

State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawai'i

December 11, 2020

Board of Land and Natural Resources
State of Hawai'i
Honolulu, Hawai'i

O'ahu

Issuance of a Revocable Permit to Malaekahana Beach Campground, LLC for Campground purposes at Mālaekahana State Recreation Area (Kahuku Section), Lāie (Ko'ilauloa), O'ahu, TMK: (1) 5-6-001: Parcels 24, 45-47, 49, 51, 53-65.

APPLICANT:

Malaekahana Beach Campground, LLC a Hawai'i limited liability company

LEGAL REFERENCE:

Hawai'i Revised Statutes (HRS) Sections 171-13, 171-55, as amended.

LOCATION:

Mālaekahana State Recreation Area, Kahuku Section, (MSRA), Lā'ie, Ko'olauloa, O'ahu, identified by Tax Map Key: (1) 5-6-001: Parcels 24, 45-47, 49, 51, 53-65 (the "Property"), as shown in attached **Exhibit A**.

AREA:

36.288 acres, more or less

ZONING:

State Land Use District: Agriculture, Urban
County of Honolulu CZO: AG-2, R-5

TRUST LAND STATUS:

Section 5(a) lands of the Hawai'i Admission Act; Acquired after 1959
DHHL 30% entitlement lands pursuant to the Hawai'i Constitution: No

CURRENT USE STATUS:

Encumbered by Executive Order 3928 to be under the control and management of the Department of Land and Natural Resources, Division of State Parks.

CHARACTER OF USE:

Operation of a commercial campground and public day use beach park.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

Two thousand five hundred and no/100ths dollars (\$2,500.00) or seven percent (7%) of gross receipts, whichever is greater.

PERFORMANCE BOND:

Equal to two times the minimum monthly rent.

CHAPTER 343 ENVIRONMENTAL ASSESSMENT:

In accordance with Hawai'i Administrative Rules ("HAR") Sections 11-200.1-15 and the Exempt List for the Department of Land and Natural Resources concurred by the Environmental Council on March 3, 2020, 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 or use beyond that previously existing." Part 1, item 41 that states, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing." See **Exhibit B**

DCCA VERIFICATION:

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

PROPERTY CHARACTERISTICS:

Utilities - The property is served by an existing water line which serves the entire premises. The lessee will pay one hundred (100%) percent of the water charges directly to the Board of Water Supply. Electrical service is separately metered and billed directly to the operator.

REMARKS:

Background:

The property is currently operated by Malaekahana Beach Campground, LLC as a commercial campground with a general lease which expired in March of 2020. With the Board's approval we request a transfer of a general lease to a revocable permit.

In the past, State Parks was required to transition into new, permanent individual wastewater systems to serve the future wastewater needs of the property. While all previously existing Large Capacity Cesspools (LCC's) were closed prior to the term of the general lease, permanent infrastructure and improvements have not yet been completed. The lessee is required to use portable toilets and tank septic systems authorized by the Department of Health.

There are park improvements including new utilities, comfort stations, septic systems, roadways, parking areas and related improvements scheduled for the near future. It has remained the intention of State Parks to complete many of these improvements, which are funded and shovel-ready, prior to pursuing a Request for Proposals (RFP) for long-term future management and development of the park.

Staff Comments:

Malaekahana Beach Campground, LLC (MBC) has been a partner with DSP for the past 5 years providing management and caretaking of Malaekahana State Recreation Area (Kahuku Section). MBC manages rentals of the cabins, campsites, camp store and ocean activity rentals. This partnership has allowed DSP to focus on other areas while working with MBC.

In 2020, Emergency orders related to COVID-19 have created mandated park closures, reduced campsite and facility capacities, and severe impacts to tourism and the local economy. These factors have directly impacted the lessee, resulting in periods of reduced and zero revenue. For this reason, we are proposing a lower base rent for the term of this R.P.

RECOMMENDATION: That the Board:

1. Determine that in accordance with Hawai'i Administrative Rule Sections 11-200-8 and the Exemption List for the Department of Land and Natural

Resources approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment.

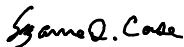
2. Authorize the issuance of a revocable permit to Malaekahana Beach Campground, LLC covering the subject area for campground management and public day use under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard 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.
 - d. Recommend the monthly rent be reduced from \$2,500/mo. or 7% of gross receipts whichever is greater to \$1,250/mo. rent or 7% of gross receipts whichever is greater.

Respectfully submitted,



Curt A. Cottrell
Administrator
Division of State Parks

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson
Board of Land and Natural Resources

ATTACHMENTS: Exhibit A - Location
Exhibit B – Exemption Notification



STATE OF HAWAII

SURVEY DIVISION

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
HONOLULU

C.P. NO. 23,265

April 15, 2002

MALAEKAHANA STATE PARK

PHASE II

Malaekahana, Koolauloa, Oahu, Hawaii

Being all of the following lots of Land Court Application 1095,
filed in the office of the Assistant Registrar of the Land Court of
the State of Hawaii and covered by Transfer Certificate of Title
230,029 issued to the State of Hawaii (Land Office Deed S-27150).

<u>Lot Number</u>	<u>Map Number</u>	
49	9	0.063 ACRE
50	9	0.005 ACRE
51	9	0.035 ACRE
52	9	0.040 ACRE
53	9	0.045 ACRE
66	9	4.605 ACRES
67	9	3.232 ACRES
68	9	4.666 ACRES
70-A	35	1.350 ACRES
70-B	35	1.047 ACRES
71	9	1.007 ACRES
72	9	0.080 ACRE
73-A	43	3.985 ACRES
73-B	43	1.433 ACRES
73-C	43	1.248 ACRES
73-D	43	0.205 ACRE
73-E	43	0.080 ACRE
74-A	46	2.739 ACRES
74-B-1	58	1.624 ACRES
74-B-2	58	1.104 ACRES

April 15, 2002

Lot Number	Map Number	Ara
75-A	42	2.313 ACRES
75-B	42	2.030 ACRES
457	64	1.000 ACRE
458	64	1.122 ACRES
459	64	1.072 ACRES
460	64	<u>0.158 ACRE</u>

Total Area = 36.288 ACRES

The above-described Malaekahana State Park, Phase II is subject, however, to all encumbrances as noted in Transfer Certificate of Title 230,029 issued to the State of Hawaii.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: Reid K. Siarot
Land Surveyor gm

Compiled from records
in the Land Court and
CSF 18917.



STATE OF HAWAII

SURVEY DIVISION

**DEPT. OF ACCOUNTING AND GENERAL SERVICES
HONOLULU**

C.S.P. NO. 23,277

April 29, 2002

MALAEKAHANASTATEPARK

PHASE I

Laiewai, Malaekahana, Koolauloa, Oahu, Hawaii

Being all of the following lots of Land Court Application 1095,
filed in the Office of the Assistant Registrar of the Land Court of
the State of Hawaii.

Lm	Mil!	Ara	Transfer Certificate of Title	Land Office Deed
K-3	4	0.192 Acre	191,123	S-26,876
33	4	17.449 Acres	191,123	S-26,876
63	9	0.038 Acre	191,123	S-26,876
86	9	0.986 Acre	191,123	S-26,876
530	77	22.272 Acres	191,123	S-26,876
531	77	5.367 Acres	189,135	S-26,638
532	77	<u>27.407 Acres</u>	189,135	S-26,638

TOTAL AREA = 73.711 Acres

Together with a right of way as to Lot 86 across Lots 62, 63, 86
and 270 as set forth in Land Court Order 3715.

C.S.F. No. 23,277

April 29, 2002

The above-described Malaekahana State Park, Phase I is subject, however, to all encumbrances as noted in Transfer Certificate of Title Nos. 189,135 and 191,123 issued to the State of Hawaii.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: *Reid K. Siarot*
Reid K. Siarot
Land Surveyor gm

Compiled from Land
Court Records.

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1, Hawai'i Administrative Rules.

Project Title:	Issuance of Revocable Permit to Malaekahana Beach Campground, LLC
Project / Reference No.:	SP0472
Project Location:	Mālaekahana State Recreation Area, Kahuku Section, (MSRA), Lā'ie, Ko'olaupia, O'ahu, identified by Tax Map Key: (1) 5-6-001: Parcels 24, 45-47, 49, 51, 53-65 (the "Property").
Project Description:	Management of commercial campground and public day use of Mālaekahana State Recreation Area, Kahuku Section
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No(s):	In accordance with Hawai'i Administrative Rule Chapter 11-200.1-15 and the Exemption List for the Department of Land and Natural Resources reviewed and concurred in by the Environmental Council on March 3, 2020, 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." Part 1, item 41 that states, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing."
Cumulative Impact of Planned Successive Actions in Same Place, Over Time, Significant?	No. The proposed permitted area is currently used for camping and public day use of beach park.
Action May Have Significant Impact on Particularly Sensitive Environment?	No. The proposed permitted area is currently used for camping and public day use of beach park
Analysis:	The proposed permitted area is currently used for camping, including cabins and public day use of beach park.
Consulted Parties:	Division of Conservation and Resources Enforcement and the Office of Conservation and Coastal Lands
Declaration	The Board determines, through its judgment and experience, that the action will individually and cumulatively probably have minimal or no significant effects, and that the action is declared exempt from the preparation of an environmental assessment.

