in Lapakahi, Kohala, Island of Hawai'i

The State of Hawai'i, with the assistance of TPL, requested funding for a parcel of land, TMK (3) 5-7-001:0011, in the ahupua'a of Kaipuha'a and Lamaloloa, southern end of Lapakahi State Historical Park, Island of Hawai'i, for the protection of its watershed, coastal, natural, cultural, and historical values. The parcel is being acquired from a private owner by the State of Hawai'i, and the TPL has secured approximately $1.29 million in matching federal and private funds for the acquisition. The State of Hawaii, DLNR, Division of State Parks, will manage the land as part of Lapakahi State Historical Park, for the preservation of its cultural and historical resources.

Kona Historical Society at $448,831 for the acquisition of 2.11 acres in Kona Mauka, Island of Hawai'i

The Kona Historical Society (KHS) requested funding for a parcel of land, TMK (3) 8-1-004:074, in Kona Mauka, Island of Hawai'i, for the protection of its historical, cultural, and recreational values. The parcel is being acquired from a private owner by KHS and KHS has secured approximately $160,000 in matching private funds for the acquisition. KHS plans to use the property for the expansion of its living history operations.

KHS's mission is to collect and preserve information about the history of the Kona district. KHS is nonprofit corporation and is exempt from federal taxation under 501(c)(3) of the IRC.

Maui Coastal Land Trust at $609,425 for the acquisition of an agricultural conservation easement over 27.44 acres, in Pupukea, North Shore, Island of O'ahu, to be held by the North Shore Community Land Trust

The Maui Coastal Land Trust (MCLT) requested funding for an agricultural conservation easement over a parcel of land, TMK (1) 5-9-005:067, for the protection of its agricultural, watershed, and open space values. MCLT is purchasing the easement from a private owner and has secured over $1 million in federal funds for the acquisition. The North Shore Community Land Trust (NSCLT) will hold and monitor the conservation easement and work with the landowner in managing the land for its agricultural, recreational, and scenic resources.

MCLT's mission is to preserve and protect coastal lands in Maui Nui for the benefit of the natural environment and of current and future generations. MCLT is a nonprofit organization exempt from federal taxation under 501(c)(3) of the Internal Revenue Code (IRC).

Department Recommendations

In its recommendations below, the Department concurs with the Legacy Land Conservation Commission's recommendations 1 and 2 to fund the eight projects detailed above, but does not recommend 3, to provide additional funding to the Honouliuli project. At this time, it is unclear if additional matching funds are needed. If other funds do not become available, the Department can come back to the Board for consideration of recommendation 3, to provide additional funding.

RECOMMENDATIONS:

That the Board:

1) Approve the acquisition of the following parcels and authorize the Chairperson to execute a letter of offer to the landowner and encumber funds, under the FY09 LLCP ceiling, from the LCF for the following State projects:

State of Hawai'i at $537,500 for the acquisition of 3,582 acres in Honouliuli Preserve, Wai'anae Mountain Range, Island of O'ahu;

State of Hawai'i at $450,000 for the acquisition of 65.56 acres in Hamakua, Kailua, Island of O'ahu;

State of Hawai'i at $7,000 for the acquisition of 7 acres in North Kohala, Island of Hawai'i;

State of Hawai'i at $1,250,000 for the acquisition of 17.05 acres in Lapakahi, Kohala, Island of Hawai'i;

Using a total of $2,244,500 from the Hawai'i State Land Conservation Fund, subject to compliance with H.R.S., Chapter 173A, and the normal process and procedures for the acquisition of lands by the State.

2) Authorize the Chairperson to enter into agreements and encumber FY09 funds with the listed grant recipients for the following grants to nonprofit land conservation organizations and counties:

Kaua'i Public Land Trust at $750,000 for the acquisition of 0.74 acres in the area of Black Pot Park, Hanalei, Island of Kaua'i, to be held by the County of Kaua'i;

Center for Non-Violent Education and Action (Malu Aina) at $201,787.50 for the acquisition of 11.14 acres in Puna District, Island of Hawai'i;

Kona Historical Society at $448,831 for the acquisition of 2.11 acres in Kona Mauka, Island of Hawai'i; and,

Maui Coastal Land Trust at $609,425 for the acquisition of an agricultural conservation easement over 27.44 acres, in Pupukea, North Shore, Island of O'ahu, to be held by the North Shore Community Land Trust.

Using a total of $2,010,043.50 from the Hawai'i State Land Conservation Fund, subject to:

a. compliance with H.R.S., Chapter 173A;
b. compliance with H.R.S., Chapter 343;
c. execution of a Grant Agreement with the BLNR;
d. certification of an appraisal for each project by the Department;
e. insertion of Legacy Land Conservation Program restrictions into the deed as a condition of contractual agreements with the grant recipients;

f. approval of the Grant Agreement and of the Deed by the Attorney General's office;
g. the approval of the Governor.

3) Authorize the Department to obtain State-contracted appraisals as needed to determine fair market value of the fore stated interests in property.

4) Authorize the Department to proceed with all due diligence and negotiations that may be necessary to carry out the grants and acquisitions mentioned above.

Respectfully submitted,

PAUL J. CONRY, Administrator
Division of Forestry and Wildlife

Attachments:

Attachment I:	Table: Fiscal Year 2009 Legacy Land Conservation Program Funding Requests & Recommended Grants
Attachment II:	Location & Parcel Maps
Attachment III:	December 30, 2008, letter from the Senate President and the Speaker of the House of Representatives

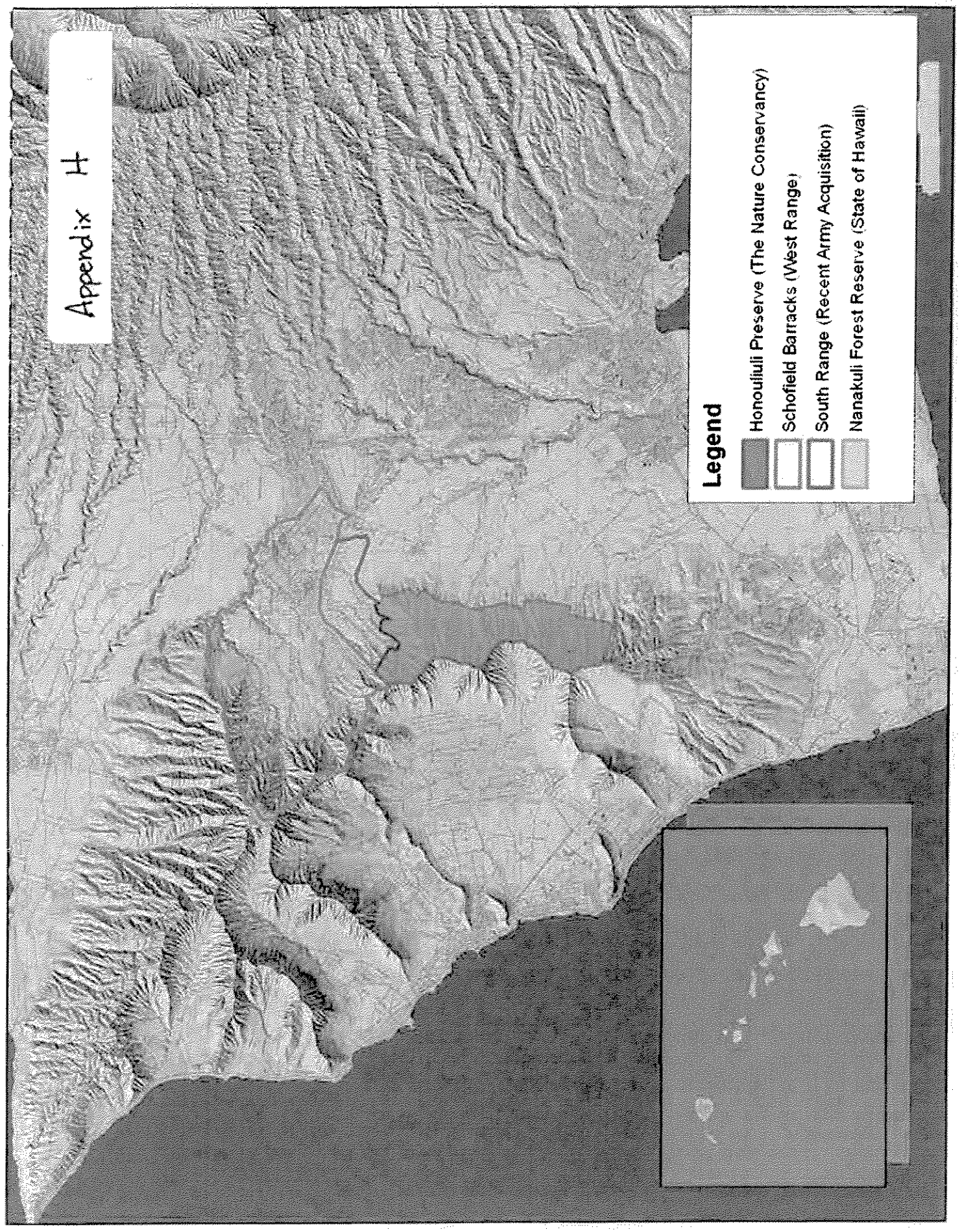
APPROVED FOR SUBMITTAL:

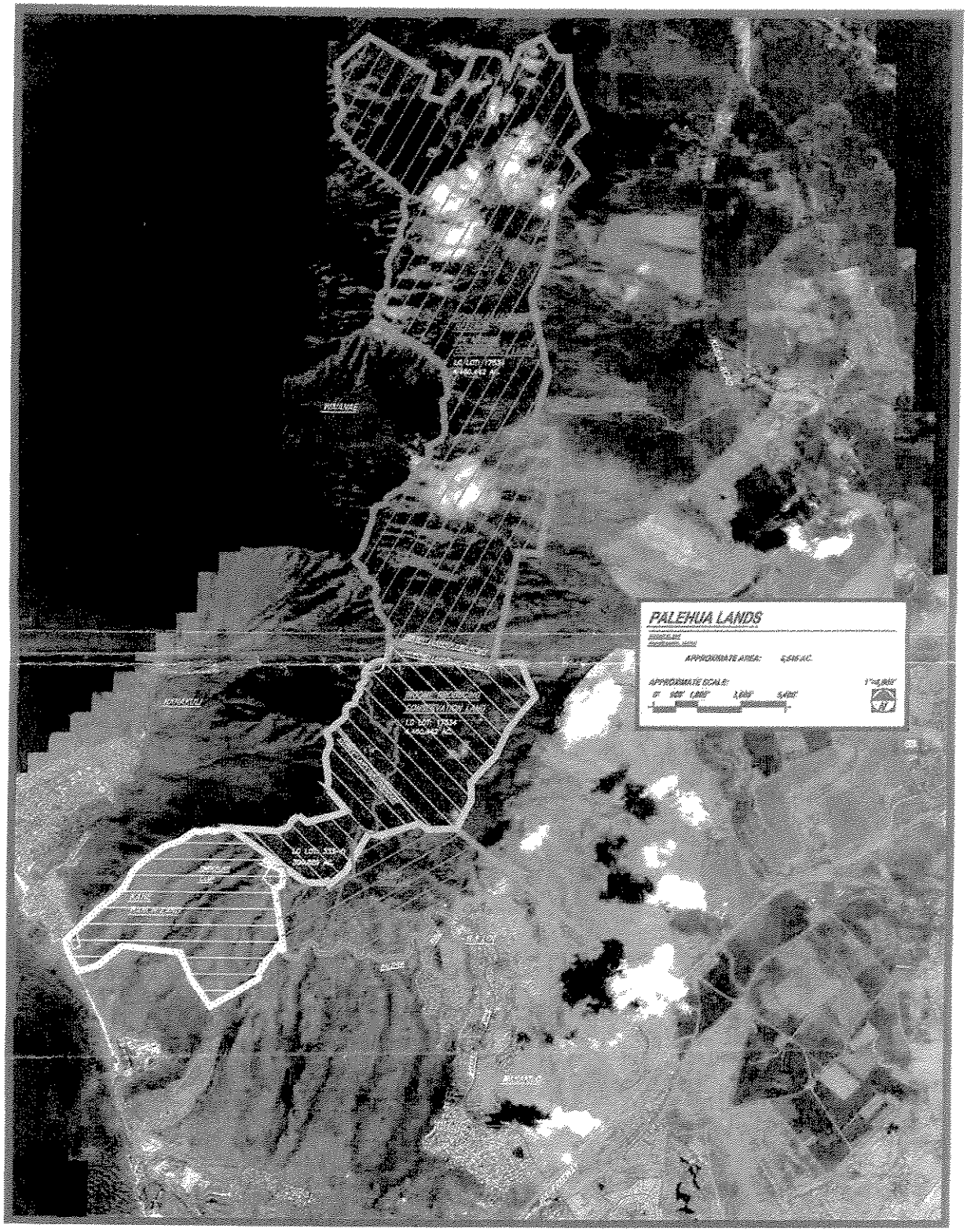
LAURA H. THIELEN, Chairperson
Board of Land and Natural Resources

Attachment I

Legacy Land Conservation Commission Project Rankings, Fiscal Year 2009

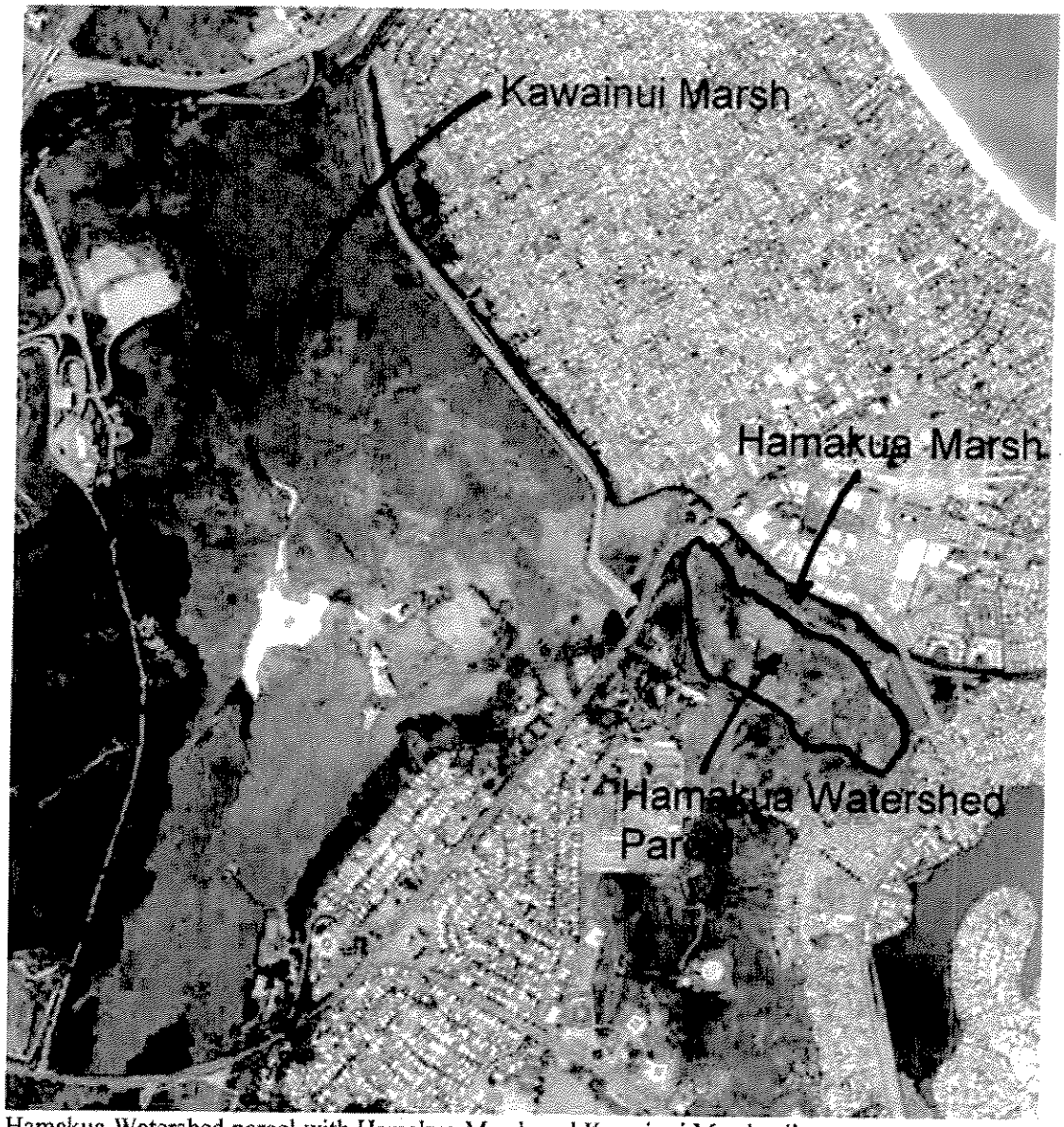
RANK	Agency/ NPO	Type of interest	Interest held by	Location	TMK	Size (acres)	Public access	Legacy Land Request	Total Project Costs
1	DOFAW, DLNR (Trust for Public Land)	fee	State of Hawaii	Honouliuli Preserve, Waianae Mountain Range, Island of Oahu	(1) 9-2-005:013 (portion)	3582.00	y	$537,500	$4,374,900
2	DOFAW, DLNR	fee	State of Hawaii	Hamakua hillside, Kailua, Island of Oahu	(1) 4-2-003:017	65.56	y	$450,000	$1,205,000
3	State Parks, DLNR	fee	State of Hawaii	North Kohala, Island of Hawaii	(3) 5-6-001:0051 and 0075	7.00	y	$7,000	$967,000
4	Kauai Public Land Trust	fee	County of Kauai	Black Pot Park area, Hanalei, Island of Kauai	(4) 5-5-001:011	0.74	y	$750,000	$3,300,000
5 (tied)	Center for Non-Violent Education and Action / Malu Aina	fee	Center Non-Violent Ed. & Action	Puna District, Island of Hawaii	(3) 1-7-002-016	11.14	n	$201,787.50	$269,050
5 (tied)	State Parks, DLNR (Trust for Public Land)	fee	State of Hawaii	Lapakahi, Kohala, Island of Hawaii	(3) 5-7-001:0011	17.05	y	$1,250,000	$2,541,000
6	Kona Historical Society	fee	Kona Historical Society	Kona Mauka, Island of Hawaii	(3) 8-1-004:074 (portion) once subdivided, intend to purchase Lot 3	2.11	y	$448,831	$603,800
7	Maui Coastal Land Trust	Ag. CE	North Shore Comm. Land Trust	Mauka end of the ahupua'a of Pupukea, North Shore, Island of Oahu	(1) 5-9-005:067	27.44	n	$609,425	$2,318,850


Appendix H
Legend
Honouliuli Preserve (The Nature Conservancy)
Schofield Barracks (West Range)
South Range (Recent Army Acquisition)
Nanakuli Forest Reserve (State of Hawaii)

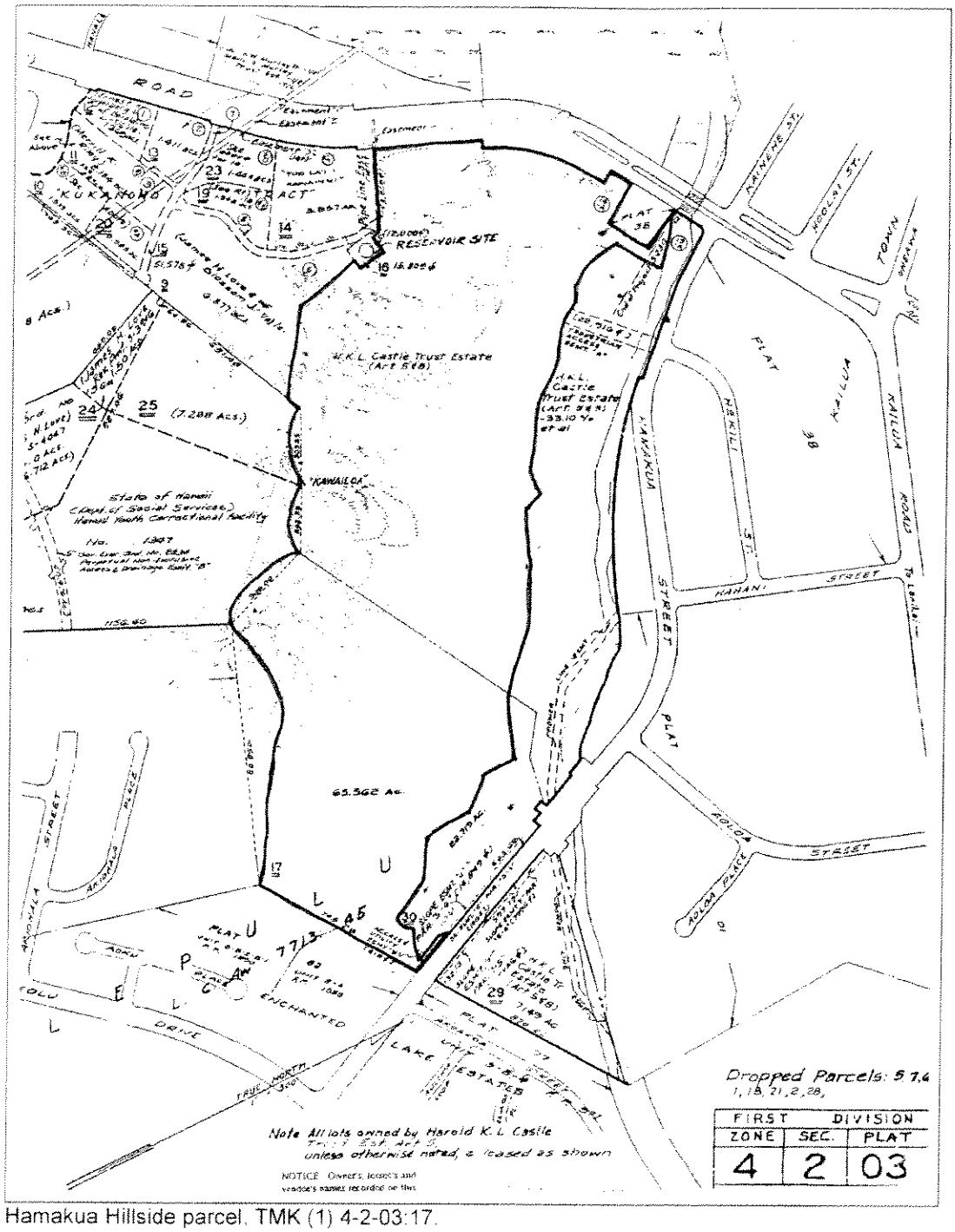


APPENDIX I: LAND FOR SALE BY JAMES CAMPBELL COMPANY LLC

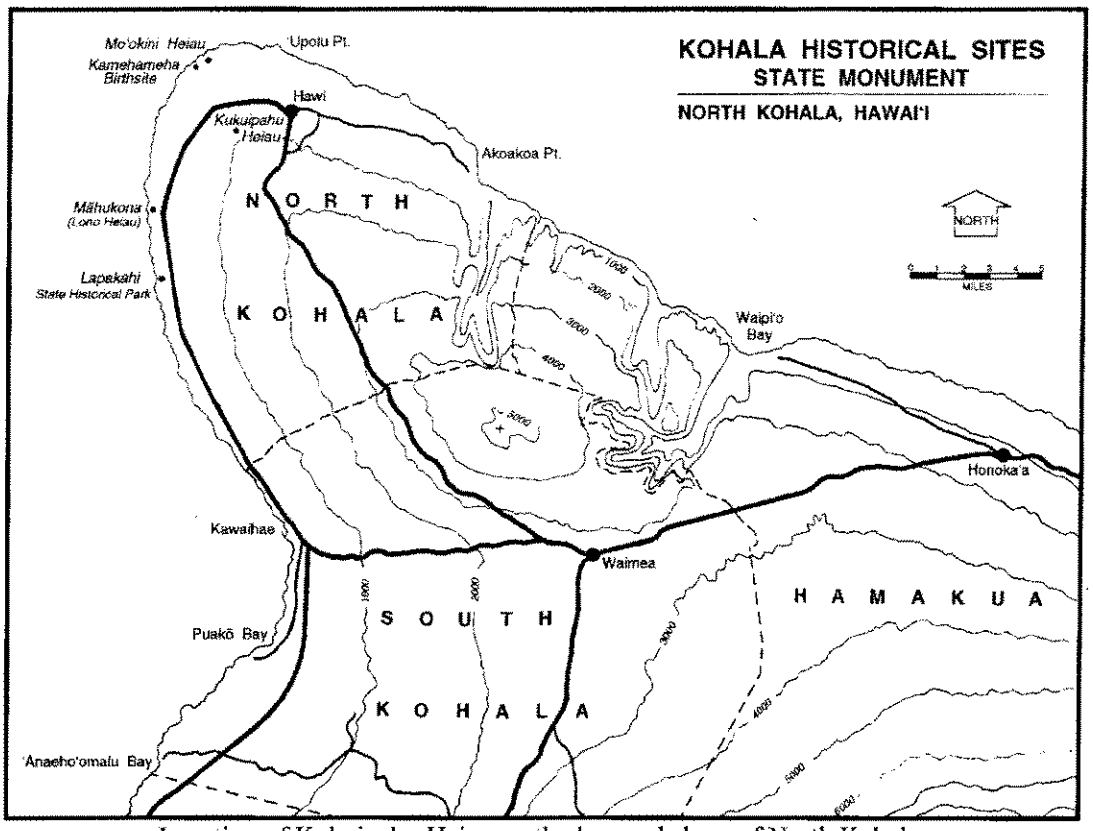
GENERAL LOCATION MAP



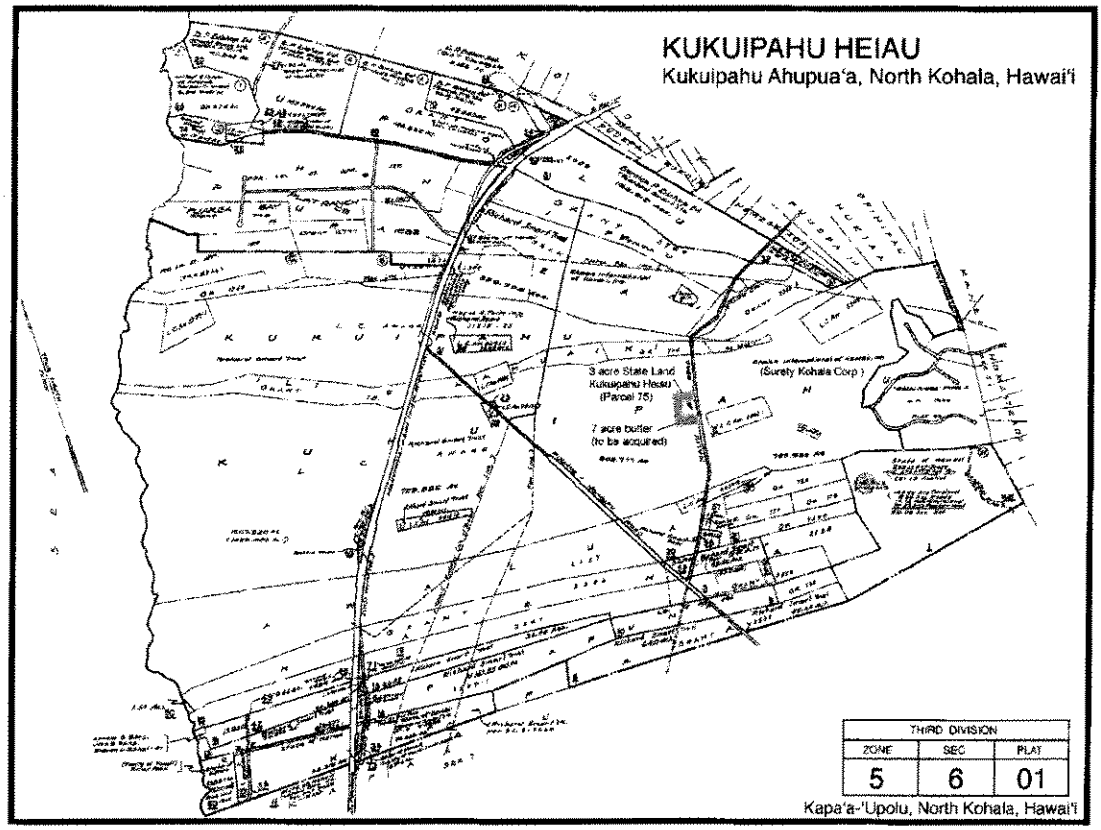
Hamakua Watershed parcel with Hamakua Marsh and Kawainui Marsh adjacent.



Hamakua Hillside parcel, TMK (1) 4-2-03:17.

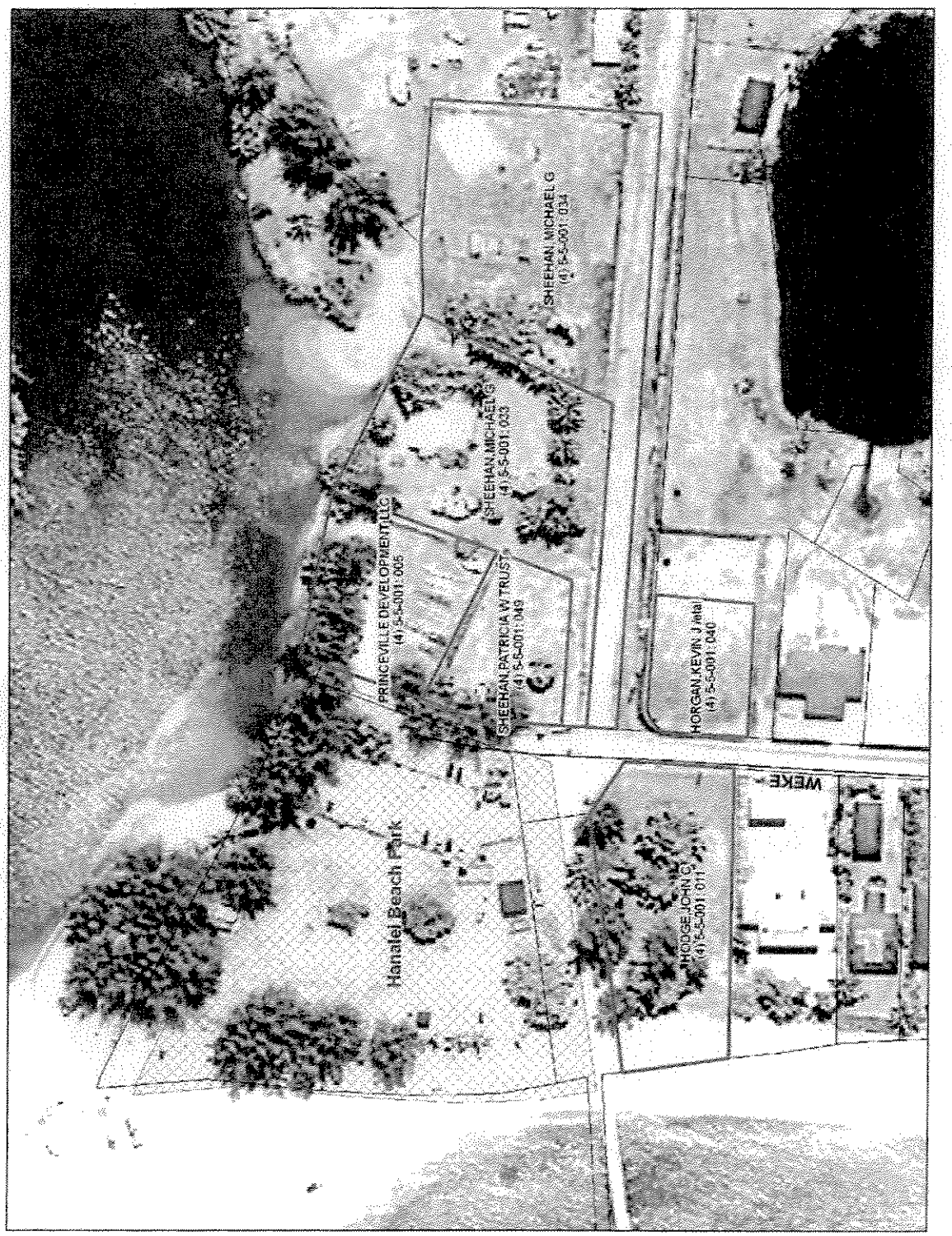


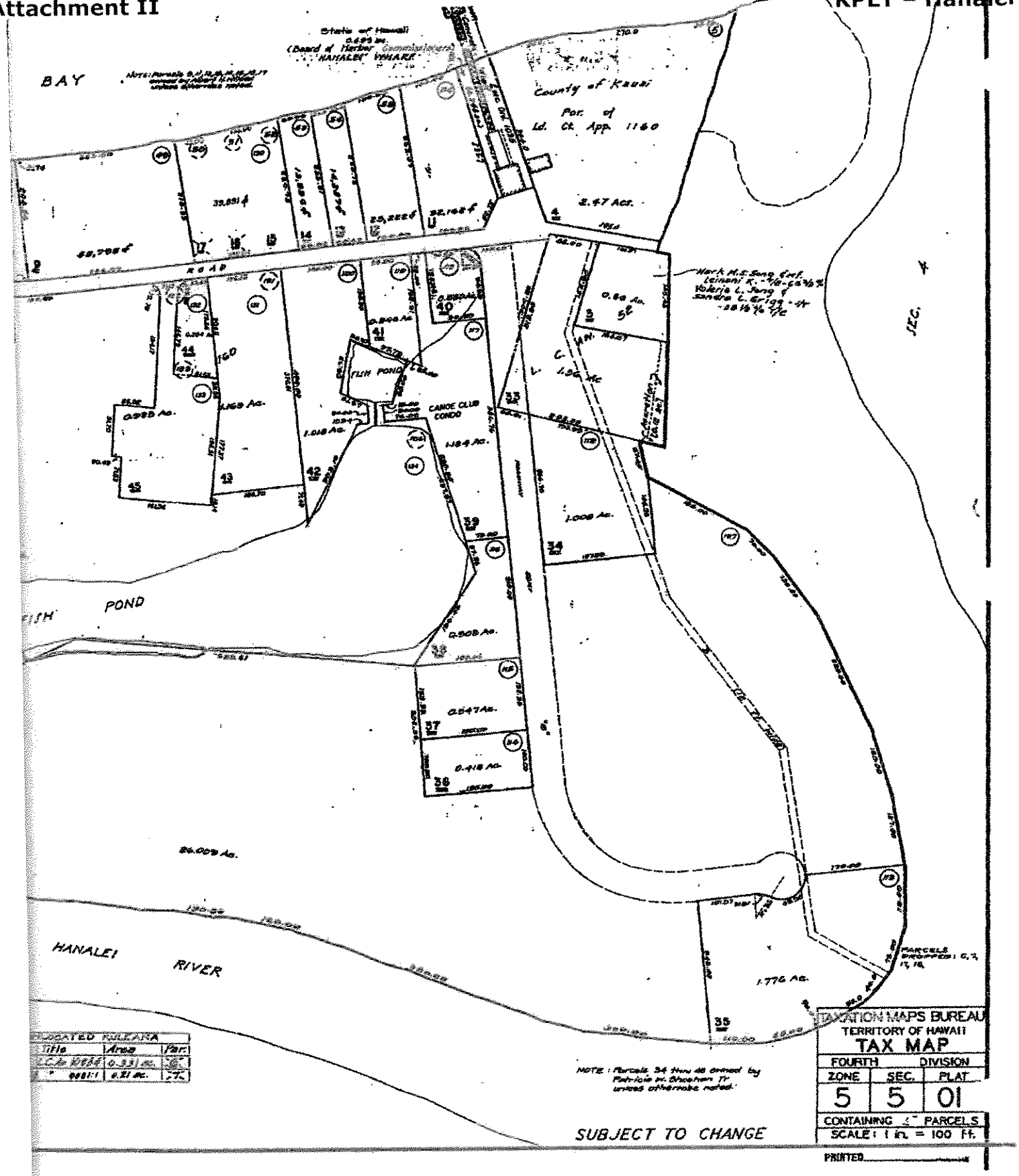
Location of Kukuipahu Heiau on the leeward slope of North Kohala.



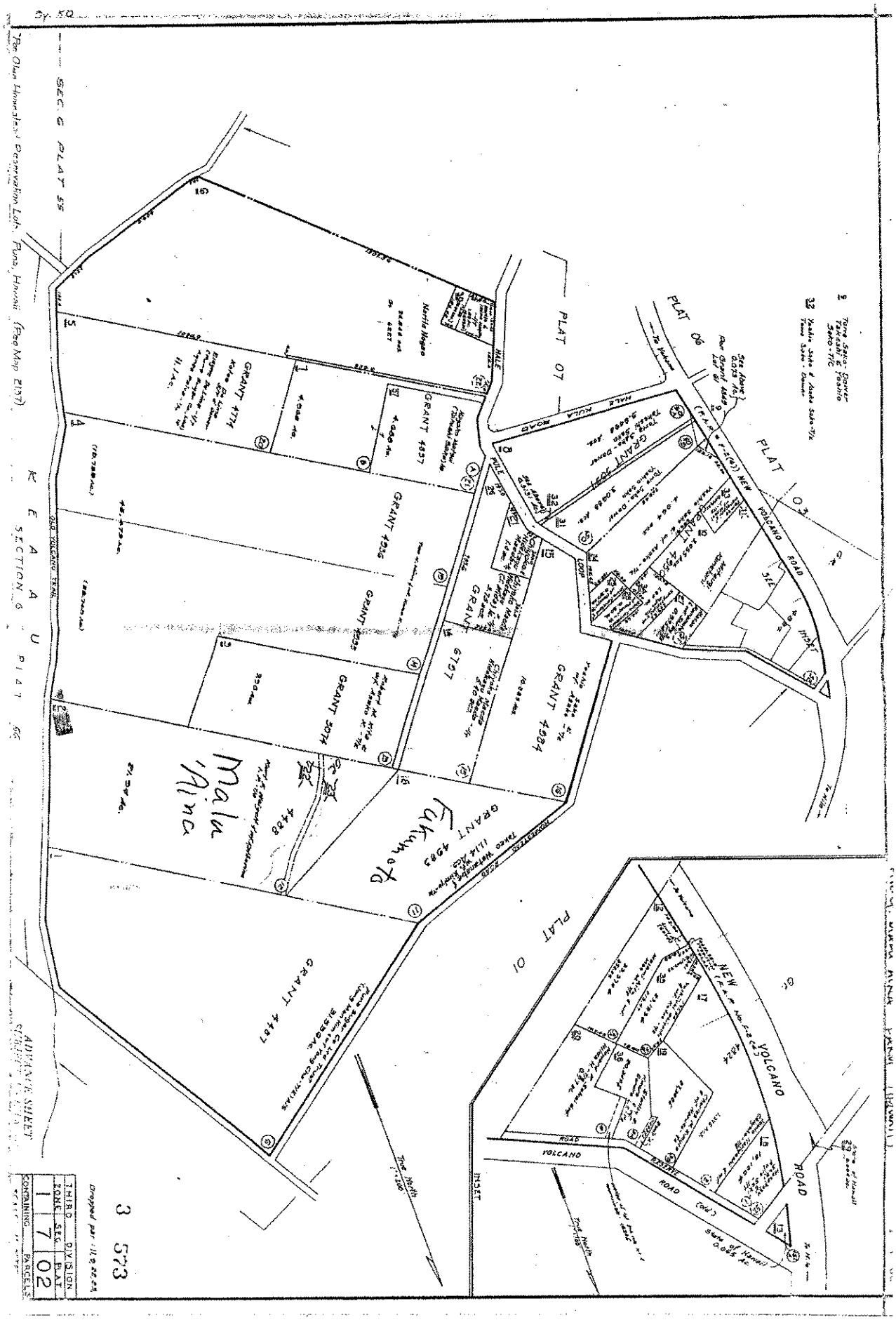
Kukuipahu Heiau parcel adjacent to Maliu Road in the uplands of the Kukuipahu *ahupua 'a*.

Black Pot Park Expansion
Current Priority: 2




BAY
State of Hawaii
HANALEI WHARF
County of Kauai
Por. of
Ld. Ct. App. 1160
2.47 Acs.
ROAD
FISH POND
CANOE CLUB CONDO
1.184 Ac.
1.008 Ac.
0.508 Ac.
0.547 Ac.
0.418 Ac.
26.009 Ac.
1.776 Ac.
FISH POND
HANALEI RIVER
SEC. 4
PARCELS DROPPED: 6, 7, 17, 18
NOTE: Parcels 34 thru 46 owned by Patricia W. Sheehan Jr. unless otherwise noted.
SUBJECT TO CHANGE
TAXATION MAPS BUREAU
TERRITORY OF HAWAII
TAX MAP
FOURTH DIVISION
ZONE 5
SEC. 5
PLAT 01
CONTAINING 4 PARCELS
SCALE: 1 in. = 100 ft.
PRINTED

TMK MAP


SEC. 6 PLAT 55
KEAAU SECTION 6 PLAT 56
PLAT 07
PLAT 06
PLAT 03
PLAT 01
GRANT 4487
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GRANT 4983
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GRANT 4985
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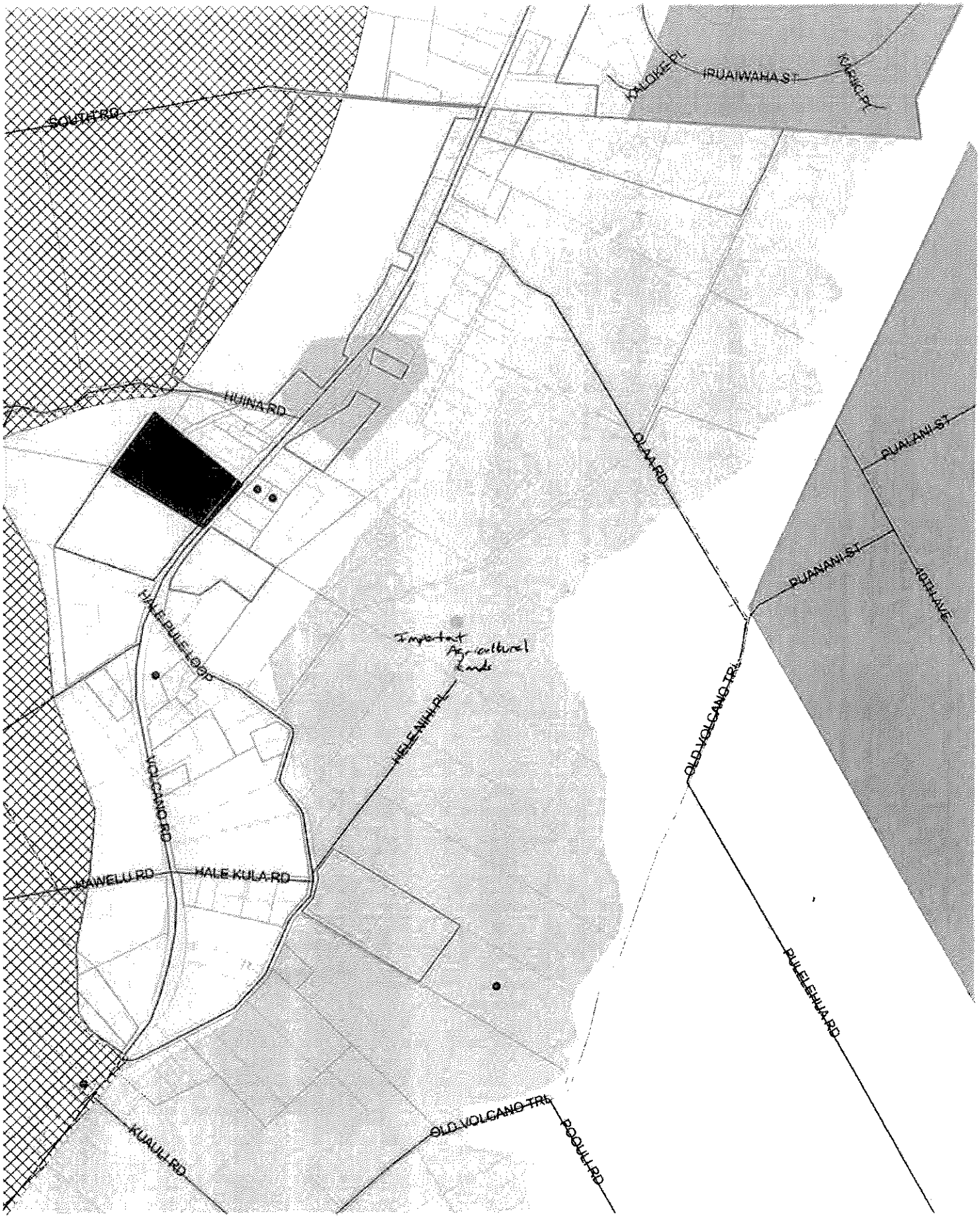


LUPAG (General Plan)

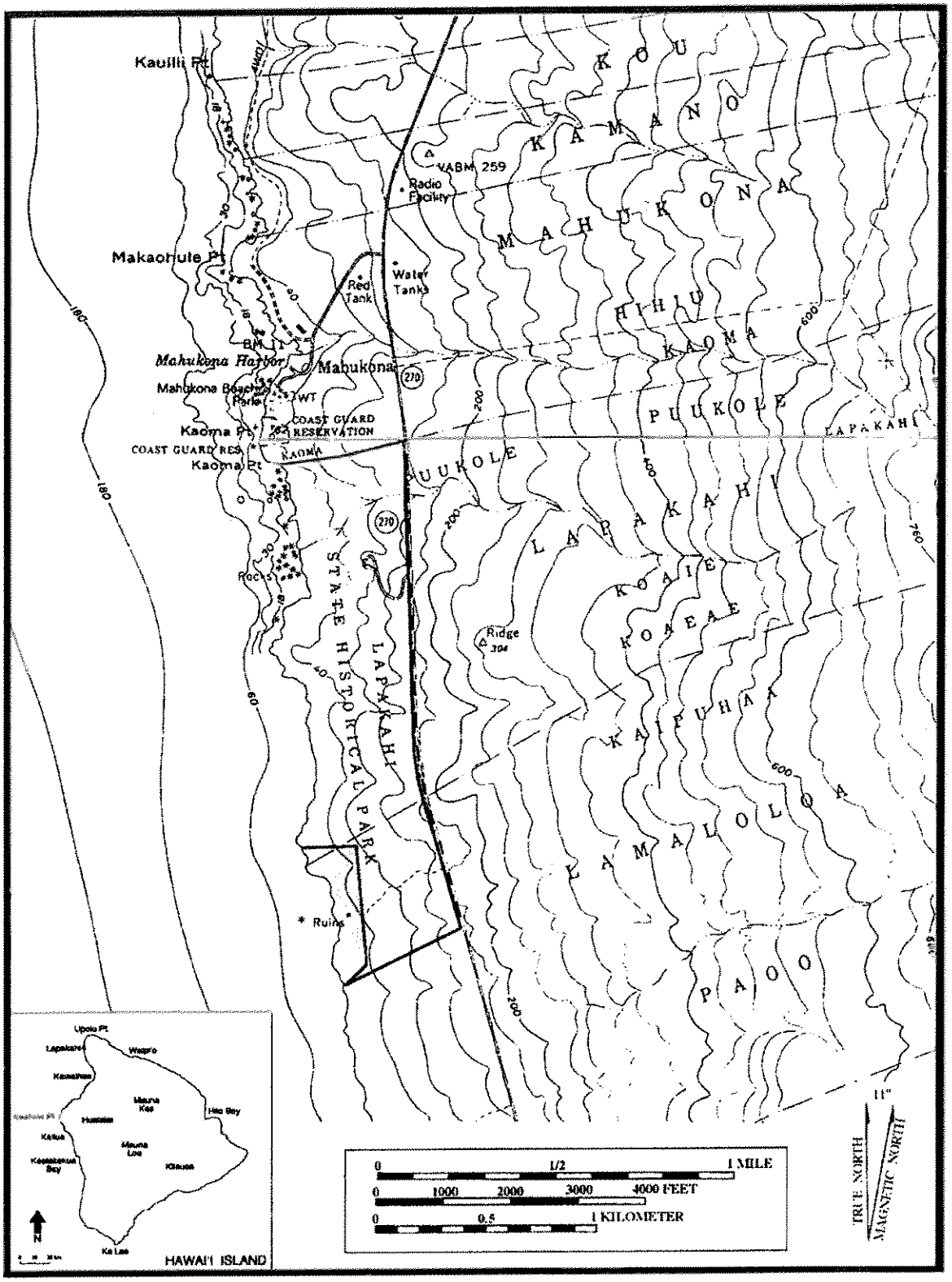


Fig. 1: Location of subject property at southern end of Lapakahi State Historical Park.

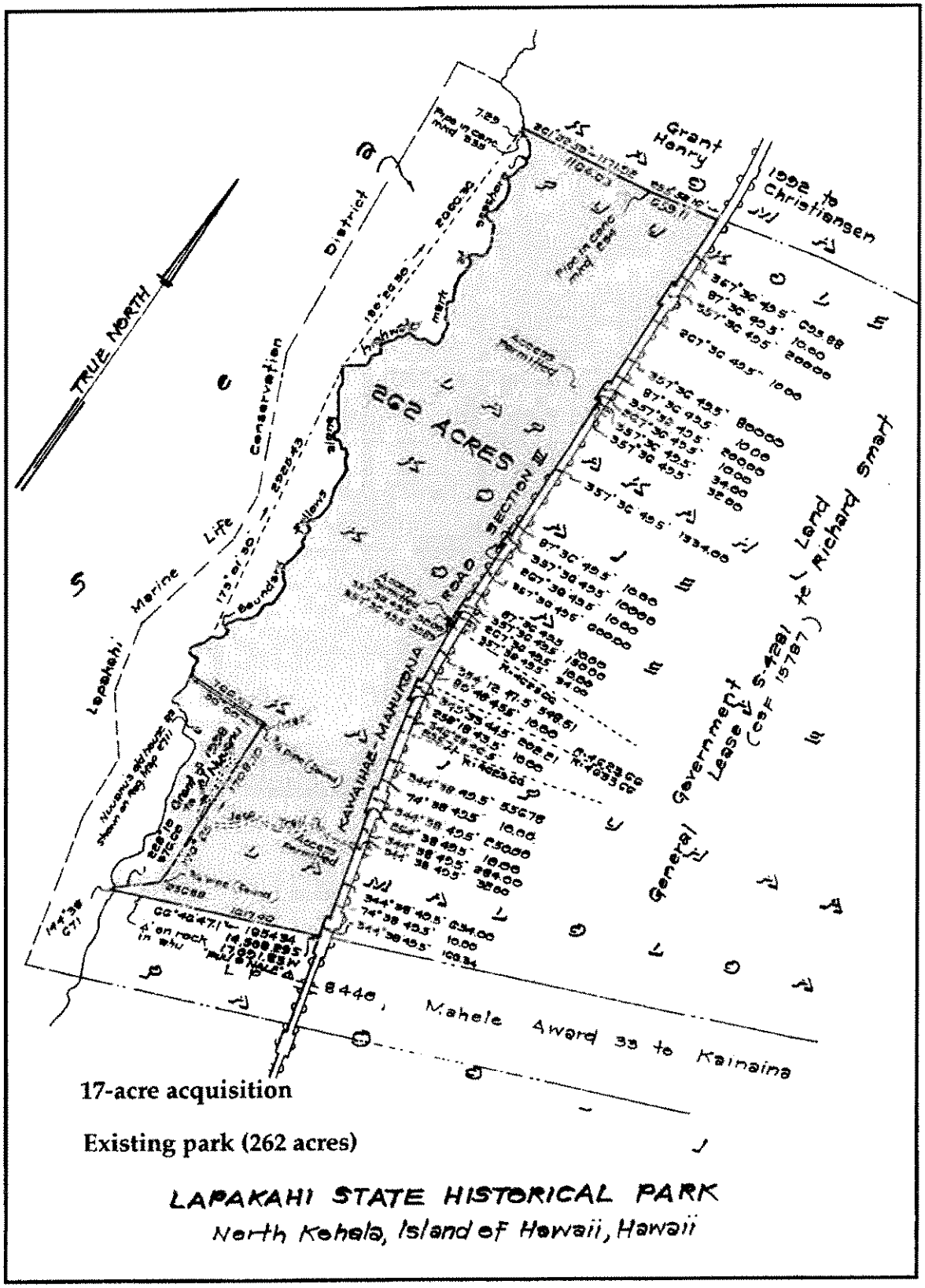
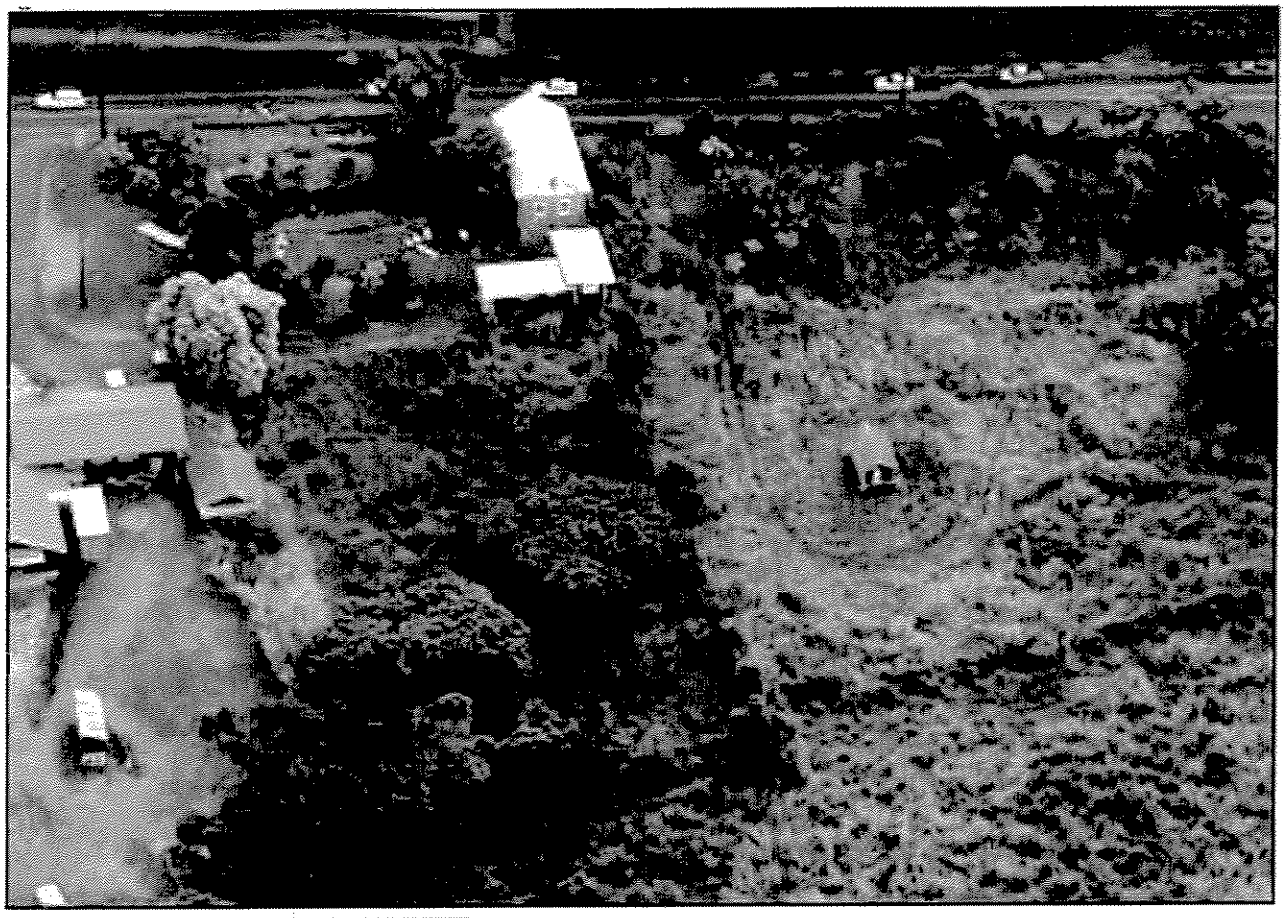
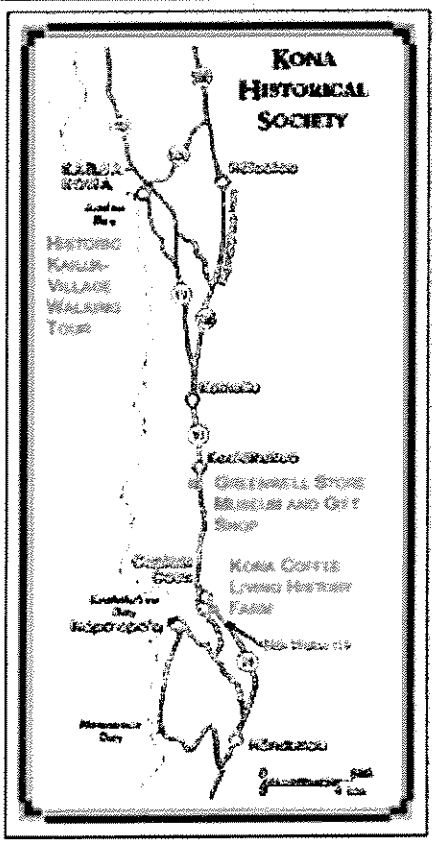
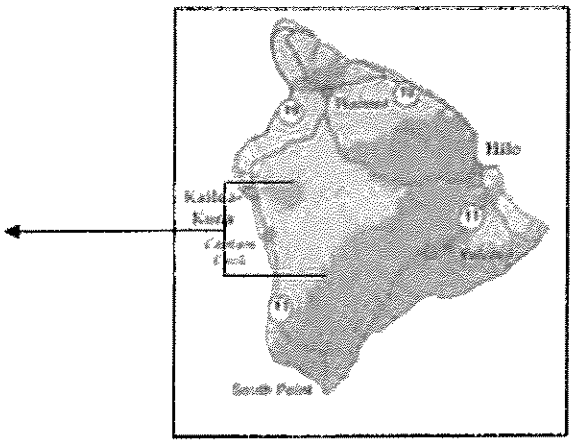


Fig. 2: Property map showing 17-acre parcel proposed for acquisition and bounded by Lapakahi State Historical Park and Lapakahi MLCD.

Kona Historical Society
Legacy Lands Proposal, 2008

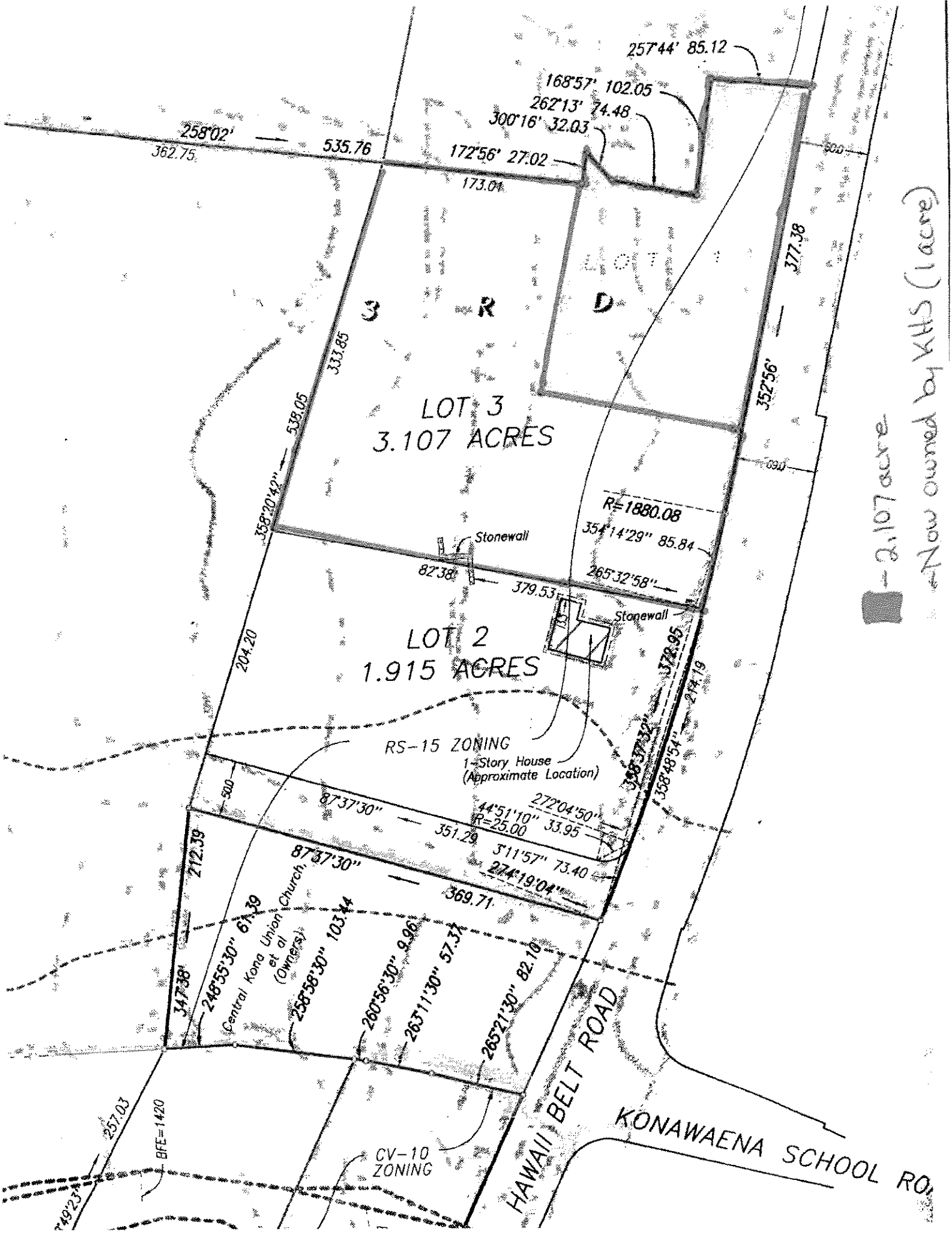




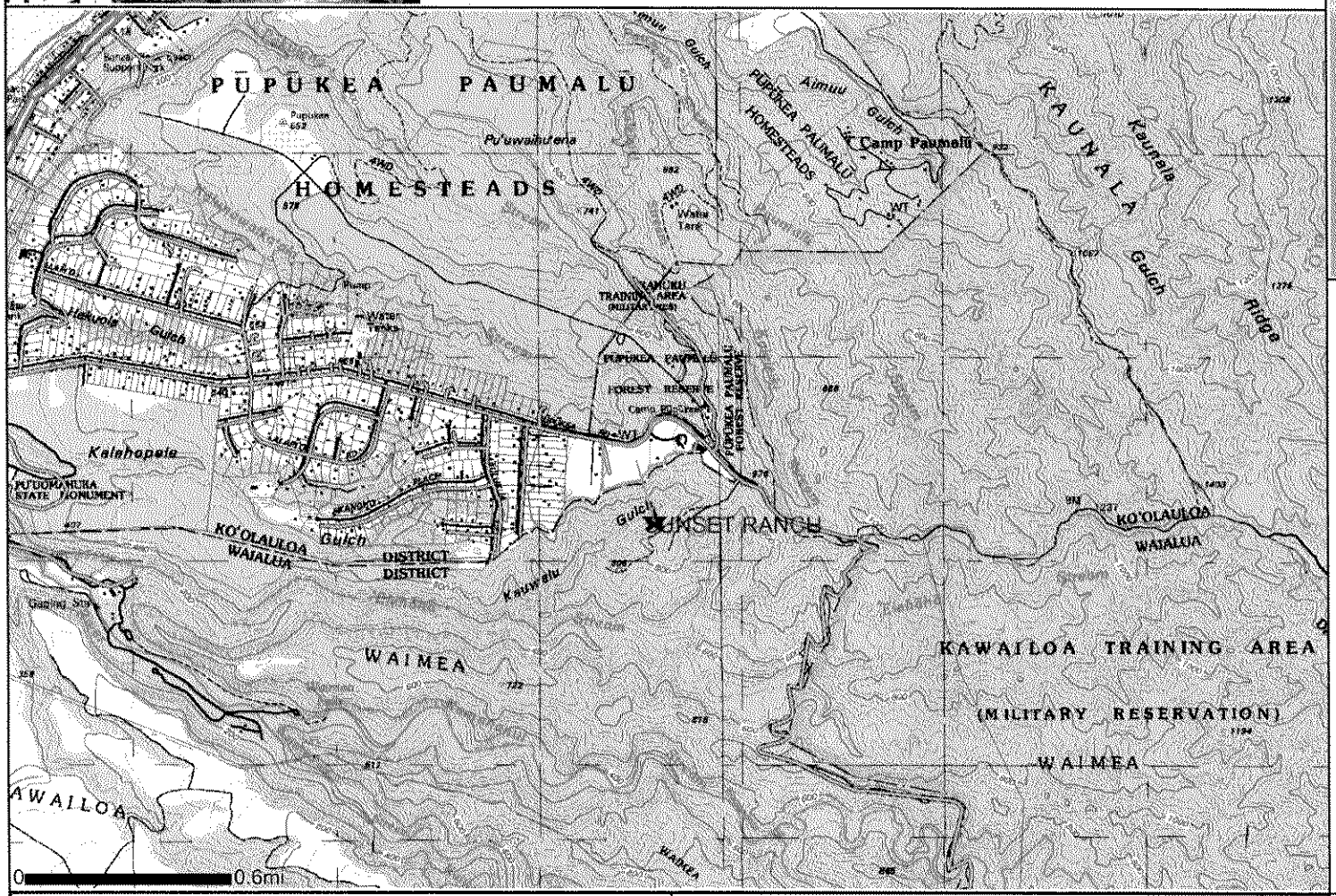


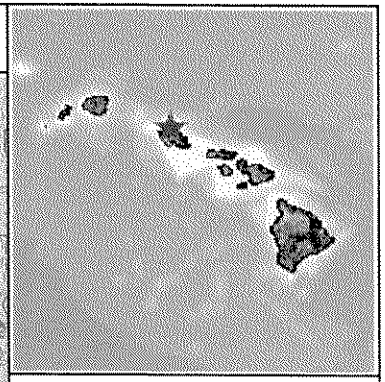
Attachment II

KHS – Kona Mauka



SUNSET RANCH GENERAL LOCATION MAP





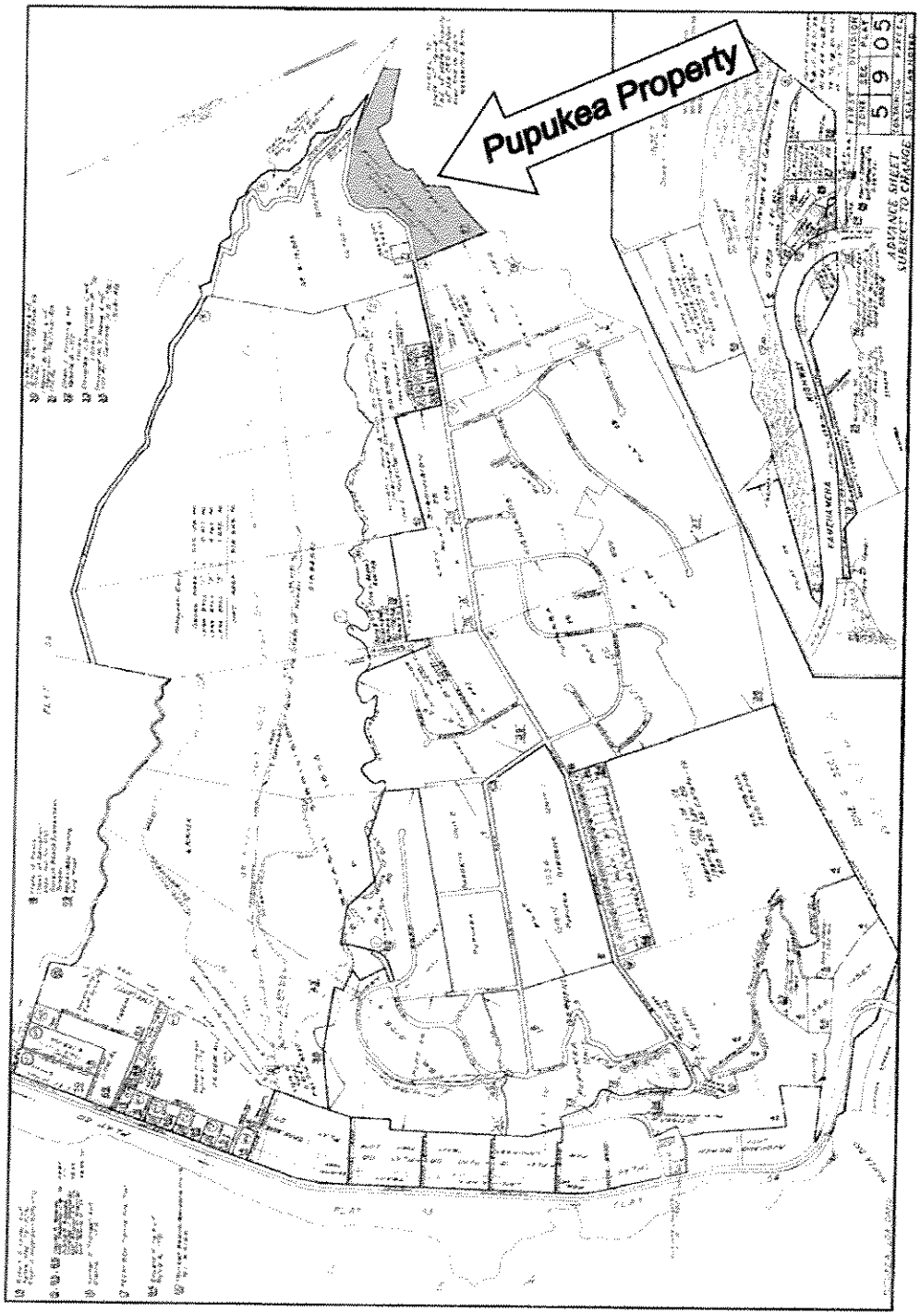
Major Roads
Streets
Statewide TMKs

This map is a user generated static output from the Hawaiian Islands WebGIS service provided by the Pacific Basin Information Node and the Hawaii Biodiversity and Mapping Program and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION. Use and distribution of this map subject to copyright and disclaimer notices at http://hbmp.hawaii.edu.

Sunset Ranch (TMK 5-9-05:067) is 27.44 acres and is located at 59-717 Pupukea Rd. LUC: Agriculture. Zaoned: Ag-2. It is at the mauka end of Pupukea Rd looking over Waimea Valley.

N

Map Scale
1 : 32000


Pupukea Property

Attachment III

43573

HOUSE OF REPRESENTATIVES

STATE OF HAWAII
STATE CAPITOL
HONOLULU, HAWAII 96813

RECEIVED
'09 JAN -6 A8:06
DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

December 30, 2008

RECEIVED
LAND DIVISION
2009 JAN -9 A 10:19
DEPT. OF LAND &
NATURAL RESOURCES
STATE OF HAWAII

Ms. Laura H. Thielen, Chairperson
Board of Land and Natural Resources
State of Hawaii
P.O. Box 621
Honolulu, HI 96809

Dear Chairperson Thielen:

Chapter 173A, Hawaii Revised Statutes, imposes upon the Senate President and House Speaker the duty of providing advice to the Board of Land and Natural Resources before certain actions may be taken with respect to the acquisition of land having resource value to the State.

To fulfill this duty, we have reviewed the Legacy Land Commission's list of recommended grants from the land conservation fund in fiscal year 2008-09 for the acquisition of such lands. In addition, Senate Vice President Russell S. Kokubun and the Speaker have discussed the recommendations with a Commission member, staff, and yourself.

Based on the review, discussion, and Senate Vice-President's advice, we agree with the Commission that the following eight grants be funded:

(1) Division of Forestry and Wildlife, Department of Land and Natural Resources (DLNR) -- $450,000 for the acquisition of 65.56 acres near Hamakua Marsh, Kailua, Island of Oahu;

(2) Kona Historical Society -- $448,831 for the acquisition of 2.11 acres in Kona Mauka, Island of Hawaii;

(3) Kauai Public Land Trust -- $750,000 for the acquisition of 0.42 acres near Hanalei River, Hanalei, Island of Kauai, to be held by the County of Kauai;

Attachment III

(4) Center for Non-Violent Education and Action/Malu Aina -- $201,788 for the acquisition of 11.14 acres in Puna, Island of Hawaii;

(5) Maui Coastal Land Trust -- $609,425 for the acquisition of a conservation easement over 27.44 acres in Pupukea, Island of Oahu, to be held by the North Shore Community Land Trust;

(6) Division of State Parks, DLNR -- $7,000 for the acquisition of seven acres in North Kohala, Island of Hawaii;

(7) The Trust for Public Land -- $537,500 for the acquisition of 3,582 acres in Honouliuli, Island of Oahu, to be held by the State of Hawaii;

(8) The Trust for Public Land -- $1,250,000 for the acquisition of 17.05 acres near Lapakahi, Kohala, Island of Hawaii, to be held by the State of Hawaii.

Thank you for the opportunity to provide these recommendations. If we may be of further assistance, please feel free to contact us.

Sincerely,

COLLEEN HANABUSA, President
Senate
State of Hawaii

CALVIN K.Y. SAY, Speaker
House of Representatives
State of Hawaii