

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

August 26, 2011

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

PSF No.: 11HD-116

Hawaii

Sale of Lease at Public Auction for Pasture Purposes, Kaauhuhu, North Kohala, Hawaii,
Tax Map Key: 3rd/5-5-01:45

REQUEST:

Sale of lease at public auction for pasture purposes

LEGAL REFERENCE:

Sections 171-14, -14.5, -16, -17 and other applicable sections of Chapter 171, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Kaauhuhu Homesteads, Lot 15-B, Kaauhuhu, North Kohala, Hawaii, identified by Tax Map Key: 3rd/5-5-01:45, as shown on the attached map labeled Exhibit A.

AREA:

6.67 acres, more or less, subject to confirmation by the Department of Accounting and General Services, Survey Division.

ZONING:

State Land Use District: Agriculture
County of Hawaii CZO: A-3a, Agricultural District

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Vacant. Formerly encumbered under GL S-5334, Alfred A. Silva, for pasture purposes.

CHARACTER OF USE:

Pasture purposes

LEASE TERM:

Twenty (20) years

COMMENCEMENT DATE:

Sixty (60) days after the date of sale; provided that if such date is not on the first day of any month, the commencement date shall be the first day of the month following such date; and further provided that the Chairperson may amend the commencement date for good cause.

MINIMUM UPSET ANNUAL RENT:

To be determined by staff or independent appraisal establishing fair market rent, subject to review and approval by the Chairperson.

METHOD OF PAYMENT:

Semi-annual payments, in advance.

RENTAL REOPENINGS:

At the 10th year of the lease term, by staff or independent appraisal.

PERFORMANCE BOND:

Twice the annual rental amount.

PROPERTY CHARACTERISTICS:

Utilities – Water, Electricity, Phone

Slope - 11 to 20%

Elevation – 1,450 feet

Rainfall – 50 to 90 inches mean average rainfall

SCS Soil Series – Ainakea & Niulii - moderately deep to deep

Land Study Bureau – C: fair

Legal access to property – Staff has verified that there is legal access to the property off of Kohala Mountain Road.

Subdivision – Staff has verified that the subject property to be auctioned is a legally subdivided lot.

Encumbrances – Staff has verified that the property is currently unencumbered.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exemption Notification attached as Exhibit B.

REMARKS:

The property was most recently encumbered under General Lease No. S-5334 to Alfred A. Silva for pasture purposes. The duration of the lease was for a period of thirty-five (35) years from October 1, 1993 through September 30, 2028. The lease was cancelled by the Board at its meeting of February 11, 2010 under agenda item D-3 for failure to keep lease rent current. Prior to the long-term lease, Mr. Silva utilized the land for pasture under a month-to-month revocable permit.

Request for comments were distributed to various government agencies and their responses are included below.

County of Hawaii Agencies	Comments
Environmental Management	No Comments
Planning	No Objections
Police Department	No Objection
Public Works	No Response
Fire Department	No Comments
State of Hawaii Agencies	Comments
DLNR-Historic Preservation	No Response
DLNR- Forestry and Wildlife	No Comments
DLNR- Water Resource Management	No Response
DOH-Environmental Management	No Objections
DHHL	No Objections
DOT-Highways Division	Comments below
Other Agencies	Comments
Office of Hawaiian Affairs	No Response
Corps of Engineers	No Response
NRCS	No Comments

According to the records from the Department of Transportation, Highways Division, there is no permit for any driveway access from State Highway Route 250, Kohala Mountain Road for this parcel. The successful bidder will be required to contact the State Highways Hawaii District Office for plan submittal and permit requirements.

The HDLO staff believes this request and the intended use of these State lands should be exempted from the preparation of an environmental assessment because the intended use is consistent with past use of the property. The property has been in use as a pasture for many decades. Such use has resulted in no known significant impacts, whether immediate or cumulative, to the natural, environmental and/or cultural resources in the area. As such, staff believes that the proposed use would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

RECOMMENDATION: That the Board:

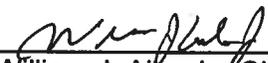
1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Find the area to be an economic unit in terms of the intended use.
3. Find that the subject area is not suitable for hunting, nor will it become so during the term of the lease.
4. Authorize the sale of a lease at public auction covering the subject area for pasture purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current pasture use general lease form, as may be amended from time to time;
 - b. Within the first 2 years of the lease term, the land under lease shall be utilized for the purposes for which the lease is sold, all in accordance with a conservation plan approved by the Chairperson;
 - c. Lessee will contact the State Highways Hawaii District Office for plan submittal and permit requirements for access to the property;
 - d. Residential use is not permitted;
 - e. Review and approval by the Department of the Attorney General; and
 - f. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



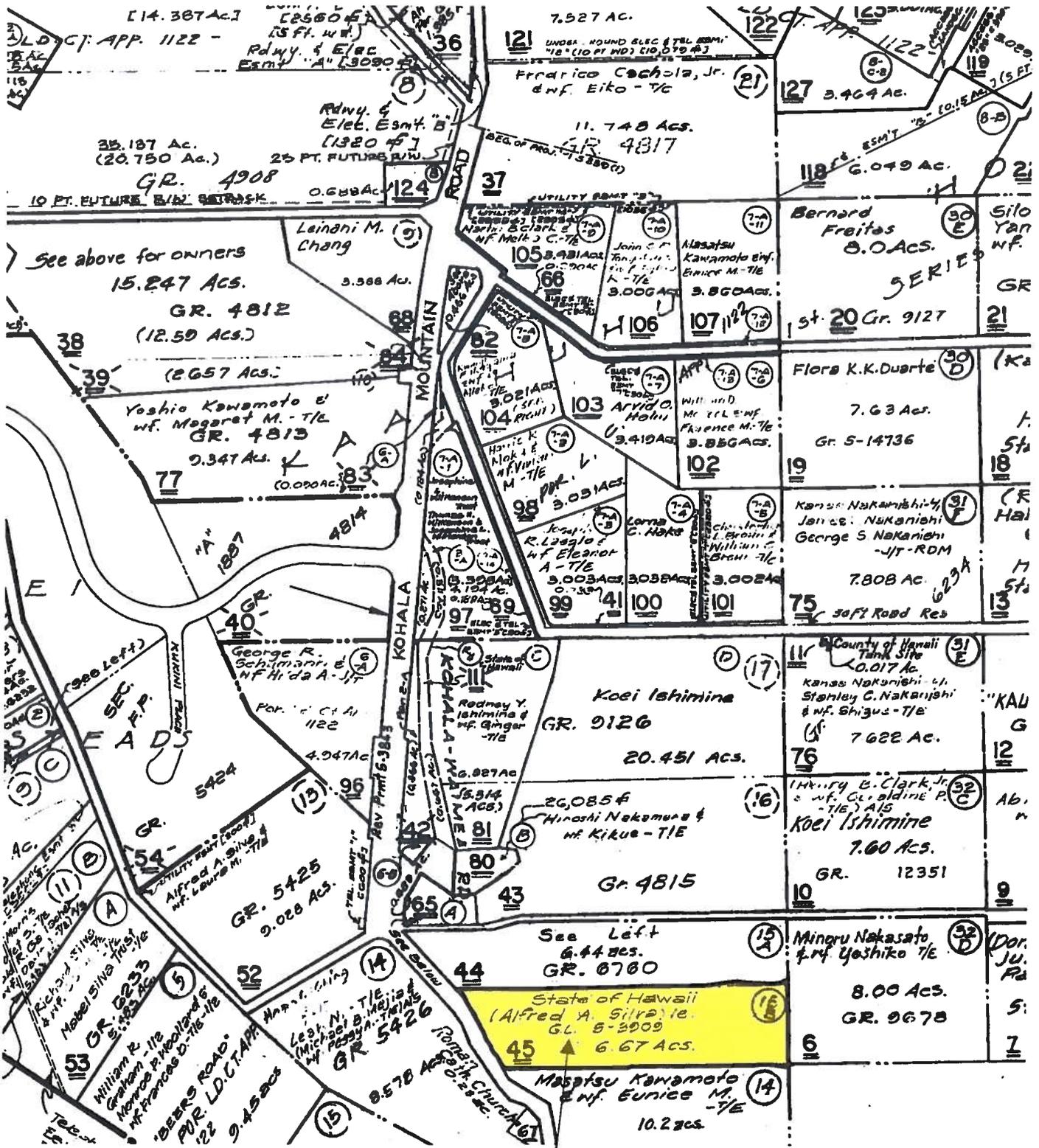
Gordon C. Heit
Land Agent

APPROVED FOR SUBMITTAL:



William J. Aifa, Jr., Chairperson

TMK: 3RD/5-5-01:45



SUBJECT PROPERTY

North Kohala Pasture



NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
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
ENFORCEMENT
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIHOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

From the preparation of an environmental assessment under the authority of Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Request for Sale of Lease Land for Pasture Purposes.

Project Number: PSF No. 11HD-116

Project Location: Kaauhuhu, North Kohala, Hawaii, Tax Map Key: 3rd/5-5-01:45.

Project Description: The requested parcel was previously leased under GL S-5334 for pasture purposes. The lease was cancelled due to default in payment. The land is currently unencumbered. There have been several requests from ranchers in the area for use of this State land.

Consulted Parties: None

Exemption Class No.: In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment under the following:

Exemption Class No. 1, which states, "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing", and Exemption Class No. 4 which states, "Minor alterations in the conditions of land, water or vegetation."

The intended use of the property is consistent with the past use of the property. The property has been in use as a pasture for many decades. Such use has resulted in non known significant impacts, whether immediate or cumulative, to the natural, environmental

and/or cultural resources in the area.

Recommendation:

The Board is recommended to find that it is anticipated that this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.



William J. Aila, Jr., Chairperson

N 8/11/11

Date