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

September 14, 2018

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

Oahu

Annual Renewal of Revocable Permits on the Island of Oahu. See Exhibit 2 for list of Revocable Permits.

HRS CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the Exemption List for the Department of Land and Natural Resources, approved by the Environmental Council on June 5, 2015, the subject action is exempt from the preparation of an environmental assessment pursuant to Exemption Class 1, "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." See Exhibit 1 attached.

BACKGROUND:

At the end of each calendar year, Land Division reviews its list of current revocable permits issued statewide and determines which ones to recommend to the Board of Land and Natural Resources for renewal for the upcoming year. Generally, those revocable permits in good standing will be recommended for renewal, unless the Board has approved a different disposition for the land covered by a particular permit.

In the past, staff has brought all revocable permits to the Board for renewal in one submittal. At its meeting on December 11, 2015, Item D-14, as amended, the Board directed staff to submit revocable permit renewals by county over four meetings, with an explanation of why a revocable permit is the appropriate disposition and how the rent was set. At its meeting on June 24, 2016, Item D-7, the Board further approved the recommendations of the Department of Land and Natural Resources Revocable Permit Task Force, as amended, requesting all divisions notate any non-compliance issues and pending litigation in the renewal template. In accordance with these directives, staff is submitting the Oahu revocable permits, including the additional information the Board requested.

REMARKS:

The list of revocable permits for Oahu that staff recommends be renewed for 2019 is attached as Exhibit 2. Included in the exhibit are the revocable permit number, permittee names, tax map keys, original commencement date of the permit, character of use, land area, annual rent, method by which staff set the rent and the rationale behind the issuance of a revocable permit. General location maps of the revocable permits to be renewed are attached as Exhibit 3.

At its meeting on August 26, 2016, agenda item D-11, the Board approved interim rents for the annual renewal of the revocable permits on Oahu for calendar year 2017. Through this submittal, staff recommends making the interim rents permanent.

Staff procured a contract with James Hallstrom of The Hallstrom Group/CBRE, Inc. (Appraiser) for appraisal services to assist in valuing the rent to charge for the use of State lands underlying revocable permits statewide as of January 1, 2018, and ground rent discounts for tenancy and use restriction, if any, for 34 of the 63 Oahu revocable permits. The Portfolio Appraisal Report (PAR) was completed on May 9, 2018.

The Appraiser recommends increasing 2019's rents by 2-3%, depending upon demand for the properties, over those indicated in the PAR. Staff recommends setting the 2019 Oahu revocable permit annual rents by the following categories (see Exhibit 2 for further details):

- <u>Category A</u>: Revocable permits (RPs) valued by the PAR indicating an increase in the annual rent. Staff recommends increasing the 2018 Indicated Annual Market Rent by 10% for 2019.
- <u>Category B</u>: RPs valued by the PAR indicating a decrease in the annual rent. Staff recommends increasing the annual rent by 3% over the PAR's Indicated Annual Market Rent.
- <u>Category C</u>: RPs not valued by the PAR: Staff recommends increasing the 2019 annual rent by 3% over 2018's annual rent.
- <u>Category D</u>: RPs where the PAR's Indicated Annual Market Rent increased by less than 10% over 2018's annual rent. Staff recommends a 3% increase.
- <u>Category E</u>: For special cases, regardless of whether included in the PAR or otherwise. Staff's recommendations for this category are discussed further in Exhibit 2.

With respect to the revocable permits in Category A, the Indicated Annual Market Rents from the PAR increased from a low of 7% to a high of 1,000%. Staff feels that immediately implementing these rents would cause some permittees to cancel their permits, resulting not only in the loss of revenue, but also forcing the Division to expend resources to maintain these lands. Staff views the 10% annual increases for these permits as a means for the Division to achieve rents closer to market over a short period of time, without causing a major disruption to the occupancy of and revenue generated from these

lands.

The following State and City & County of Honolulu agencies were consulted on this action with the results indicated:

Agency:	Comment:
Division of Forestry and Wildlife	No response by suspense date
Office of Conservation and Coastal Lands	See Exhibit 4 (staffs responses appear in
	Exhibit 2)
State Parks	No response by suspense date
Historic Preservation	No response by suspense date
Engineering	No comments
Oahu District Land Office	Comments incorporated into Exhibit 2
Commission on Water Resource Management	No response by suspense date
Division of Conservation and Resources	No response by suspense date
Enforcement	
Department of Hawaiian Home Lands	No response by suspense date
Department of Agriculture	No comments
Agribusiness Development Corporation	No response by suspense date
Office of Hawaiian Affairs	See Exhibit 5
C&C Department of Planning and Permitting	No comments
C&C Department of Facility Maintenance	No comments
C&C Department of Parks and Recreation	No comments
Board of Water Supply	No comments

Since the last renewal of the Oahu revocable permits on August 25, 2017, the following permits have been cancelled:

				Monthly			
RP#	Permittee	Area	TMK	Rent	Cancelled on	Uses	Remarks
rp7056	Kapolei People's Inc. dba, Kapolei Golf	0.826	(1) 9-1-016:120-0000	728.31	2/8/2018	Parking	Land owned by UH
1	Course						
rp7082	Honolulu Community Action Program,	2	(1) 4-1-013:031-0000	20.62	2/28/2018	Community	Voluntarily cancelled
	Inc.					Use	
rp7402	Larry Jefts dba Sugarland Farms, Inc.	142.149	(1) 9-1-16:8, 9-1-	1,752.30	6/30/2017	Agriculture	Replaced by new RP
			18:5,8				
rp7469	Cheryl McConnell and Wesley Furtado	6.86	(1) 4-1-013:022-0000	160.29	11/30/2017	Pasture	Replaced by new
							permittee
rp7544	Kwock Nam Lau	0	(1) 2-2-010:033-0000	121.17	12/31/2017	Parking	Replaced by new RP
		/				/	
rp7610	Hawaiian Electric Company, Inc. and	0	(1) 4-1-010:088-0000	16.76	6/5/2018	Utility	Changed into perpetual
	Hawaiian Telcom, Inc.						easemetn
rp7713	Dale Hardinger and Carla Hardinger	0.8	(1) 4-1-018:049-0000	16.96	8/29/2017	Pasture	Transferred to DOA
rp7825	Anitilose Unga and Meliame Unga	2.164	(1) 5-8-001:038-0000	43.65	8/29/2017	Agriculture	Transferred to DOA
rp7843	Tactical Airgun Games Hawaii LLP	13.09	(1) 1-1-3:3,204 -	1,122.19	11/30/2017	Recreational	Voluntarily cancelled
			207,212				
rp7889	Kazuto Yamada	14.387	(1) 4-1-8:71, 72 por.	139.22	8/29/2017	Agriculture	Transferred to DOA

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. Approve the continuation of the revocable permits listed in Exhibit 2 on a month-to-month basis for another one-year period through December 31, 2019, except for permits that are in arrears of rental payment for more than 60 days and/or have been approved for forfeiture by a separate Board action. Permits in arrears of rental for 60 days or more and/or approved by the Board for forfeiture shall not be renewed; and
- 3. Approve no immediate change in current monthly rent for revocable permits as listed in Exhibit 2, provided however, that the Land Board reserves and Delegates to the Chairperson the right authority at any time to review and implement new rental charges for the revocable permits listed in Exhibit 2, effective any time from and after January 1, 2019.

Respectfully Submitted,

Richard T. Howard

Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title:

Annual Renewal of Revocable Permits on the Island of Oahu.

Project / Reference No.:

Not applicable

Project Location:

Various locations on the Island of Oahu

Project Description:

Renew existing revocable permits for a term of one year.

Chap. 343 Trigger(s):

Use of State Land

Exemption Class No.: In accordance with the Exemption List for the Department of Land and Natural Resources, approved by the Environmental Council on June 5, 2015, the subject request for issuance for right-of-entry is exempt from the preparation of an environmental assessment pursuant to Exemption Class 1, "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."

The annual renewal of existing revocable permits on State lands involves the continuation of existing uses on the lands. No change in use is authorized by the renewal.

Cumulative Impact of Planned Successive Actions in Same Place Significant?

No, the requested locations have been used for same uses since the permits were granted.

Action May Have Significant Impact on Particularly Sensitive Environment? No.

Analysis:

The request pertains to renewing the revocable permits for Oahu. Staff believes that the request would involve negligible or no expansion or change in use of the subject location beyond that previously existing.

Consulted Parties

Agencies listed in submittal.

Recommendation:

That the Board find 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.

EXHIBIT 1

(some w	ater pe	ermits)								
		Permittee Name		Permit From		Area		2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp3954	E	AMERICAN LEGION DEPT OF HAWAII	(1) 2-3-034:001-0000	10/11/1966	American Legion clubhouse	0.181	5,321.16	480.00		•2018 rent was increased 1.5% over the previous year. •The organization is a 501 (c)(19), and is therefore not eligible for a direct lease under 171-43, HRS, which requires 501 (c)(1) or 501 (c)(3) status. Staff recommends renewing the permit based on its conversations with permittee. Due to the specific language in HRS, it cannot qualify for a direct lease at a minimum rent Based on the information provided by the permittee, it provides services to the veteran community. Therefore staff recommends the Board adopt the nominal rent (\$480) for a a typical non-profit lease for this RP.

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Doc No.	Туре	Permittee Name KANEOHE YACHT CLUB	TMK (1) 4-4-022:032-A	Permit From 8/1/1977	Char of Use Pier/Dock	Area 0.184	Proposed 2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Staff met with the club's Board members who had some concerns over possible
									easement conditions, like public access. Awaiting further response from the permittee.

(some w	ater pe	ermits)								
							2018 Annual		Indicated Annual Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp5408		MULLER, C. MICHAEL	(1) 4-1-001:011-A	9/1/1977	Pier/Dock	0.016	757.92	780.66		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •At its meeting on 1/13/17, under agenda item D-14, the Board approved the grant of term, non-exclusive easement to permittee. The Governor's and Legislative concurrence were also obtained toward the issuance of an easement. Pending map and description from the permittee.
rp5557	A	YAMASHIRO, INC., ED	(1) 1-2-021:042-0000	5/1/1978	Storage of trucks, trailers and construction equipment	0.964	36,194.04	39,813.44	43,260.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •No access to parcel from public road.

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Doc No. rp5563	E	Permittee Name CITY & COUNTY OF HONOLULU	TMK (1) 9-2-005:014-0001	Permit From 3/4/1978	Char of Use Radio communication	Area (2018 Annual Rent) 0	Proposed 2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •Gratis. •Permittee is a governmental entity. Legal Access to the subject site needs to be
rp5614		CITY & COUNTY OF HONOLULU	(1) 3-1-042:006-0000	3/1/1979	Radio communication s antenna facilities for public safety comm. system	0.002	2 0	0.00		verified. •Gratis. •For C&C of Honolulu radio tower and related structures located within Diamond Head Crater.
rp5762		LIMA, SAMUEL & CATHERINE	(1) 8-5-4:34,43,44	5/15/1980	Pasture and Access	1.247	201.12	207.15		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Parcels are irregularly shaped and provide access to permittee's landlocked kuleana. At its meeting on 11/10/16, under agenda item D 13, the Board approved the transfer of the subject parcel to the DOA per Act 90. Staff will continue to work with DOA to accomplish the set aside.

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									Indicated	
									Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp6331	Α	AOAO KAUHALE	(1) 4-5-003:002-A	4/1/1986	Pier/Dock	0.147	1,144.68	1,259.15	2,381.00	•2018 rent was increased 1.5%
		BEACH COVE								over the previous year. Staff
										recommends increasing 2019's
										rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•Staff has not had any success
										in contacting the condo's Board
										regarding converting the rp to
										an easement.

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							2018 Annual		Indicated Annual Market	Comments re rent amount and
Doc No	Typo	Pormittoo Namo	TNAV	Dormit From	Char of Uso	Aroa				
Doc No. rp6546		Permittee Name BUSH, C. BRYSON	TMK (1) 4-5-058:121-0000	Permit From 1/1/1988	Pier/Dock	Area 0.007		2019 Rent 270.81	Rent	why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •At its meeting on 12/9/2016, under agenda item D-20, the Board approved the grant of term, non-exclusive easement for permittee. The Board approved additional area for the easement at its meeting on June 8, 2018, under agenda item D-8. CDUA Permit OA-3017B covering piers under the Kaneohe Bay Pier Amnesty
										Program was approved by the Board on July 13, 2001, under agenda item D-32.

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	Type C	Permittee Name	TMK (1) 4-1-010:016-0000	Permit From 8/1/1996	Char of Use Landscaping			Proposed 2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •No access to property from public road. Annual rental makes selling the lease at public auction impracticable. The permittee withdrew his request to purchase the remnant, which was originally scheduled to go before the Board on May 11, 2018.
rp7188		DOONWOOD ENGINEERING, INC.	(1) 1-2-021:044-0000		Baseyard for storage of engineering equipment	0.307	6,303.12	6,933.43	9,662.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •No access to parcel from public road and lack of infrastructure.

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Doc No. rp7242	Α		TMK (1) 4-2-010:001-0000	Permit From 9/1/2000	Char of Use Cultivation of banana	Area 190		Proposed 2019 Rent	Indicated Annual Market Rent 28,500.00	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •RP covers less than 10% of the parcel. Staff to work with DOFAW on the long term planning for the permit area in conjunction with the adjoining forest reserve.
rp7356	С	REYNOLDS, JAMES C.	(1) 5-6-1:47,61	10/1/2003	Electrical utility purpose	0.34	677.88	698.22		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Staff to convert to a utility easement.

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	Type B	Permittee Name	TMK (1) 7-3-012:011-0000	Permit From 4/1/2004	Char of Use Residential parking			2019 Rent	Rent 1,840.00	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over the Indicated Annual Market Rent. •Federal covenants placed on the property at the time it was returned to the State limit its
rp7470		JSR EQUIPMENT, INC.	(1) 1-2-021:036-0000	1/1/2010	Baseyard, office and storage	1.424	40,480.20	44,528.22	52,743.00	use to parking. Staff will evaluate whether sale of lease at public auction is possible for this parcel. •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •There is no access to the parcel from a public road.

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Doc No. rp7477	С	Permittee Name YANAGIHARA, RAYMOND T.	TMK (1) 4-5-006:039-0000		Char of Use Home gardening	Area 0.077		2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Parcel is located on Kaneohe Bay with no access from public road.
rp7478	С	DE MAURO, JOSEPH	(1) 9-4-010:100-0000	1/1/2010	Cultivation of banana	0.413	201.12	207.15		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •No access to parcel from public road.
rp7489	С	HAWAIIAN ELECTRIC CO INC	(1) 9-2-005:014-0001	1/1/2010	Microwave communication station	0	11,601.48	11,949.52		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •RP covers only a portion of the parcel. Legal access to the site needs to be verified.

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Doc No. rp7501	С	Permittee Name CANSIBOG, ROBERTA	TMK (1) 8-7-001:033-0000		Char of Use Maintenance and parking of boat trailer	Area 0.424		2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Part of the parcel is an intermittent flood area where rainwater drains into the Mailiili Channel during heavy downpours.
rp7514	В	UNITED LAUNDRY SERVICES, INC.	(1) 1-2-021:046-0000	1/1/2010	Unloading of laundry, storage of laundry bins	0.047	7 2,954.52	1,626.37	1,579.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over Indicated Annual Rent. •No access to parcel from public road.

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(some wa	ater pe	ermits)								
									Indicated	
									Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7517	Α	OLOMANA GOLF	(1) 4-1-013:012-0000	10/1/2010	Golf course	4.77	10,094.16	11,103.58	23,460.00	•2018 rent was increased 1.5%
		LINKS, INC.			nursery					over the previous year. Staff
					operations					recommends increasing 2019's
										rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•This parcel is located between
										Kalaniana'ole Hwy. and
										Olomana Golf Course. Staff will
										sell lease at public auction
										upon the expiration of gl4095
										underlying the golf course.

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									Indicated	
									Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7520	С	MIZUTA, ROBIN T.	(1) 4-1-010:049-0000	2/1/2010	Landscaping	0.2	309.36	318.64		•2018 rent was increased 1.5%
					and access to					over the previous year. Staff
					private					recommends increasing 2019's
					property					rent by 3% over 2018's.
										•The parcel sits between a
										public road and permittee's
										property and provides access
										to permittee's property as well
										as for other private land
										owners. A long-term
										disposition of the parcel or sale
										as a remnant is impracticable
										due to the access requirements
										of the other private property
										owners.

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							2018 Annual		Indicated Annual Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7560		MOUNT WILSON FM BROADCASTERS, INC.	(1) 3-6-004:026-0000	7/1/2010	FM radio transmission facility	0.079	115,557.72	119,024.45	41,400.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% notwithstanding the Indicated Annual Market Rent. Permittee has taken a sandwich position on the site, and collects additional revenue from the other users of the site. •Land Div. manages parcel for DOFAW. Staff found a submittal referenced OA-7/7/13-139 amending a prior Board CDUP action. In addition, the current permit area is a legally subdivided lot under Land Court Application 656, Map 248, Lot 1222-A, with an area of 0.079 acre. It has been set aside to DOFAW pursuant to EO 4409. It is our understanding that the Land Court system would not approve the subdivision of Lot 1222 into Lots 1222-A and 1222-B without a proper subdivision approval.

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Doc No	Type	Permittee Name	ТМК	Permit From	Char of Use	Area	2018 Annual Rent		Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7561	D	HONOLULU POLO CLUB, INC.	(1) 4-1-009:262-0000		Polo field and youth athletic programs	34.5			7,675.00	 2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent 3% to the Indicated Annual Market Rent. ODLO staff has written to permittee outlining the necessary steps it must take for a long-term direct lease, but has so far received no response.
rp7566		HILTON HAWAIIAN VILLAGE, LLC, JOINT VENTURE	(1) 2-6-008:029-0000	3/4/2010	Pier/Dock	0.09	465,970.80	479,949.92		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •At its meeting on 10/27/17, under agenda item D-8, the Board agreed to keep the revocable permit in place for this property due to questions over the ownership of the improvements.

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	Туре	Permittee Name	TMK (1) 2-2-14:17,26	Permit From 6/1/2010	Char of Use Church	Area 0.199		Proposed 2019 Rent 554.47	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. • Staff met with permittee on 5/9/18 about the necessary steps it must take for it to receive a long-term direct lease. The permittee is interested in obtaining non-profit status, and must complete the relevant paperwork from the IRS.
rp7587	С	KUNSTADTER, PETER	(1) 3-6-001:025-A	5/1/2010	Pier/Dock	0.006	293.88	302.70		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Staff has written to permittee about converting to a term easement, but has not received a response. Staff will continue in its attempt to contact permittee about converting the permit to a long-term disposition.

(some wa	ter pe	ermits)								
Doc No. rp7590		Permittee Name SAWINSKI, ROBERT G & RAY-JEN		Permit From 7/1/2010	Char of Use Pier/Dock		2018 Annual Rent 201.12	Proposed	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's.
										•Staff has written to permittee about converting to a term easement, but has not received a response. Staff will continue in its attempt to contact permittee about converting the permit to a long-term disposition.
rp7596	С	HAWAIIAN ELECTRIC CO INC	(1) 9-9-044:022-0000	6/1/2010	Maintenance of electrical equipment, utility poles and wires, including the right to trim any tree or shrub that contacts said wires	0	201.12	207.15		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •At its meeting on 7/8/16, under agenda item D-5, as amended to include HiTelcom as applicant, the Board approved issuance of perpetual, non-exclusive easement. Pending acceptance of appraised value by permittee.

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										Indicated Annual	
									Proposed	Market	Comments re rent amount and
				Permit From		Area	Rent		2019 Rent	Rent	why no long-term disposition
rp7600			(1) 4-1-010:095-0000	4/1/2010	Maintenance		0	201.12	207.15		•2018 rent was increased 1.5%
		COMPANY, INC.			of electrical						over the previous year. Staff
					equipment,						recommends increasing 2019's
					utility poles						rent by 3% over 2018's.
					and wires,						•At its meeting on 2/10/17,
					including the						under agenda item D-4, the
					right to trim						Board approved issuance of
					any tree or						perpetual, non-exclusive
					shrub that						easement. Pending appraisal
					contacts said						process.
					wires						
rp7601	С	HAWAIIAN ELECTRIC	(1) 5-8-001:054-0000	4/1/2010	Maintenance		0	201.12	207.15		•2018 rent was increased 1.5%
		COMPANY, INC.			of electrical						over the previous year. Staff
					equipment,						recommends increasing 2019's
					utility poles						rent by 3% over 2018's.
					and wires,						•At its meeting on 2/23/18,
					including the						under agenda item D-10, the
					right to trim						Board approved the issuance of
					any tree or						perpetual, non-exclusive
					shrub that						easement.
					contacts said						
					wires						

(some wa	iter pe	ermits)									
							2010	Annual	Droposed	Indicated Annual Market	Comments re rent amount and
DaaNa	T a	Dawe itte a Name	TMK	Downsit France	Charafilas	A			Proposed	Rent	
		Permittee Name HAWAIIAN ELECTRIC		Permit From 4/1/2010	Maintenance	Area	Rent 0	201.12	2019 Rent 207.15	Kent	why no long-term disposition •2018 rent was increased 1.5%
rp7602			(1) 4-1-10, 4-1-25	4/1/2010	of electrical		U	201.12	207.15		
		COMPANY, INC.									over the previous year. Staff
					equipment,						recommends increasing 2019's
					utility poles and wires,						rent by 3% over 2018's. •Staff awaiting a survey map
					including the						and description from
					right to trim						permittee. Once received, staff
					any tree or						will go to the Board to request
					shrub that						a perpetual non-exclusive
					contacts said						easement.
					wires						easement.
rp7604	С	HAWAIIAN FLECTRIC	(1) 4-1-010:000-0000	4/1/2010	Maintenance		0	201.12	207.15		•2018 rent was increased 1.5%
1 67 00 1		COMPANY, INC.	(1) . 1 010.000 0000	., 1, 2010	of electrical			201112	207113		over the previous year. Staff
		,			equipment,						recommends increasing 2019's
					utility poles						rent by 3% over 2018's.
					and wires,						•Staff awaiting a survey map
					including the						and description from
					right to trim						permittee. Once received, staff
					any tree or						will go to the Board to request
					shrub that						a perpetual non-exclusive
					contacts said						easement.
					wires						

some w	ter pe	ermits)							
	Type	Permittee Name	TMK (1) 4-1-013:022-0000	Char of Use Maintenance of electrical equipment, utility poles and wires, including the right to trim any tree or	Area	2018 Rent 0	Proposed 2019 Rent 207.15	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Board action dated 12/15/89, agenda item F-15, amending Board action dated 9/13/85, agenda item F-14, adding
				shrub that contacts said wires					additional area for a perpetual non-exclusive easement. Staff is currently working with permittee and DAGS Survey on easement map discrepancies. Following the resolution of the map discrepancies, staff will procure an appraisal.

some w	ator no	rmitci									
(30THC W	ater pe	211111637									
										Indicated	
										Annual	
							2018	Annual	Proposed	Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent		2019 Rent	Rent	why no long-term disposition
rp7606	C	HAWAIIAN ELECTRIC	(1) 4-1-010:095-0000	4/1/2010	Maintenance		0	201.12	207.15		•2018 rent was increased 1.5%
		COMPANY, INC.			of electrical						over the previous year. Staff
					equipment,						recommends increasing 2019's
					utility poles						rent by 3% over 2018's.
					and wires,						•At its meeting on 2/10/17,
					including the						under agenda item D-4, the
					right to trim						Board approved issuance of
					any tree or						perpetual, non-exclusive
					shrub that						easement. Pending appraisal
					contacts said						process.
					wires						

(some wa	ater pe	ermits)							
	Type C	Permittee Name HAWAIIAN ELECTRIC COMPANY, INC.	TMK (1) 5-9-006:6, 26	Permit From 6/1/2010	Char of Use Maintenance of electrical equipment, utility poles and wires, including the right to trim any tree or	Area	2018 Annual Rent 0 201.12	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Staff awaiting a survey map and description from permittee, which it expects to receive in September 2018.
					_				
									dated 2/6/1961 from the director of the Department of Agriculture and Conservation approving the easement. If OCCL requires, staff will instruct permittee to apply for a CDUP or provide proof to
									OCCL that the use/structure is nonconforming.

(some wa	ater pe	ermits)								
Doc No.	Туре	Permittee Name	тмк	Permit From	Char of Use		2018 Annual Rent	Proposed	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7643	A	SAVIO KC OPERATING COMPANY	(1) 2-3-018:045-0000		Parking for Commercial Building	0.045				•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •Substandard parcel size.
rp7688	E	ROSLINDALE, INC.	(1) 7-3-012:011-0000	6/1/2011	Parking for Commercial Building	0.117	736.92	568.56		•2018 rent was increased 1.5% over the previous year. Staff recommends using the Indicated Annual Market Rent for rp7367 (\$1,840 for 0.39 Ac) as a benchmark and increasing that benchmarked rent by 3%. •Federal covenants placed on the property at the time it was returned to the State limit its use to parking. Staff will evaluate whether sale of the lease at public auction is possible for this parcel.

(some wa	ater pe	ermits)								
Doc No.	Type	Permittee Name	ТМК	Permit From	Char of Use		2018 Annual Rent	Proposed	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7714			(1) 4-1-013:011-0000		Pasture	56.35	5,841.48		6,760.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •At its meeting on 11/10/16, under agenda item D-13, the Board approved the transfer of the subject parcel to the DOA per Act 90. Staff will continue working with the DOA on set aside.
rp7717		RAPOZA, GEORGE, JUNE, WESLEY & DESIREE	(1) 6-8-002:017-0000	8/1/2011	Pasture	32.05	201.12	207.15		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Parcel is landlocked. DOFAW is interested in having the property set aside.

(some w	ater pe	ermits)								
Doc No. rp7725	В		TMK (1) 1-2-021:040-0000		Char of Use Baseyard, including sales and rental of construction equipment	Area 1.102		2019 Rent	Indicated Annual Market Rent 45,243.00	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. • No access to parcel from
rp7743		PEOPLE AND PET PARK, INC.	(1) 3-1-042:012-0000	9/1/2011	Dog park	1.461	0	0.00		•Gratis. •Staff has spoken to representatives of the permittee about the possibility of a long-term direct lease, and permittee is interested. Staff to follow up.
rp7748	A	ROBERT'S CENTRAL LAUPAHOEHOE INC.	(1) 1-2-021:041-0000	9/1/2011	Parking of buses	1.745	47,529.72	52,282.69	70,110.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •No access to parcel from public road.

some wa	ater pe	ermits)								
Doc No.	Type	Permittee Name	ТМК	Permit From	Char of Use	Area	2018 Annual Rent		Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7782	+	CARRILLO, ANTONE	(1) 8-7-001:029-0000		Residential	0.4				•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •Staff will contact the CCH's Office of Housing about the possibility of setting aside this parcel.
rp7832		PRECAST, INC. AND RAYLYNN REBAR, LLC	(1) 1-2-021:045-0000	8/1/2013	Storage of finished pre-cast concrete products	0.97	49,061.04	30,137.80	29,260.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over Indicated Annual Rent. •RP covers only a portion of this irregularly shaped lot, the majority of which is deemed unusable due to stream banks and vulnerability to tidal fluctuations.

some wa	iter p	ermits)								
	·	Permittee Name THE HARRY & JEANETTE WEINBERG, FOUNDATION INC.	TMK (1) 1-2-021:037-0000	Permit From 8/1/2013	Char of Use Storage, parking, roadway and office	Area 0.674		Proposed 2019 Rent	Indicated Annual Market Rent 18,056.00	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over Indicated Annual Rent. •No access to parcel from public road, parking use.
RP7849	С	RESORTTRUST HAWAII LLC	(1) 3-5-023:041-0000	7/1/2016	Recreational	0.929	15,151.92	15,606.48		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Staff plans to request a new rp for permittee using an appraiser to determine the rent. The renewal will allow staff time to procure the appraisal.

some w	ater ne	rmits)								
(SOTTIC W	ater pe	211111111111111111111111111111111111111								
									Indicated	
									Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No	Type	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7851	Α	HINES, JACOB KALEO	(1) 4-1-018:050-0000	2/1/2015	Residential	0.8	6,272.76	6,900.04	12,340.00	•2018 rent was increased 1.5%
										over the previous year. Staff
										recommends increasing 2019's
										rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										Substandard lot size.
										Permittee's rent is 1 month in
										arrears.

some wa	ater pe	ermits)								
									Indicated Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Туре	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7854	Α	LUCERO, GARY	(1) 9-4-049:062-0000	3/1/2017	Storage for	0.028	12,757.68	14,033.45	18,477.00	•2018 rent was increased 1.5%
					painting					over the previous year. Staff
					contractor					recommends increasing 2019's
										rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•Staff is scheduled to submit a
										request to the Board seeking
										approval to sell the master
										lease underlying RPs 7853,
										7854, 7856-7858, 7860 & 7861
										at public auction. This will give
										staff sufficient time to finalize
										the master lease document and
										procure an appraisal prior to
										the public auction.

some wa	ater p€	ermits)								
							2018 Annual		Indicated Annual Market	Comments re rent amount and
Doc No	Typo	Dormittoo Namo	ТМК	Permit From	Char of Uso	Aroa				why no long-term disposition
	_		(1) 9-4-049:062-0000		Office and	Area 0.031				<u> </u>
rp7856		HAWAII, INC.	(1) 9-4-049.062-0000		storage for	0.051	14,256.00	15,681.60		•2018 rent was increased 1.5% over the previous year. Staff
		,			general					recommends increasing 2019's
					contractor					rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•Staff is scheduled to submit a
										request to the Board seeking
										approval to sell the master
										lease underlying RPs 7853,
										7854, 7856-7858, 7860 & 7861
										at public auction. The renewal
										of the rp will give staff
										sufficient time to finalize the
										master lease document and
										procure an appraisal prior to
										the public auction.

some wa	ter pe	ermits)						
	Туре	Permittee Name	TMK (1) 9-4-049:062-0000	Char of Use Auto glass replacement business	Area 0.032	-	Proposed 2019 Rent	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's
								rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •Staff is scheduled to submit a request to the Board seeking approval to sell the master lease underlying RPs 7853,
								7854, 7856-7858, 7860 & 7861 at public auction. The renewal of the rp will give staff sufficient time to finalize the master lease document and procure an appraisal prior to the public auction.
								,

(some wa	ater pe	ermits)								
									Indicated Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Type	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7858	Α	TACHIBANA	(1) 9-4-049:062-0000	3/1/2017	Office and	0.031	15,552.00	17,107.20	19,116.00	•2018 rent was increased 1.5%
		PAINTING LLC			storage for					over the previous year. Staff
					painting					recommends increasing 2019's
					contractor					rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•Staff is scheduled to submit a
										request to the Board seeking
										approval to sell the master
										lease underlying RPs 7853,
										7854, 7856-7858, 7860 & 7861
										at public auction. The renewal
										of the rp will give staff
										sufficient time to finalize the
										master lease document and
										procure an appraisal prior to
										the public auction.

some wa	iter pe	ermits)								
									Indicated Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Type	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7859	Α	WISNIEWSKI, JOHN	(1) 9-4-049:062-0000	11/1/2017	Auto glass	0.0167	8,473.92	9,321.31	11,269.00	•Rent set by in-house valuation
					replacement					dated 8/4/16. Staff
					business					recommends increasing 2019's
										rent by 10% over 2018's,
										notwithstanding the Indicated
										Annual Market Rent.
										•Staff is scheduled to submit a
										request to the Board seeking
										approval to sell the master
										lease underlying RPs 7853,
										7854, 7856-7858, 7860 & 7861
										at public auction. The renewal
										of the rp will give staff
										sufficient time to finalize the
										master lease document and
										procure an appraisal prior to
										the public auction.

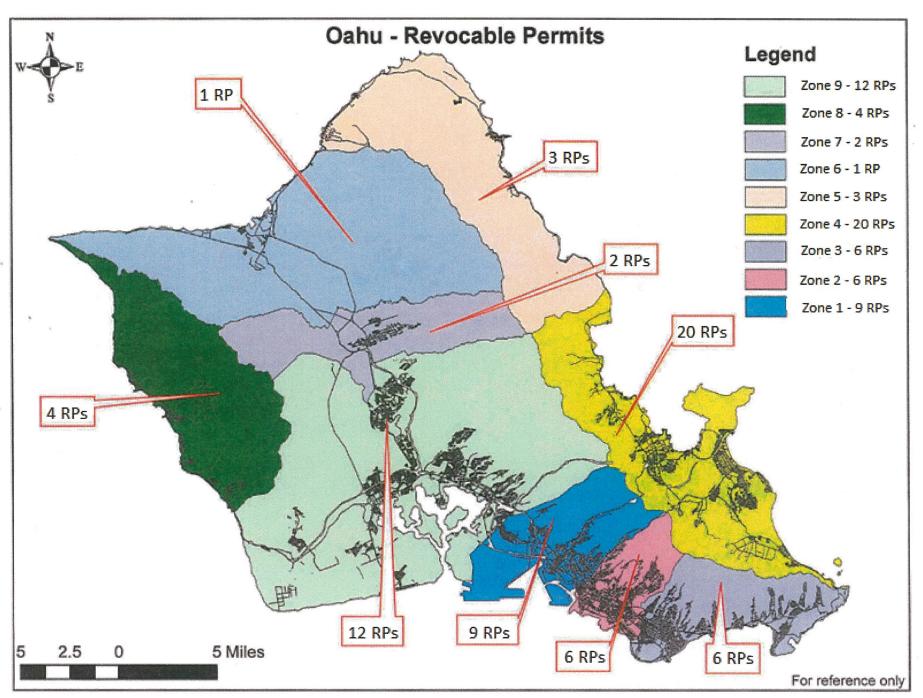
some wa	iter pe	ermits)								
Doc No	Type	Permittee Name	ТМК	Permit From	Char of Use		2018 Annual Rent	I	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7860		ALFONSO, VIDAL	(1) 9-4-049:062-0000	3/1/2017	Auto body shop	0.031			20,412.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •Staff is scheduled to submit a request to the Board seeking approval to sell the master lease underlying RPs 7853, 7854, 7856-7858, 7860 & 7861 at public auction. The renewal of the rp will give staff sufficient time to finalize the master lease document and procure an appraisal prior to the public auction.
rp7883		HIGGINS, ROLAND AND DARALYNN	(1) 3-8-004:080, 056		Residence purposes	0.1867	3,992.88	3,992.88		 Rent set by Board at its meeting on June 22, 2018, under agenda item D-7. No access from public road.

(some wa	ter pe	ermits)								
Doc No. rp7893	В	Permittee Name UNITED LAUNDRY SERVICES, INC.	TMK (1) 1-2-021:045-0000		Char of Use Employee parking	Area 3.53		Proposed 2019 Rent	Indicated Annual Market Rent 34,772.00	Comments re rent amount and why no long-term disposition •2018 rent was increased 1.5% over the previous year. Staff
										recommends increasing 2019's rent by 3% over Indicated Annual Rent. •RP covers only a portion of this irregularly shaped lot, the majority of which is deemed unusable due to stream banks and vulnerability to tidal fluctuations.
rp7896		PU'A FOUNDATION AND HUI MAHI'AI	(1) 4-1-008:POR072, 075	11/1/2016	Community farming	7.613	487.20	501.82		•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 3% over 2018's. •Site is not a legally subdivided lot an lacks proper legal access. The revocable permit is meant to be in place until a direct lease can be issued.

(some w	ater pe	ermits)								
Doc No.	Type	Permittee Name	ТМК	Permit From	Char of Use	Area	2018 Annual Rent	Proposed 2019 Rent	Indicated Annual Market Rent	Comments re rent amount and why no long-term disposition
rp7898	Α	AOAO 1942/1946 PAUOA ROAD, INC.	(1) 2-2-010:021-0000		Residential parking	0.053				•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •No access to parcel from public road.
rp7899	A	NAKOA, MARY	(1) 8-6-002:005-0000	3/1/2017	Horse paddock	6.407	2,021.88	2,224.07	2,716.00	•2018 rent was increased 1.5% over the previous year. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •This irregularly shaped lowlying pasture sits adjacent to the Ma'ili'ili flood control channel. It is often exposed to water causing wet and muddy conditions due to inadequate drainage infrastructure.

(some wa	ter pe	ermits)								
Danka	T	Daweith a Name	TANK	Daniel A Francis	Chanafilla		2018 Annual	Proposed	Indicated Annual Market	Comments re rent amount and
rp7900	Α	Permittee Name BENN, CO- TRUSTEES, ET AL, LIANA LAU AND CHARLES	TMK (1) 2-2-010:021-0000		Char of Use Residential parking	0.0826		2019 Rent 2,032.80	Rent 2,610.00	why no long-term disposition •The 2018 rent is based on rent of an adjacent rp, which the Board previously approved as part of the 2018 Oahu rp renewal. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •No access to parcel from public road.
rp7907		SUGARLAND FARMS, INC.	(1) 9-1-16:8, 9-1-18:5,	2/1/2018	Agriculture	131.73	19,486.92	21,435.61	32,934.00	•Staff used the ratio of rent/area from the permittee's previous rp to calculate the new rent for the reduced permit area. Staff recommends increasing 2019's rent by 10% over 2018's, notwithstanding the Indicated Annual Market Rent. •Potential for future development makes property unsuitable for long term agricultural lease.

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									Indicated	
									Annual	
							2018 Annual	Proposed	Market	Comments re rent amount and
Doc No.	Type	Permittee Name	TMK	Permit From	Char of Use	Area	Rent	2019 Rent	Rent	why no long-term disposition
rp7910	С	TEXIERA, RICHARD R.	(1) 4-1-013:022-0000	3/27/2018	Pasture and	6.86	1,923.48	1,981.18		•The 2018 rent is the same
		AND KATHLEEN V.			stabling of					paid by the previous permittee
					horses					as approved by the Board. Staff
										recommends increasing 2019's
										rent by 3% over 2018's.
										At its meeting on 11/10/16,
										under agenda item D-13, the
										Board approved the transfer of
										the subject parcel to DOA per
										Act 90. Staff will continue to
										work with the DOA to complete
										the set aside.



DAVID Y. IGE





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

OFFICE OF CONSERVATION AND COASTAL LANDS POST OFFICE BOX 621

MEMORANDUM

HONOLULU, HAWAII 96809

COR: OA-19-03

SUZANNE D. CASE

CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT ROBERT K. MASUDA FIRST DEPUTY JEFFREY T. PEARSON, P.E.

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND RESOURCE MANAGEMENT
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION

HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION LAND STATE PARKS

JUL - 9 2018

REF: OCCL: AJR

Richard T. Howard, Land Agent

DLNR - Land Division

FROM:

TO:

Samuel J. Lemmo, Administrator

DLNR - Office of Conservation and Coastal Lands

SUBJECT:

Annual Renewal of Revocable Permits for Oahu

Various Districts, Island of Oahu

TMKs: (1) various

Dear Mr. Howard,

The Office of Conservation and Coastal Lands (OCCL) is in receipt of your letter and documentation regarding the Annual Review of Revocable Permits (RP) of Oahu. Based on our review of the submitted RP list, we offer the following list of parcels located within the State Land Use (SLU) Conservation District:

- RP5563: TMK: 9-2-005:014; Located within the SLU Conservation District; Resource Subzone (CDUPs: OA1888; OA2172; OA2628; OA3502).
- RP5614: TMK: 3-1-042:006; Located within the SLU Conservation District; Resource Subzone (CDUPs: OA589; OA1719 & SPAs: OA1702, OA1740).
- RP6546: TMK: 4-5-058:121; Portion of parcel located in water submerged lands of the state, SLU Conservation District, Resource Subzone (No Permits found in OCCL Database).
- RP7242: TMK: 4-2-010:001; Located within the SLU Conservation District; Resource and Protective Subzones (CDUPs: OA616, OA1748, OA2143, OA3611).
- RP7489: TMK: 9-2-005:014; Located within the SLU Conservation District, Resource Subzone (CDUPs: OA1888, OA2172, OA2628, OA3502).

REF: AJR: OCCL COR: OA-19-03

• RP7560: TMK: 3-6-004:026; Located within the SLU Conservation District, Resource Subzone (*No permits found in OCCL Database*).

- RP7566: TMK: 2-6-008:029; Submerged Lands of the State Conservation District, Resource Subzone (*No permits found in OCCL Database*).
- RP7607(1): TMK: 5-9-006:006; Located within the SLU Conservation District, General and Resource Subzone (*No permits found in OCCL Database*).
- RP7607(2): TMK: 5-9-006:026; Located within the SLU Conservation District, Resource Subzone (*CDUPs: OA2807, OA3402*).
- RP7714: TMK: 4-1-013:011; Property is approximately 90% SLU Conservation District, General Subzone and 10% SLU Urban District (*CDUP: OA1871*).
- RP7849: TMK: 3-5-023:041; Beach Submerged Lands of the State SLU Conservation District, Resource Subzone (SPA: OA0729).

The OCCL would like to take this opportunity to remind those persons or entities that utilize parcels located within the SLU Conservation District that permittees/applicants are required to inform this office of any proposed land uses that may occur in the Conservation District.

If you have any questions regarding this correspondence please contact Alex J. Roy, M.Sc. of our *Office of Conservation and Coastal Lands* staff at 808-587-0316 or via email at alex.j.roy@hawaii.gov

Thank you.

CC: Chairperson



STATE OF HAWAI'I OFFICE OF HAWAIIAN AFFAIRS

560 N. NIMITZ HWY., SUITE 200 HONOLULU, HAWAI'I 96817

HRD18-7890C

July 26, 2018

Richard T. Howard Land Agent Department of Land and Natural Resources, Land Division P.O. BOX 621 Honolulu, HI 96809

Re:

Annual Renewal of Revocable Permits for O'ahu

Aloha e Mr. Howard:

The Office of Hawaiian Affairs (OHA) received your draft submittal to the Board of Land and Natural Resources (BLNR), dated July 3, 2018. The Department of Land and Natural Resources (DLNR) Land Division is recommending to the BLNR renewal of 64 month-to-month revocable permits (RPs) held on O'ahu for a period of one year. The 2019 Revocable Permit Master List (master list) included as Exhibit 2 of the draft submittal, provides a table of the subject RPs. Although OHA notes an increase in the level of detail provided compared to previous master lists, there still is insufficient information to determine whether some of these requested renewals should be approved by the BLNR. OHA again reiterates, as has been done in prior comment letters and testimonies regarding annual renewals, that the master list fails to include pertinent information regarding some of the RPs as required by the DLNR Revocable Permit Task Force (Task Force) recommendations adopted by the BLNR on June 24, 2016.

The Task Force's recommended checklist includes the addition of a timetable for RPs that are pending lease conversions or executive set-aside orders. In several of the RPs listed (RP5407, RP5408, RP6331, RP7356, RP7570, RP7714), no timetable is provided for pending leases. OHA cited these RPs in our August 26, 2016 testimony to the BLNR regarding the 2017 annual renewal of RPs for O'ahu. Several of these RPs now include additional detail in the comments column, but the detail provided is of questionable utility as comments are still insufficient in aiding the BLNR to determine when a lease conversion or set-aside will occur. For example, RP5407, which has been permitted since 1977, added details that "staff met with the club's Board members [permittee] who had some concerns over possible easement conditions." However, this does not provide information regarding the lease conversion timeline, nor is any insight provided as to when the meeting took place. If no timeline is available, OHA recommends the DLNR include information regarding future and past meetings and/or deadlines. This information is particularly

Richard T. Howard, Land Agent, DLNR Land Division July 26, 2018 Page 2

important to RPs that have been in place for decades, as it could assist the BLNR with determining whether to approve these RPs that have existed well beyond their intended temporary status.

Furthermore, OHA finds the continuance of some of these RPs questionable. In the comments for RP6331 (permitted since 1986), it states that "staff has not had any success in contacting" respective permittees to negotiate a lease or easement conversion. No timeline or further detail is provided. Similarly, RP7590 (permitted since 2010) states that staff "has not received a response" to inquiries made by staff regarding a lease conversion. OHA recommends including consequences to non-responsive permittees that may include RP suspension or revocation and proposing deadlines for responses from permittees. Without such consequence, the permittee has no incentive to comply nor is any effort displayed by the BLNR to rectify inappropriately issued RPs.

The Task Force also recommends including more details regarding RPs with apparent unusual circumstances. OHA finds this particularly relevant to RPs 7566 and 7849. Regarding RP7566 (permitted since 2010), OHA submitted testimony on October 27, 2017 to the BLNR questioning the issuance of this RP. It appeared to OHA that a private corporate entity (the permittee) was seeking an exclusive easement over submerged lands via an RP, where public access and use should be allowable. It was our understanding that the permittee was asserting ownership over an improvement (i.e., a pier) on the parcel that they had not built, but only repaired. In turn, the permittee used their claim of ownership over the improvement to argue for their continued exclusive use of submerged State land via an RP. In the current master list, the comments column for this RP states that "the Board agreed to keep the revocable permit in place for this property due to questions over the ownership of the improvements." This detail does not provide any insight as to whether the DLNR is making an effort to clarify and ultimately resolve the ownership issue. Without such resolution or further details (with a timeline for steps to be taken towards a resolution), the BLNR cannot properly assess whether to approve this RP as part of the 2019 master list.

Regarding RP 7849 (permitted since 2016), OHA notes that significant concerns have been raised regarding the permittee's use of the subject parcel as well as surrounding parcels of state lands. For example, the permittee has placed furniture (i.e., beach chairs) and fixed structures (i.e., open-air hut, gazebo) in a manner that may exclude or substantially inhibit the public's use and enjoyment of a public beach and adjacent public areas. OHA raised this concern in a letter to the DLNR dated May 4, 2017, in response to an April 2017 Draft Environmental Assessment (DEA) the permittee had completed for proposed beach enhancements. OHA is also aware of more recent allegations concerning continued commercial activities (i.e., beach chair rentals, alcohol sales, surf lessons, wedding events, and even a restaurant) on the subject parcel that likewise displace the general public, and are not congruent with the existing allowable RP uses of recreation and maintenance. Although the 2017 DEA was retracted by the permittee, the continuation of unauthorized activities and encroachments on the RP parcel and on surrounding State lands is unacceptable. The detail provided in the master list does not disclose any of these issues and thus does not provide the BLNR enough information to properly assess whether to approve this RP or to explore possible enforcement actions, additional conditions, and appropriate rent particularly in light of the highly lucrative private, commercial uses continuously taking place on this parcel. OHA strongly recommends the removal of this RP from presentation to the BLNR until the

Richard T. Howard, Land Agent, DLNR Land Division July 26, 2018 Page 3

aforementioned concerns are thoroughly investigated and addressed, or the provision of a description and discussion of all of the aforementioned concerns in any proposal to reissue the RP.

OHA again asks that RP renewal recommendations also include an indication as to the "ceded" and public land trust status of each parcel. OHA has a substantial stake in the appropriate use and disposition of the State's "ceded" lands, which were acquired without the consent of the Native Hawaiian people, and most of which are classified as public land trust lands held in trust for the benefit of Native Hawaiians and the public. As the trustee of the "ceded" lands and the public land trust, the BLNR also has a specific fiduciary and moral obligation with respect to the use and disposition of such lands. Accordingly, an indication of the ceded and public land trust status of parcels being recommended for RPs may assist both OHA and the BLNR in applying an appropriate level of scrutiny.

OHA also reiterates its request that RP renewal recommendations include explicit, substantive considerations relevant to the BLNR's primary, public trust duties to conserve and protect Hawai'i's natural and cultural resources. Such duties include the fulfillment of the constitutional mandate that the state "conserve and protect Hawai'i's . . . natural resources . . . and shall promote the development and utilization of these resources in a manner consistent with their conservation and in furtherance of the self-sufficiency of the state. All public natural resources are held in trust by the state for the benefit of the people." The BLNR also holds a constitutional duty to protect cultural resources, as well as the practices which rely upon them.

The draft master list does not provide sufficient information for the Board to make an informed decision on whether to approve renewal of some of the RPs and for OHA and other interested agencies to provide more specific comments on the proposed RP renewals. As requested in past comment letters and testimonies, OHA asks that the RP master list be revised to include the Task Force's recommendations and additional information that would assist the BLNR in upholding its public trust duties including, the date of the last affirmative review of the permit holder's compliance with the most recent permit terms; and a discussion of pending challenges to the land uses contemplated under each permit, if applicable.

Mahalo for the opportunity to comment. Should you have any questions, please contact Kamakana Ferreira, OHA Compliance Specialist, at (808) 594-0227 or kamakanaf@oha.org.

'O wau iho no me ka 'oia 'i'o,

Kamana'opono M. Crabbe, Ph.D. Ka Pouhana, Chief Executive Office

aregons M. Gally

KC:kf

¹ HAW. CONST. ART. XI SEC. 1

² HAW. CONST. ART. XII SEC. 7; Ka Pa'akai o ka 'Āina v. Land Use Comm'n, 94 Hawai'i 31 (2000).