STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

December 9, 2010

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No: 08od-069

OAHU

Amend Prior Board Action of October 24, 2008, Item D-9; Approval in Principle of Direct Lease to Pacific Gateway Center for Multi-Purpose Keehi Community Resource Center and Related Programs Purposes, Honolulu, Oahu, TMK: (1) 1-1-3:3, 204, 205, 206, 207, 211, 212, 138.

BACKGROUND:

On October 24, 2008, under agenda item D-9, the Board approved in principle the issuance of a direct lease to the Pacific Gateway Center (PGC) for multi-purpose Keehi Community Resource Center and related programs purposes. Under the 2008 approval, PGC was required to meet the requirement of the environment assessment statutes, obtain Special Management Area permit and Zoning (Use) Variance from the county prior to the Board final disposition of a direct lease. A copy of the approved submittal is attached as Exhibit A.

REMARKS:

By copy of letter dated November 2, 2010, PGC requests another twelve months to complete the process required by the Board. Staff notes that PGC is soliciting comments from other agencies on its environment assessment, and staff has no objection to the request.

RECOMMENDATION: That the Board:

1. Amend its prior Board action of October 24, 2008, Item D-9 by revising Recommendation 1.A and B as follow:

   "A. At its own cost The Pacific Gateway Center shall pursue satisfactory compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu, within ~~twenty-four (24)~~ thirty-six (36) months of the Land Board's approval;

B. Should The Pacific Gateway Center fail to obtain satisfactory compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu, within ~~twenty-four (24)~~ thirty-six (36) months, the Land Board's approval shall be considered rescinded;"

2. All terms and conditions listed in its October 24, 2008, Item D-9 approval to remain the same.

Respectfully Submitted,

Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson

080D-069

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

October 24, 2008

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.:080D-069

OAHU

Approval in Principle of Direct Lease to The Pacific Gateway Center for Multi-Purpose Keehi Community Resource Center and Related Programs Purposes, Honolulu, Oahu, Tax Map Keys: (1) 1-1-3:3, 204, 205, 206, 207, 211, 212, 138.

APPLICANT:

The Pacific Gateway Center, a Hawaii non-profit whose mailing address is 720 North King Street, Honolulu, Hawaii 96817.

LEGAL REFERENCE:

Section 171-43.1, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of reclaimed lands at Keehi Lagoon, Moanalua, Oahu, identified by Tax Map Keys: (1) 1-1-3:3, 204, 205, 206, 207, 211, 212, 138, as shown on the attached map labeled Exhibit A.

AREA:

13.080 acres, more or less.

ZONING:

State Land Use District:	Urban/Conservation
City & County of Honolulu CZO:	P-1 Restricted
	P-2 General

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ____ NO ___x_

CURRENT USE STATUS:

Encumbered by Revocable Permit No. S-7212, Hawaii All Star Paintball Games, LLC, Permittee, for commercial recreational

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON
October 24, 2008

D-9

EXHIBIT "A"

activities (paintball games).

CHARACTER OF USE:

Multi-Purpose Keehi Community Resource Center and related programs.

LEASE TERM:

Sixty-five (65) years

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

ANNUAL RENT:

To be determined upon final submittal to the Land Board upon satisfactory compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu.

METHOD OF PAYMENT:

Semi-annual payments, in advance.

RENTAL REOPENINGS:

To be determined upon final submittal to the Land Board upon satisfactory compliance with Chapter 343.

PERFORMANCE BOND:

Twice the annual rental amount.

PROPERTY CHARACTERISTICS:

Utilities - Electricity
Slope - Gently sloping to nearly level.
Elevation - Less than 20 feet above sea level.
Rainfall - 24 inches distributed throughout the year.
SCS Soil Series - Fill land, mixed (FL)
Land Study Bureau - Urban
Legal access to property - via Nimitz Highway

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This is a request for the Land Board's approval in principle of a lease to The Pacific Gateway Center and authorization for The Pacific Gateway Center to comply with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu.

DCCA VERIFICATION:

Place of business registration confirmed:	YES	x	NO	
Registered business name confirmed:	YES	x	NO	
Applicant in good standing confirmed:	YES	x	NO	

APPLICANT REQUIREMENTS:

Applicant shall be required to:

1) Prepare and process, at its own cost, all necessary studies and documentation for compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu.

BACKGROUND:

During the recent 2008 legislature, three resolutions appeared requesting the Board of Land and Natural Resources to lease approximately 13.2 acres of State-owned public land near Ke'ehi Lagoon. HR 59, HCR 68 and SCR 119. A copy of a resolution is attached as Exhibit B and the Departments' testimony as Exhibit C. None of the resolutions were passed.

Staff met with representatives from The Pacific Gateway Center (PGC) and Honolulu Community Action Program, Head Start (HCAP) and explained our concerns. PGC and HCAP were told they needed to do some due diligence work before the Department would consider processing a long-term lease request. Namely they should meet with State Department of Transportation, Highways Division staff concerning access and egress from the State properties onto Nimitz Highway. The State Department of Transportation, Airports Division staff because there is an avigation easement over the State properties that could restrict certain construction and activities on the State properties. The City & County of Honolulu, Department of Planning & Permitting staff because the State properties are zoned preservation and it may require rezoning or that the City may deny approvals. Lastly, meet with construction experts because the State properties are filled land and constructing several buildings may become difficult and expensive. Staff suggested they look at other vacant State properties.

After meetings with government representatives, conducting site visits and inquiries, PGC met with their Directors and have decided they are interested in leasing the State properties in Keehi.

DISCUSSION:

PGC and HCAP currently rent properties that are in deteriorating condition. PGC headquarters is currently located on a property owned by St. Elizabeth's Episcopal Church. Head Start headquarters is currently located on property owned by the State Department of

Transportation (DOT). DOT notified them they have to vacate the Kapalama Military Reservation location within 2 years.

A brief background of each non-profit organization follows. PGC's objectives is to help immigrants, refugees and low-income residents gain access to opportunities and services through the building of skills that lead to self-sufficiency while respecting the integrity of diverse cultural heritages. Social services provided by PGC include: Hawaii Language Bank, Immigrant Youth Program, Employment Core Services for Immigrants, Refugee Resettlement & Matching Grant, Foodbank, and Emergency Rental Assistance. Employment and training service programs include: Employment Core Services for Low Income, Small Business Management Training, English as a Second Language Training and Kitchen Incubator Training.

HCAP's objectives are personal growth and development through quality early childhood education with the most immediate specific objective being school readiness for kindergarteners and first graders. Head Start provides a comprehensive high quality preschool program for qualifying children, and provides education, social, and health resources and referral services to their families. The program also assists families to identify and plan objectives to meet their goals.

As advised, PGC has met with the State Department of Transportation, Highways Division staff and the City & County of Honolulu, Department of Planning & Permitting staff. They understand there are various hurdles to overcome and they are not going into this blindly.

PGC qualifies for a direct lease as a non-profit pursuant to Section 171-43.1, Hawaii Revised Statutes, as amended and has provided evidence of their 501(c)(3) status.

PGC has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

If Land Board approval in principle is obtained, PGC will pursue compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu.

CONCLUSION:

PGC is committed to helping immigrants, refugees, and low-income residents gain access to opportunities and services by fulfilling skills that lead to self-sufficiency within the community. HCAP is committed to strengthening families through early childhood education, ongoing parent education, and parent policy council leadership opportunities within the community. Both non-profit organizations are qualified to obtain a direct lease from the State. It is our understanding PGC will be responsible for the long-term

lease from the State. PGC will undertake whatever is necessary to comply with all municipal, state, and federal laws applicable to the subject State properties. Upon Land Board approval of this request, PGC can start its fundraising efforts. Staff is recommending approval.

RECOMMENDATION: That the Board:

1. Approve in principle, a new direct lease to The Pacific Gateway Center, subject to the following:

   A. At its own cost The Pacific Gateway Center shall pursue satisfactory compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu, within twenty-four (24) months of the Land Board's approval;

   B. Should The Pacific Gateway Center fail to obtain satisfactory compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu, within twenty-four (24) months, the Land Board's approval shall be considered rescinded;

   C. The Pacific Gateway Center acknowledges the following:

      i) All costs associated with the necessary compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu, shall be borne by The Pacific Gateway Center;

      ii) That this action is an approval in principle and does not provide any assurance of a direct lease and such approval of a direct lease shall be subject to consideration by the Land Board under a separate action after satisfactorily complying with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu;

      iii) That there has been no representations or assurance made regarding the annual rent to be paid under a direct lease. The Pacific Gateway Center agrees to provide a proposal for rent and justification for such rent in connection with the Land Board's final consideration of a direct lease after satisfactorily compliance with Chapter 343, Hawaii Revised Statutes, Shoreline Management Area Permit (SMA), and Zoning (Use) Variance from the City & County of Honolulu.

D. Authorize The Pacific Gateway Center to act as agent of the landowner, State of Hawaii to process Shoreline Management Area Permit (SMA) and Zoning (Use) Variance of the subject lands.

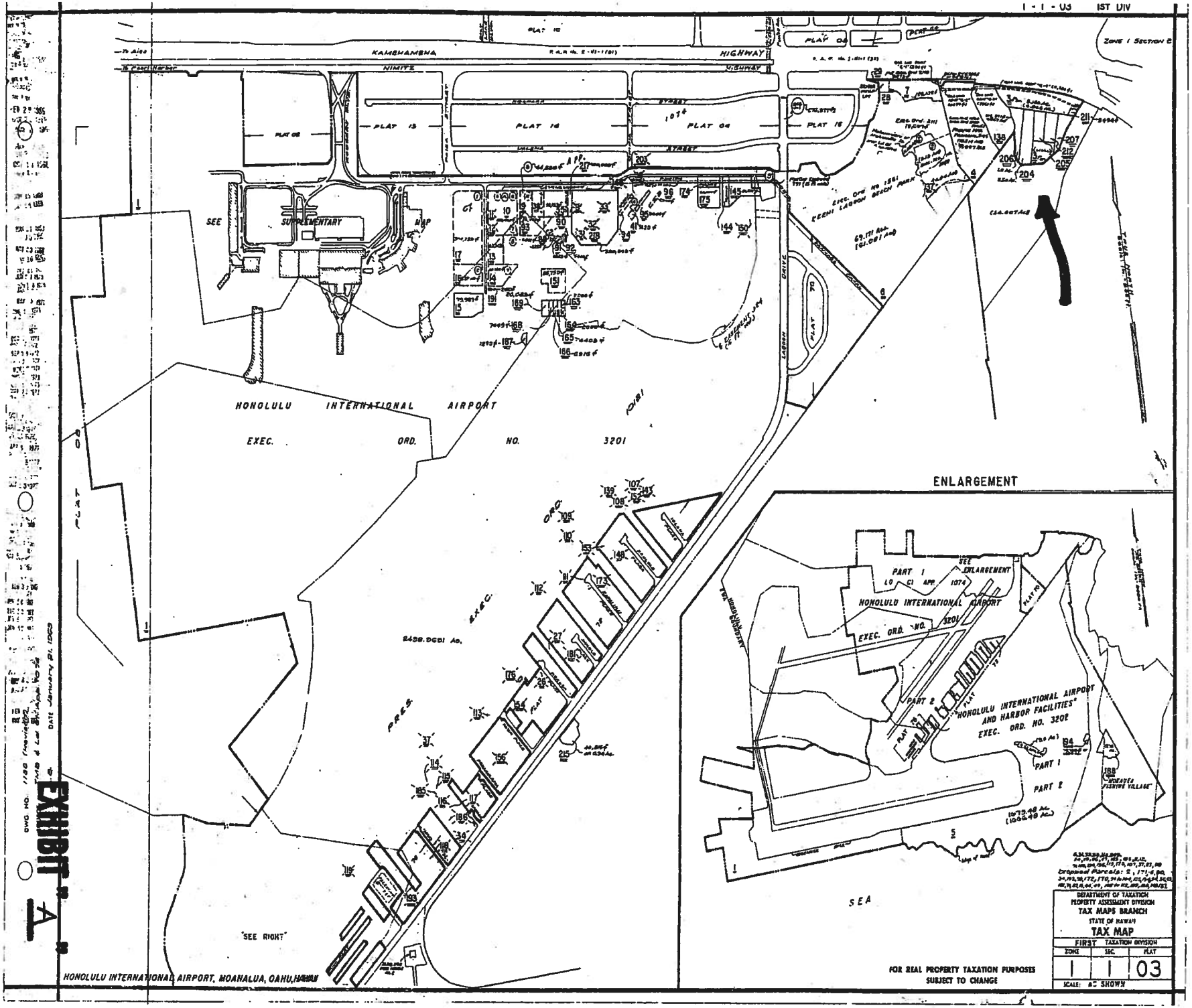
E. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

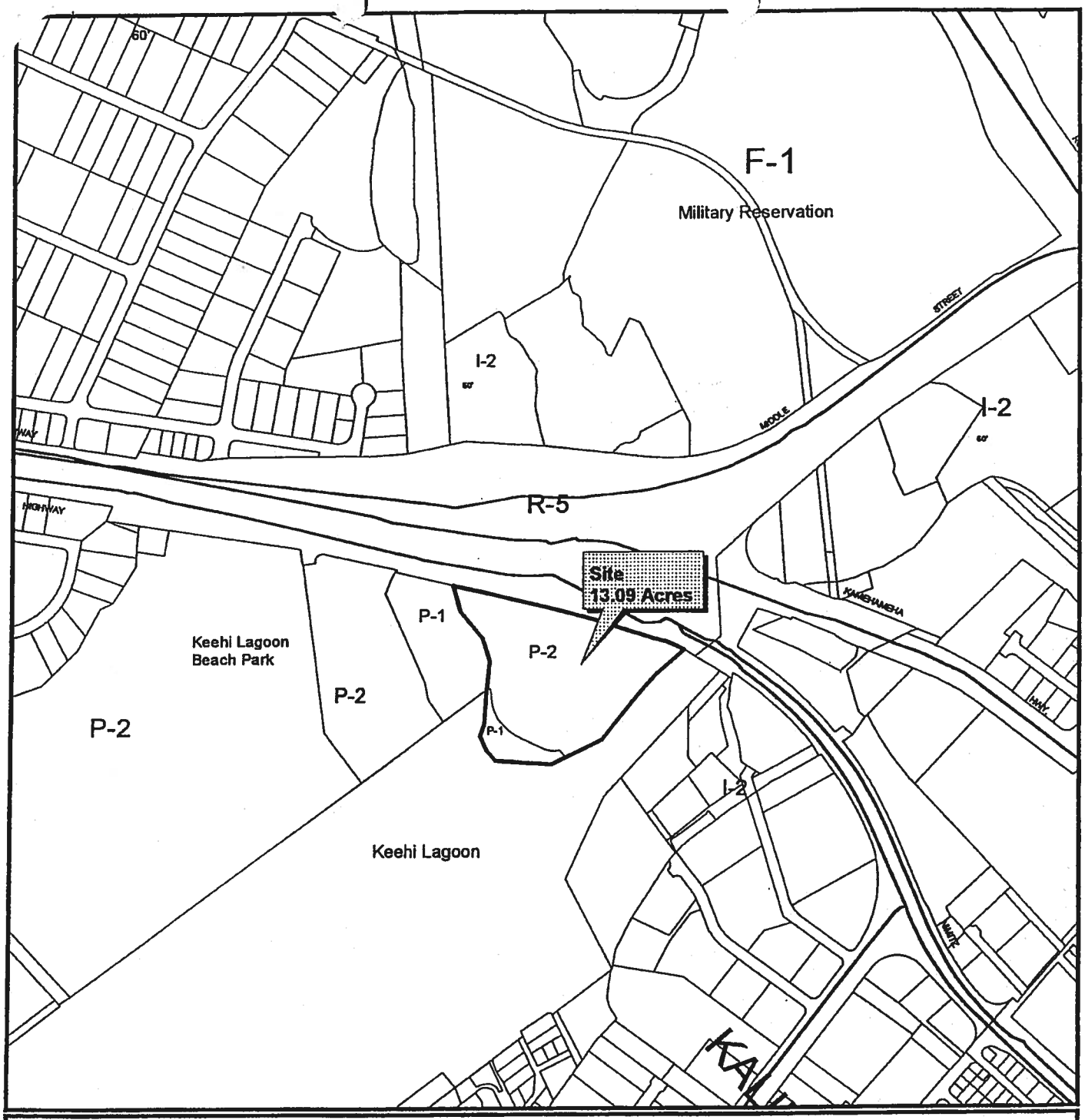
Respectfully Submitted,

Charlene E. Unoki
Assistant Administrator

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson


1 - 1 - 03 1ST DIV
KAMEHAMEHA HIGHWAY
NIMITZ HIGHWAY
PLAT 15
PLAT 14
PLAT 04
PLAT 16
PLAT 02
PLAT 03
PLAT 70
ZONE 1 SECTION 2
SEE SUPPLEMENTARY MAP
HONOLULU INTERNATIONAL AIRPORT
EXEC. ORD. NO. 3201
PRES. EXEC. ORD.
LAGOON DRIVE
ENLARGEMENT
PART 1
SEE ENLARGEMENT
HONOLULU INTERNATIONAL AIRPORT
EXEC. ORD. NO. 3201
PART 2
HONOLULU INTERNATIONAL AIRPORT AND HARBOR FACILITIES
EXEC. ORD. NO. 3202
PART 1
PART 2
SEA
"SEE RIGHT"
HONOLULU INTERNATIONAL AIRPORT, MOANALUA, OAHU, HAWAII
DEPARTMENT OF TAXATION
PROPERTY ASSESSMENT DIVISION
TAX MAPS BRANCH
STATE OF HAWAII
TAX MAP
FIRST TAXATION DIVISION
ZONE 1
SEC. 1
PLAT 03
SCALE: AS SHOWN
FOR REAL PROPERTY TAXATION PURPOSES
SUBJECT TO CHANGE
EXHIBIT "A"



Location Map

700 0 700 Feet

LOCATION MAP - MOANALUA

HONOLULU LAND INFORMATION SYSTEM
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DATA DOES NOT REPLACE SITE SURVEYS

TMK: 1-1-3: 3, 204-207, and 212

Prepared By: DEPARTMENT OF PLANNING AND PERMITTING
City & County of Honolulu

Attachment 1

Date Prepared: 06/07/2000

EXHIBIT "A"

THE SENATE
TWENTY-FOURTH LEGISLATURE, 2008
STATE OF HAWAII

S.C.R. NO. 119

SENATE CONCURRENT RESOLUTION

REQUESTING THE BOARD OF LAND AND NATURAL RESOURCES TO LEASE APPROXIMATELY 13.2 ACRES OF STATE-OWNED PUBLIC LAND NEAR KE'EHI LAGOON.

WHEREAS, the Pacific Gateway Center was founded in 1973 to help immigrants, refugees, and low-income residents of Hawaii gain access to opportunities and services by fulfilling skills that lead to self-sufficiency while respecting the integrity of diverse cultural heritages; and

WHEREAS, Oahu Head Start, founded in 1965, strengthens families through early childhood education, ongoing parent education, and parent policy council leadership opportunities; and

WHEREAS, the administrative facilities of both the Pacific Gateway Center and Head Start are extremely dilapidated, deteriorating, overcrowded, substandard, and unsafe; and

WHEREAS, because of the poor work environment, the staff are restricted and obstructed in their ability to deliver services and assist target populations that include low-income families, homeless families, recent immigrants, high school drop-outs, and abused spouses; and

WHEREAS, both of these non-profit organizations recognize that their target populations and clients share common characteristics and will benefit from the convenience of receiving services from a one-stop Ke'ehi Community Resource Center; and

WHEREAS, this comprehensive approach not only improves the delivery of program services to common target populations, but also enables the two organizations to share common costs and eliminate the unnecessary duplication of administrative overhead; and

WHEREAS, Oahu Head Start's lease for its current Kapala

EXHIBIT "B"

Military Reservation site terminates in two years; and

WHEREAS, the Pacific Gateway Center and Oahu Head Start are collaborating to develop a Ke'ehi Community Resource Center; and

WHEREAS, the Ke'ehi Community Resource Center is envisioned as a comprehensive one-stop facility that can accommodate early childhood education programs, comprehensive child care programs, workforce development training programs, food service facilities, administrative office space, and a designated area for police; and

WHEREAS, these community services are presently scattered across the City and County of Honolulu; and

WHEREAS, as planned, the Ke'ehi Community Resource Center would have a campus-like atmosphere by dividing sixty-four thousand square feet of floor area into five separate structures; and

WHEREAS, each structure would be designed in a contemporary Hawaiian manner with landscaping to beautify the surrounding area; and

WHEREAS, the Ke'ehi Community Resource Center project is estimated to cost $15,000,000 and will be funded by various sources; and

WHEREAS, approximately 13.2 acres of vacant and unimproved state-owned public land near Ke'ehi Lagoon, that is leased month-to-month, has been proposed as the location of the Ke'ehi Community Resource Center; and

WHEREAS, the 13.2 acres of state-owned public land near Ke'ehi Lagoon in question is comprised of different parcels that are known as TMK 1-1-3:30, 138, 204, 205, 206, 207, 211, and 212; and

WHEREAS, section 171-43.1, Hawaii Revised Statutes, permits the Board of Land and Natural Resources to lease public lands, by direct negotiation and for nominal consideration, to a qualifying eleemosynary organization for the organization's chartered purposes; and

WHEREAS, the Pacific Gateway Center is a qualifying eleemosynary organization; and

WHEREAS, investing in the proposed Ke'ehi Community Resource Center will result in long-term returns by reducing the costs for incarceration and public assistance as family strengthening strategies are effectively implemented by the two organizations and their community partner agencies; and

WHEREAS, the proposed Ke'ehi Community Resource Center is a worthy project for the public welfare and the state-owned public land near Ke'ehi Lagoon should be leased to the Pacific Gateway Center for the purpose of developing the Ke'ehi Community Resource Center; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fourth Legislature of the State of Hawaii, Regular Session of 2008, the House of Representatives concurring, that the Board of Land and Natural Resources is requested to lease approximately 13.2 acres of state-owned public land near Ke'ehi Lagoon to the Pacific Gateway Center for the purpose of developing the Ke'ehi Community Resource Center; and

BE IT FURTHER RESOLVED that the lease is requested to be at a nominal consideration, by direct negotiation, and without recourse to public auction pursuant to section 171-43.1, Hawaii Revised Statutes; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to Chairperson of the Board of Land and Natural Resources, Director of the Pacific Gateway Center, and Director of Oahu Head Start in Hawaii.

OFFERED BY: _____

LINDA LINGLE
GOVERNOR OF HAWAII

LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

RUSSELL Y. TSUJI
FIRST DEPUTY

KEN C. KAWAHARA
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

TESTIMONY OF THE CHAIRPERSON OF THE BOARD OF LAND AND NATURAL RESOURCES

On Senate Concurrent Resolution 119 – REQUESTING THE BOARD OF LAND AND NATURAL RESOURCES TO LEASE APPROXIMATELY 13.2 ACRES OF STATE-OWNED PUBLIC LAND NEAR KE'EHI LAGOON

BEFORE THE SENATE COMMITTEES ON WATER AND LAND and HUMAN SERVICES AND PUBLIC HOUSING

March 28, 2008

Senate Concurrent Resolution 119 requests the Board of Land and Natural Resources to lease approximately 13.2 acres of State-owned public land near Ke'ehi Lagoon. The Department of Land and Natural Resources (Department) supports the intent of this resolution to lease the state property to Pacific Gateway Center for a proposed Ke'ehi Community Resource Center but believes the request is premature due to numerous issues that require resolve prior to proceeding with a disposition of the subject property.

The Administration has met and advised Dr. Tin Myaing Thien preliminary discussions with various state and city agencies should be conducted before proceeding with this project. The state zoning is urban/conservation and the City and County of Honolulu zoning is Preservation – P-1 and P-2, and may need rezoning for development of the subject area. At a minimum, several approvals will be needed: 1) Shoreline Management Area permit, 2) Environmental assessment or environmental impact statement in compliance with Chapter 343, Hawaii Revised Statutes, and 3) Conservation District Use permit. The Department of Transportation, Highways Division, should be consulted for access and egress from the property onto Nimitz Highway. A traffic impact and analysis report will also be required. Lastly, there is a navigation easement in favor of the Department of Transportation, Airports Division, that restricts certain construction and activities on the subject lands.

EXHIBIT "e"