

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

March 27, 2020

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

PSF No.: 20KD-002

Kauai

Issuance of Revocable Permit to Hawaii Land & Livestock, LLC for Pasture Purposes,  
Portion of Government (Crown) Land of Kapaa Parcels A & B, Kapaa, Kawaihau  
(Puna), Kauai, TMK: (4) 4-6-009:046.

APPLICANT:

Hawaii Land & Livestock, LLC, a domestic limited liability company (LLC).

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Government (Crown) Land of Kapaa Parcels A & B, Kapaa, Kawaihau (Puna), Kauai,  
identified by Tax Map Key: (4) 4-6-009:046, as shown on the attached map labeled  
Exhibit A.

AREA:

6.5 acres, more or less.

ZONING:

State Land Use District:	Agriculture
County of Kauai CZO:	Agriculture

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 and unencumbered.

CHARACTER OF USE:

Pasture purposes.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

\$40.00 per monthly rental, which is the same rent that was approved for the prior revocable permit on this land, Revocable Permit No. S-7729 to Falko Partners, LLC at the Board's meeting of September 27, 2019, Item D-1.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exhibit B.

DCCA VERIFICATION:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Applicant in good standing confirmed:	YES

JUSTIFICATION FOR REVOCABLE PERMIT:

Hawaii Land & Livestock, LLC (HLL) is the only interested party at this time and the parcel is too small to generate revenue at a level to justify the staff time and costs required to put the land out for public auction. If in the future the land can be combined with other pasture lands in the area for a larger offering, then staff will proceed with a public auction.<sup>1</sup>

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<sup>1</sup> The Board previously approved an auction of this parcel at its meeting of January 28, 2000, Item D-9.

REMARKS:

The subject parcel is a portion of property located in Keapana Valley, mauka of Kapaa Town. From February 25, 1986 to February 24, 2002, the property was encumbered to Seven Pillars, Inc. under General Lease S-5116 (GL S-5116) for pasture purposes. Seven Pillars, Inc. was sold to Falko Partners, LLC (Falko Partners) and the Board of Land and Natural Resources (Board) approved the assignment of GL S-5116 to Falko Partners on September 8, 2000 (Item D-18). Upon expiration of their lease, Falko Partners was issued Revocable Permit S-7311 (RP S-7311) on June 10, 2002. On November 22, 2010, the Board approved the reissuance of a large number of revocable permits statewide to update insurance and other provisions to protect the State's interest. As a part of that process, RP S-7311 to Falko Partners was replaced by RP S-7729 also to Falko Partners, commencing on July 23, 2012 for pasture purposes. On December 2, 2019, Falko Partners informed Kauai District Land Office that they wish to cancel RP S-7729.

A request for a revocable permit for pasture purposes was made December 4, 2019 by HLL for TMK (4) 4-6-009:046. A separate request for a revocable permit for natural recreational purposes for adjacent TMK Nos. (4) 4-6-009:028, 044, & 045 was also made December 4, 2019 by HLL. HLL is the only interested party at this time and staff feels that the parcel would not be successfully leased at a future public auction.

HLL has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

HLL is qualified and capable of successfully maintaining the subject land for pasture purposes. Their main role is cattle ranching and land management. They have been in business since August 2011. Bobby Farias, owner and manager of HLL is a third-generation Kauai cattle rancher and fixture in Hawaii's beef industry. He is also president of Kunoa Cattle Company, as well as Hawaii Meats, LLC, Oahu's only slaughterhouse. HLL intends on keeping cows on the State parcels. They plan on clearing any overgrown trees/bushes and fencing off the entire property. In fencing off the property, they will inhibit people from dumping cars and garbage onto the State parcel.

The following State and County of Kauai (COK) agencies were consulted on this action with the results indicated:

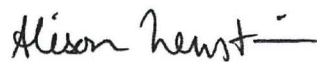
Agency:	Comment:
Historic Preservation	No Response by suspense date
Office of Hawaiian Affairs	No Response by suspense date
Department of Agriculture	No Response by suspense date
County of Kauai (COK) Planning Department	No Response by suspense date
COK Department of Public Works	No objections

The proposed use has continued since at least 1986 and will continue. 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 11-200.1, Hawaii Administrative Rules (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. Authorize the issuance of a revocable permit to HLL 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 revocable permit form, as may be amended from time to time;
  - b. Review and approval by the Department of the Attorney General; and
  - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

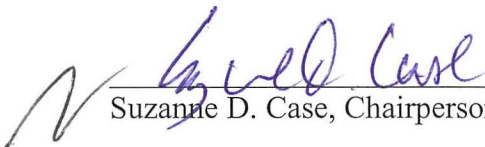
Respectfully Submitted,



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Alison Neustein  
Land Agent

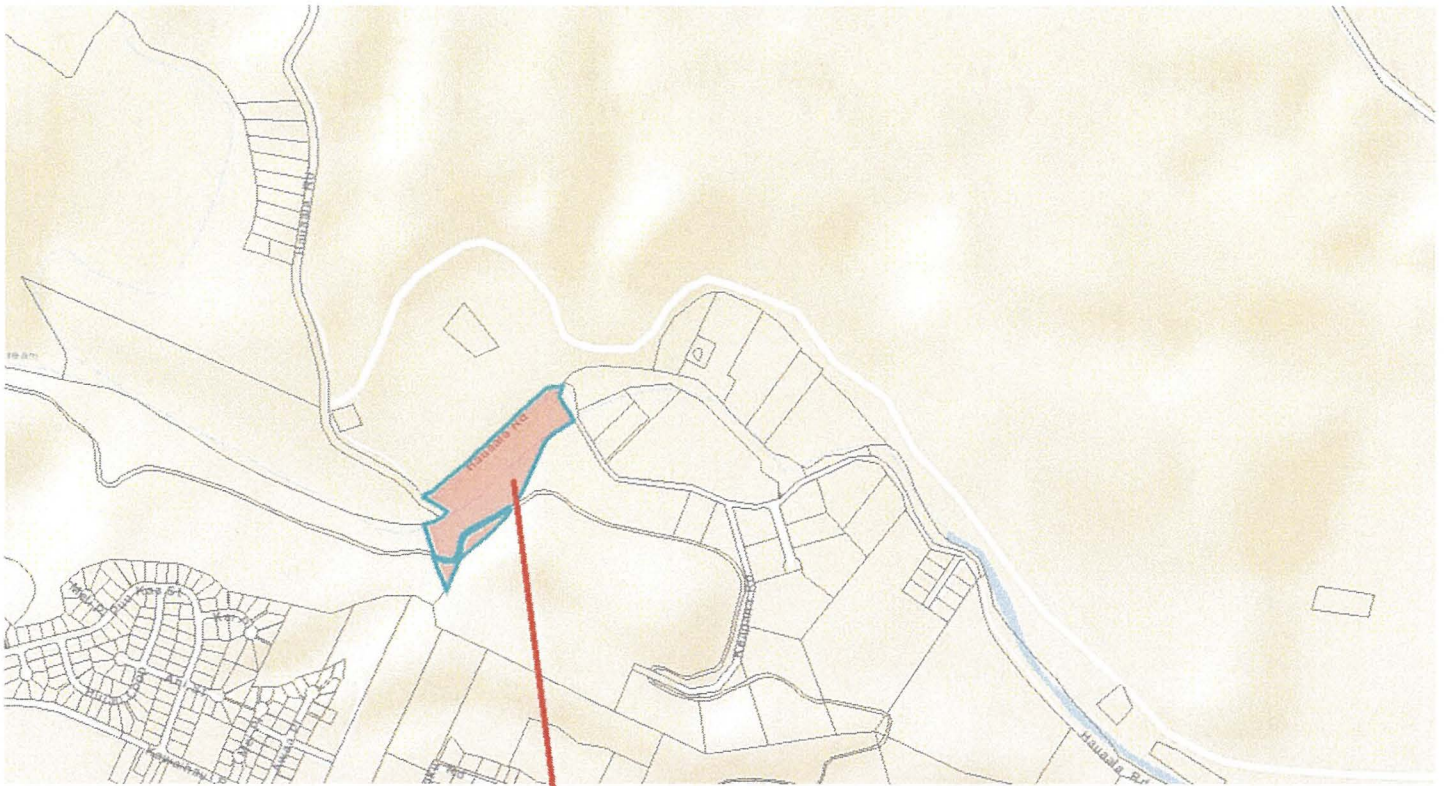
APPROVED FOR SUBMITTAL:



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Suzanne D. Case, Chairperson





**Subject TMK (4) 4-6-009:046**



**EXHIBIT A**





DAVID Y. IGE  
GOVERNOR OF HAWAII



SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

**STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
LAND DIVISION**

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

March 27, 2020

**EXEMPTION NOTIFICATION**

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1, HAR

<b>Project Title:</b>	Issuance of Revocable Permit to Hawaii Land & Livestock, LLC for Pasture Purposes, Portion of Government (Crown) Land of Kapaa Parcels A & B, Kapaa, Kawaihau (Puna), Kauai, TMK: (4) 4-6-009:046.
<b>Project / Reference No.:</b>	20KD-002
<b>Project Location:</b>	Government (Crown) Land of Kapaa Parcels A & B, Kapaa, Kawaihau (Puna), Kauai, identified by Tax Map Key: (4) 4-6-009:046, as shown on the attached map labeled Exhibit A.
<b>Project Description:</b>	Issuance of Revocable Permit to Hawaii Land & Livestock, LLC for Pasture Purposes.
<b>Chap. 343 Trigger(s):</b>	Use of State Land.
<b>Exemption Class No. and Description:</b>	In accordance with HAR § 11-200.1-15 and the Exemption List for the Department of Land and Natural Resources reviewed and concurred on by the Environmental Council on June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to 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 Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation."

**EXHIBIT B**

**Cumulative Impact of  
Planned Successive Actions  
in Same Place  
Significant?**

No. The temporary use of the land for pasture purposes is compliant with county zoning requirements. Staff believes there are no cumulative impacts involved.

**Action May Have  
Significant Impact on  
Particularly Sensitive  
Environment?**

No. There are no sensitive environmental issues involved with the proposed use of the property.

**Analysis:**

The proposed exemption is appropriate because the applicant is requesting a revocable permit for pasture purposes. The property has been used for pasture since February 25, 1986 and the applicant is not proposing expansion or changing the current use. According to the Applicant, the proposed project maintains the existing topography and is a minor alteration of the condition of the land and vegetation and should result in no material change or significant impact to the environment.

**Consulted Parties:**

Comments from The State Historic Preservation Division, Office of Hawaiian Affairs, Department of Agriculture, County of Kauai (COK) Public Works and COK Planning were solicited.

**Recommendation:**

We recommend that the Land Board approve this project as it will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.