

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

November 9, 2018

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

Oahu

Annual Renewal of Revocable Permit 7570 to Hawaii Motorsports Association, Inc., Permittee; Kahuku, Koolauloa, Oahu, Tax Map Key: (1) 5-8-002:002

BACKGROUND:

Hawaii Motorsports Association, Inc. (HMA) has had a revocable permit (RP) over the State parcel designated as tax map key (1) 5-8-002:002 for motorcycle and trail bike riding purposes since 1972. The parcel covers an area of 449.720 acres, and its location is shown on the map attached as **Exhibit A**. HMA currently holds RP 7570 for the use of the land.

The same parcel is also encumbered by General Lease No. 3850 issued to the federal government as part of the army training ground. Other than overriding military contingencies, the federal government will use the land on the weekdays until dusk at Friday. HMA will then use the same area until midnight Sunday, or from dawn to midnight on national holidays.

In recent years when the request to renew RP 7570 came before the Board, the Board members inquired whether it would be more appropriate to issue a long-term disposition for the land through a competitive process. This year, the Division of Forestry and Wildlife (DOFAW) and Land Division published a Request for Interest in the Honolulu Star-Advertiser and on the Department's website on September 14, 2018 to solicit interest among prospective operators of the present park on a long-term basis. Two (2) entities responded before the deadline of October 15, 2018, and indicated they are interested in entering into a long-term disposition for the facility.

DOFAW and Land Division are now working on a joint request to the Board seeking authorization to issue a Request for Proposals ("RFP") for the facility, and such request is scheduled to be placed on the agenda before the end of 2018. In the meantime, staff requests the Board authorize the renewal of RP 7570 commencing from January 1, 2019 for a period not exceeding twelve months. The requested renewal will continue the present operation until the final disposition pursuant to the above-mentioned RFP process.

RP 7570 was originally included in the master list of revocable permits to be renewed on

Oahu for 2019, and comments and concurrence were solicited from other State and county agencies to the renewal and environmental assessment exemption declaration. No agencies objected to the proposed renewal of RP 7570. In addition, the agencies concurred with the proposed environmental assessment exemption declaration. Nevertheless, it was decided to remove RP 7570 from the master list of RP renewals for Oahu until the conclusion of the above-mentioned Request for Interest process.

RP 7570 was not valued in the portfolio appraisal report prepared by the independent appraiser procured by Land Division. Therefore, staff recommends the Board increase the rent for RP 7570 by 3% over 2018's monthly rent currently at \$132.77, which is consistent with the Board's approval on September 14, 2018, Item D-17 for other revocable permits on Oahu. The 2019 rent will be \$136.75 per month, or \$1,641 per year.

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." Item 51, which states the "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing". See **Exhibit B**.

RECOMMENDATION: That the Board:

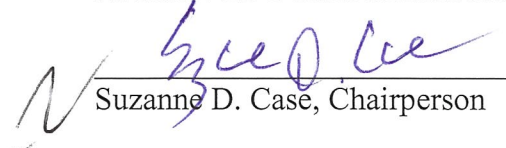
1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment; and
2. Approve the continuation of Revocable Permit No. 7570 on a month-to-month basis for another one-year period through December 31, 2019 subject to the terms and conditions described above.

Respectfully Submitted,



Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:


Suzanne D. Case, Chairperson



TMK (1) 5-8-002:002

EXHIBIT A

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 No. 7570.
Project / Reference No.:	RP 7570
Project Location:	Kahuku, Koolauloa, Oahu, TMK (1) 5-8-002:002.
Project Description:	Renew existing revocable permit for a term of one year.
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No.:	In accordance with HAR Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources reviewed and concurred on by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 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", Item 51, which states the "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing".
Cumulative Impact of Planned Successive Actions in Same Place Significant?	No, the requested location has been used for same use since the permit was granted.
Action May Have Significant Impact on Particularly Sensitive Environment?	No.
Analysis:	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	Division of Forestry and Wildlife, Office of Conservation and Coastal Lands, Division of State Parks, State Historic Preservation Division, Engineering Division, Commission on Water Resource Management, Division of Conservation and Resources Enforcement, Department of Hawaiian Home Lands, Department

of Agriculture, Agribusiness Development Corporation, Office of Hawaiian Affairs, Department of Planning and Permitting, Department of Facility Maintenance, Department of Parks and Recreation, and Board of Water Supply.

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.