March 22, 2019

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

Land Board Members:

SUBJECT: ISSUANCE OF REVOCABLE PERMITS TO NAI’A LELE III CORP.
LOCATED AT HONOKOHAU SMALL BOAT HARBOR,
KEALAKEHE, NORTH KONA, HAWAII, TAX MAP KEY: (3) 7-4-008:003. SEE EXHIBIT A

AND

DECLARE PROJECT EXEMPT FROM REQUIREMENTS OF
CHAPTER 343, HRS AND TITLE 11, CHAPTER 200, HAWAII
ADMINISTRATIVE RULES.

APPLICANT:
Nai’a Lele III Corp. a Domestic Profit Corporation

LEGAL REFERENCE:
Sections 171-55, Hawaii Revised Statutes (HRS), as amended.

LOCATION:
Portion of Government lands situated at Honokohau Small Boat Harbor (Honokohau SBH),
Kealakehe, North Kona, Hawaii, identified as Tax Map Key: (3) 7-4-008:003, hereinafter referred
to as the “Premises” as shown on the map labeled EXHIBIT A and attached hereto.

AREA:
Approximately 12’ x 16’ 4” or 196 square feet of land.
ZONING:

State Land Use District: Urban & Conservation (portion of parcel along the coastline is in the Resource Conservation Subzone)

County of Hawaii: CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act: YES X NO __

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES __ NO X

CURRENT USE STATUS:

Unencumbered.

CHARACTER OF USE:

Covered area used for storage and recreation.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

Ninety-eight dollars ($98.00) payable in advance by the first of each and every month, based on an in-house valuation of $.50 per square foot per month, or $6.00 per square foot annually.

COLLATERAL SECURITY DEPOSIT:

Twice the Monthly Rental.

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
CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the “Comprehensive Exemption List for the Division of Boating and Ocean Recreation, Department of Land and Natural Resources, State of Hawaii, as concurred in by the Environmental Council, State of Hawaii”, dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states in pertinent part, “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.” This project is exempt from the preparation of an EA pursuant to the following exemption:

Item No. 51. Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing.

In consultation with the Land Division (LD), regarding HRS Chapter 343, they concurred that this RP met our 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.

REMARKS:

Over the years, numerous mooring permit holders at the Honokohau SBH have built permanent structures on State lands adjacent to their slips. This structure, measures approximately 12’ x 16’ 4” or 196 square feet. It consists of a wood slatted and framed storage shed pavilion.

For the most part, construction was done without the consent of the Division of Boating and Ocean Recreation (DOBOR), and the lands continue to be used without the proper dispositions or payment of rents.

Staff requests the Board approve the issuance of revocable permits to the applicant for the use of state lands. Since the commercial-use permits associated with this structure has a term not to exceed one (1) year, and must be renewed annually, staff believes that a revocable permit is the appropriate disposition in this instance. Staff further believes that there is no need for the tenant’s mooring permit and revocable permit to be coterminous, as each may be terminated within thirty (30) days.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, Hawaii Administrative Rules, 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. Authorize issuance of revocable permits at Honokohau SBH to Nai'a Lele III Corp. 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 Revocable Permit form, as may be amended from time to time; and
   
   b. Review and approval by the Department of the Attorney General.
   
   c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

EDWARD R. UNDERWOOD, Administrator
Division of Boating & Ocean Recreation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE, Chairperson
Board of Land and Natural Resources

Attachment:
   A. Location Map
EXEMPTION NOTIFICATION

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

<table>
<thead>
<tr>
<th>Project Title:</th>
<th>Issuance of revocable permits to Nai’a Lele III Corp. located at Honokohau Small Boat Harbor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project / Reference No.:</td>
<td></td>
</tr>
<tr>
<td>Project Location:</td>
<td>Kealakehe, North Kona, Hawaii, Tax Map Key: (3) 7-4-008:003</td>
</tr>
<tr>
<td>Project Description:</td>
<td>Covered areas used for storage and recreation</td>
</tr>
<tr>
<td>Chap. 343 Trigger(s):</td>
<td>Use of State Land</td>
</tr>
<tr>
<td>Exemption Class No(s.):</td>
<td>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, “Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing”</td>
</tr>
<tr>
<td>Cumulative Impact of Planned Successive Actions in Same Place Significant?</td>
<td>No, the requested location has been in the same use for many years with no known significant impact to the environment. Therefore, staff believes the issuance of a revocable permit to Nai’a Lele III Corp. will have no significant effect on the environment.</td>
</tr>
<tr>
<td>Action May have Significant Impact on Particularly Sensitive Environment?</td>
<td>No, staff does not believe the issuance of a revocable permit to Nai’a Lele III Corp. will have significant impact on particularly sensitive environment. The Honokohau SBH is a recreational boat harbor containing a fueling facility, vessel washdown, comfort stations, as well as numerous structures. The issuance of a revocable permit for the existing pavilion, which has no water or sewer, will have no significant impact on the environment.</td>
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<td>Analysis:</td>
<td>The request pertains to issuing a revocable permit for the subject location to Nai’a Lele III Corp. The area has been used for the same purpose over the years with no known significant impact to the environment. Staff believes that the request would involve negligible or no expansion or change in use of the subject location beyond that previously existing.</td>
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<tr>
<td>Consulted Parties:</td>
<td>Land Division - Hawaii District Land Office</td>
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<tr>
<td>Declaration</td>
<td>The Board finds that this project will probably have minimal or no significant effect on the environment and declares that this project is exempt from the preparation of an environmental assessment.</td>
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</table>
Exhibit A
Honokohau Small Boat Harbor

Nai'a Lele III Corp
Pavilion: Slp A-4
12'x16.33'=196 sf
Exhibit A

Nai'a Lele III Corp
Pavilion: Slip A-4
12' x 16.33' = 196 sf