

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

January 25, 2019

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

OAHU

Authorize the Issuance of a Request for Qualifications/Request for Proposals to Operate the Waialea Off-Road Motorcycle Park, Waialea, Koolauloa, Oahu, Tax Map Key: (1) 5-8-002:002

REQUEST:

Authorize the issuance of a Request for Qualifications/Request for Proposals ("RFQ/RFP") to operate the Waialea Off-Road Motorcycle Park.

LEGAL REFERENCE:

Sections 171-6, 16, 17, 35, 36, 59 and other applicable sections of Chapter 171, Hawaii Revised Statutes ("HRS"), as amended.

LOCATION:

Portion of Government lands situated at Waialea, Koolauloa, Oahu, identified by Tax Map Key: (1) 5-8-002:002, as shown on the attached map labeled **Exhibit A**.

AREA:

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

ZONING:

State Land Use District: Agriculture
City and County of Honolulu LUO: AG-2

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:

Encumbered by Revocable Permit No. S-7570, Hawaii Motorsports Association Incorporated, Lessee, for motorcycle and trail bike riding purposes; and

General Lease No. S-3850, United States of America for military purposes. Lease to expire on August 16, 2029.

CHARACTER OF USE:

Motorcycle and trail bike riding purposes.

TERM:

Commencement date to be determined by the Chairperson and expire on August 16, 2029.

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 47, which states the "Leases of state lands involving negligible or no expansion or change of use beyond that previously existing". See **Exhibit B**.

REMARKS:

The subject parcel and another State parcel, TMK (1) 5-9-006:026 were encumbered by General Lease No. ("GL") 3850 to the Federal government for military purposes since 1964. The Federal government also owns other parcels in the area, which, in its entirety, is commonly known as the Kahuku Training Area. The lease will expire in August 2029.

Hawaii Motorsports Association, Inc. (HMA) has had a revocable permit (RP) over the State parcel designated as TMK (1) 5-8-002:002 for motorcycle and trail bike riding purposes since 1972.

Other than overriding military contingencies, the federal government will use the land on weekdays from dawn on Mondays until dusk on Fridays. 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. 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 that they were interested in entering into a long-term disposition for the facility.

Staff requests the Board authorize the Chairperson to proceed with the RFQ/RFP process, which will include: establish evaluation criteria, review and qualify applications, solicit proposals from the qualified applicant(s), evaluate the proposals, select the best proposal, and present the proposal to the Board for approval. Upon the Board's approval of the selected applicant, the Chairperson will enter negotiations with the selected applicant of a proposed lease. The lease will be submitted to the Board for approval at a subsequent meeting.

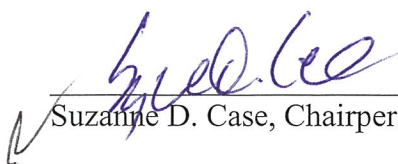
RECOMMENDATION: That the Board:

1. Find that the public interest demands that a lease for the subject property be disposed of through negotiation pursuant to Section 171-59(a), HRS.
2. 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.
3. Authorize the Chairperson to proceed with the issuance of a request for qualifications/request for proposal consistent with Section 171-59(a), HRS for the selection of the lessee under the terms and conditions cited above, which are by this reference incorporated herein.

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:	Request for Qualifications/Request for Proposals for Waialae Off-Road Motorcycle Park.
Project / Reference No.:	Not available.
Project Location:	Waialeale, Koolauloa, Oahu, TMK (1) 5-8-002:002.
Project Description:	Authorize the Chairperson to issue a Request for Qualifications/Request for Proposals.
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 47, which states the "Leases of state lands involving negligible or no expansion or change of use 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.
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 B