

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

July 8, 2022

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

PSF No.: 22HD-032

Island of Hawai'i

Set Aside to the County of Hawaii for Affordable Housing and Issuance of an Immediate Management Right-of-Entry Permit to the County of Hawaii, Waiakea, South Hilo, Hawaii, Tax Map Keys: (3) 2-4-005:001, 012, (3) 2-4-051:094, 107, 108, 111.

APPLICANT:

County of Hawaii, Office of Housing and Community Development.

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands of Waiakea, South Hilo, Hawaii, identified by Tax Map Keys: (3) 2-4-005:001, 012, (3) 2-4-051:094, 107, 108, 111, as shown on the attached map labeled Exhibit A.

AREA:

104.68 acres, more or less.

ZONING:

| Tax Map Key | Area (acres) | State Land Use Designation | County General Plan | County Zoning |
|-----------------|--------------|----------------------------|---------------------|----------------|
| (3) 2-4-005:001 | 68.38 | Agriculture/Urban | Low Density Urban | A-3a and Open |
| (3) 2-4-005:001 | 2.17 | Urban | Low Density Urban | A-3a |
| (3) 2-4-051:094 | 0.23 | Urban | Low Density Urban | RS-15 |
| (3) 2-4-051:107 | 0.21 | Urban | Low Density Urban | RS-15 |
| (3) 2-4-051:108 | 0.26 | Urban | Low Density Urban | RS-15 |
| (3) 2-4-051:111 | 33.43 | Urban | Low Density Urban | RS-15 and Open |

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.

PURPOSE:

Affordable housing and related purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rules (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 November 10, 2020, the subject request is exempt from the preparation of an environmental assessment pursuant to General Exemption Type 1 that 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 Part 1, Item 36 that states, "Transfer of management authority over state-owned land, such as setting aside of state lands to or from other government agencies through a Governor's executive order." The County of Hawaii shall be responsible for compliance with Chapter 343, HRS, as to its planned future use of the land. See Exemption Notification attached as Exhibit B.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Process and obtain the necessary change in Land Use Designation, Zone Change and any other land use approvals or permits appropriate for the proposed purpose;
- 2) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost; and
- 3) Inasmuch as the Chapter 343 environmental requirements apply to Applicant's use of the lands, the Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

REMARKS:

At its meeting of November 30, 2021, the Board of Agriculture (DOA) approved the transfer of four (4) parcels of unencumbered land in the Waiākea area of South Hilo on the Island of Hawaii. These parcels are identified by Tax Map Keys: (3) 2-2-048:001,

(3) 2-4-005:001,012, and (3) 2-4-051:111 (Exhibit C).

A request for comments was sent to various government agencies and the County of Hawaii, Planning Department in consultation with the Hawaii County Office of Housing and Community Development (OHCD) determined that parcels (3) 2-4-005:001, 012 and (3) 2-4-051:111 have the potential to be developed for affordable housing projects. According to the OHCD, the County of Hawaii has a severe shortage of residential housing, and they are always seeking opportunities for additional housing development sites.

By letter dated April 8, 2022, Mayor Mitchell D. Roth requested the Board's approval for set aside to the County of Hawaii, the parcels identified above along with lots (3) 2-4-051:094, 107, 108,¹ comprising approximately 104.68 acres. The County of Hawaii would like to develop these parcels for affordable housing purposes. In his letter, the Mayor indicated that although agriculture remains a high priority for the County, the development of these parcels into affordable housing would be a more appropriate use based on the location and current zoning. The potential development of these parcels represents a significant opportunity to address the affordable housing crisis on the Big Island.

The County of Hawaii is also requesting the Land Board's favorable consideration of a right-of-entry permit for management purposes. This will allow the County and their consultants to start the necessary environmental studies, surveying, etc.

AGENCY COMMENTS:

A request for comments was sent to various government agencies and their responses are listed below.

| County of Hawaii Agencies | Comments |
|----------------------------|----------------|
| Fire Department | No Comments |
| Planning | No Comments |
| Police Department | No Comments |
| Public Works | No Response |
| Environmental Management | |
| State of Hawaii Agencies | Comments |
| DLNR-Historic Preservation | No Response |
| DLNR-OCCL | No Comments |
| DHHL | No Response |
| DOA | Comments Below |

¹ Parcels (3) 2-4-051:094, 107, 108 are vacant residential-sized lots adjacent to the parcel 2-4-051:111

| Other Agencies | Comments |
|----------------------------|-------------|
| Office of Hawaiian Affairs | No Response |
| Corps of Engineers | No Response |

The DOA reached out to the agricultural community and particularly the ranching industry regarding the subject properties and the proposed designated use for affordable housing. The consensus was that, although in the past the parcels were utilized for pasture purposes, they are small and surrounded by residential housing, making them less conducive to agriculture use than they have been in the past. Although there is a continuing need for pasture lands, the DOA has no objection to the subject properties being set aside to the County of Hawaii for housing purposes.

RECOMMENDATION:

That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1, 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. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to the County of Hawaii under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
3. Authorize the issuance of an immediate management right-of-entry permit to the County of Hawaii covering the subject area, which are by this reference incorporated herein and further subject to the following:

- A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
- B. The right-of-entry permit shall remain in force for one year after written acceptance by the County of Hawaii or until the set-aside is complete, whichever shall first occur. The Chairperson is authorized to renew the right-of-entry for additional one-year periods for good cause shown; and
- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Gordon C. Heit

KCM

Gordon C. Heit
District Land Agent

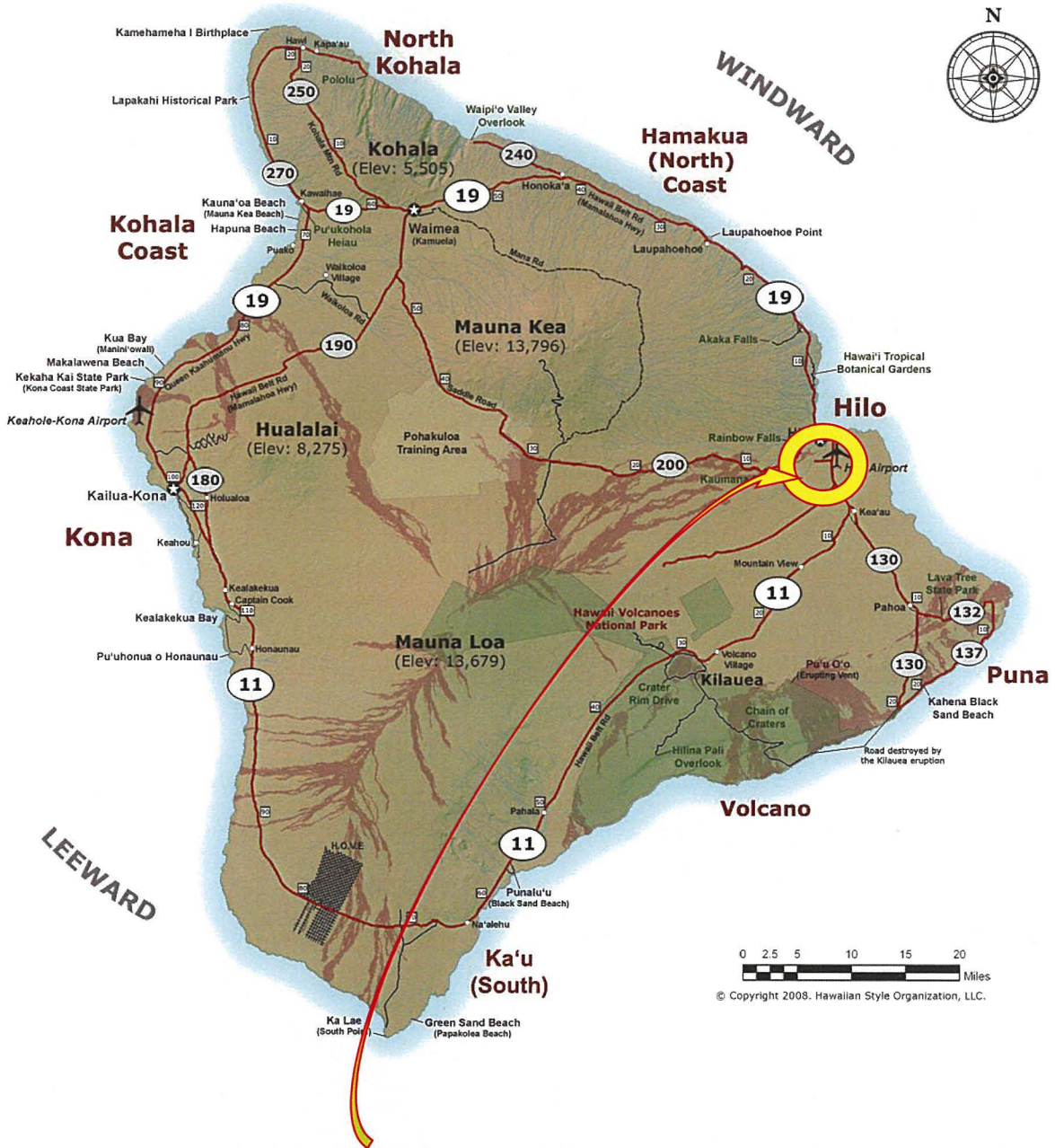
APPROVED FOR SUBMITTAL:

Suzanne D. Case

RT

Suzanne D. Case, Chairperson

EXHIBIT A



Set Aside to COH,
Waiakea, South Hilo, Hawaii

TMK: (3) 2-4-005:001, 012

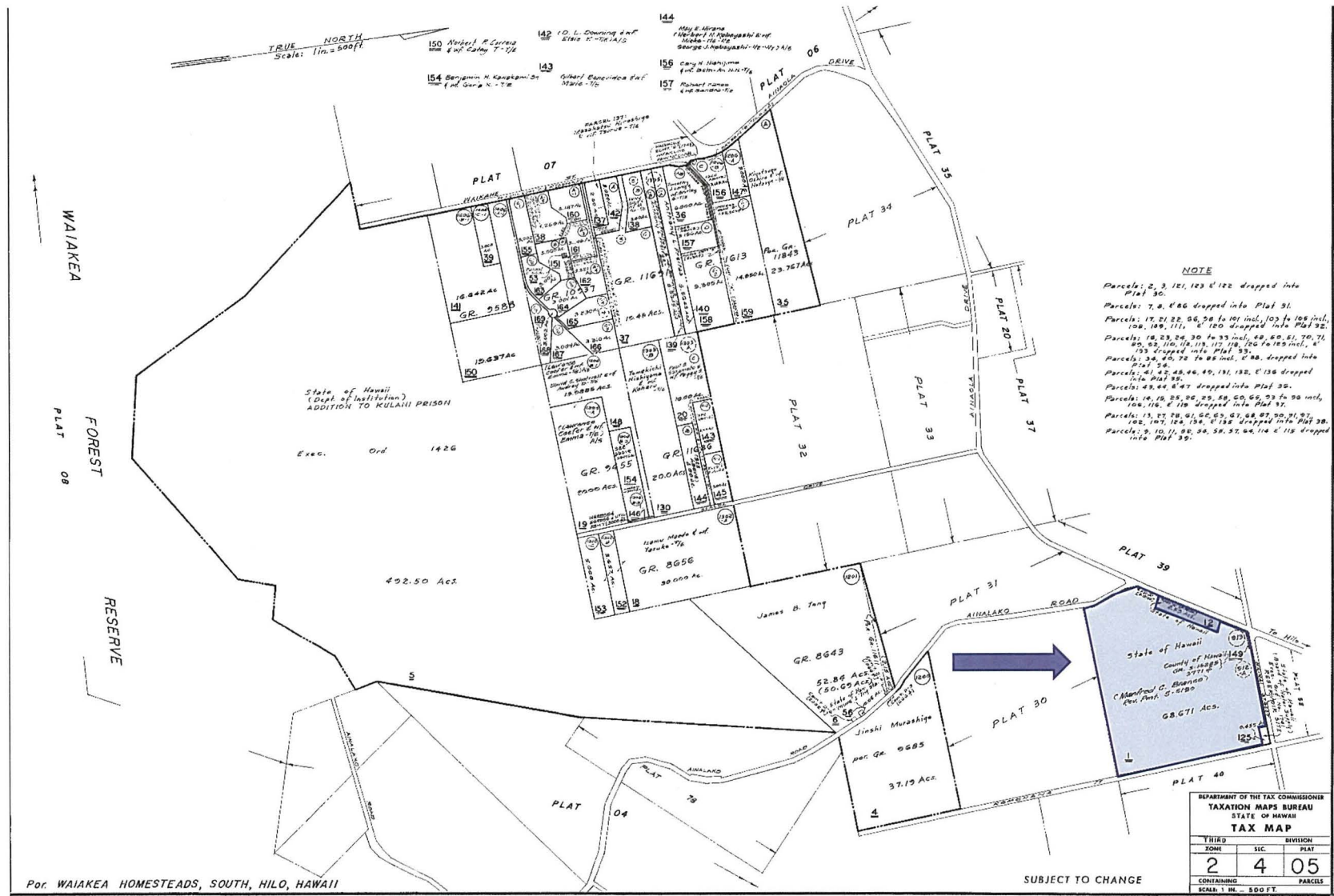
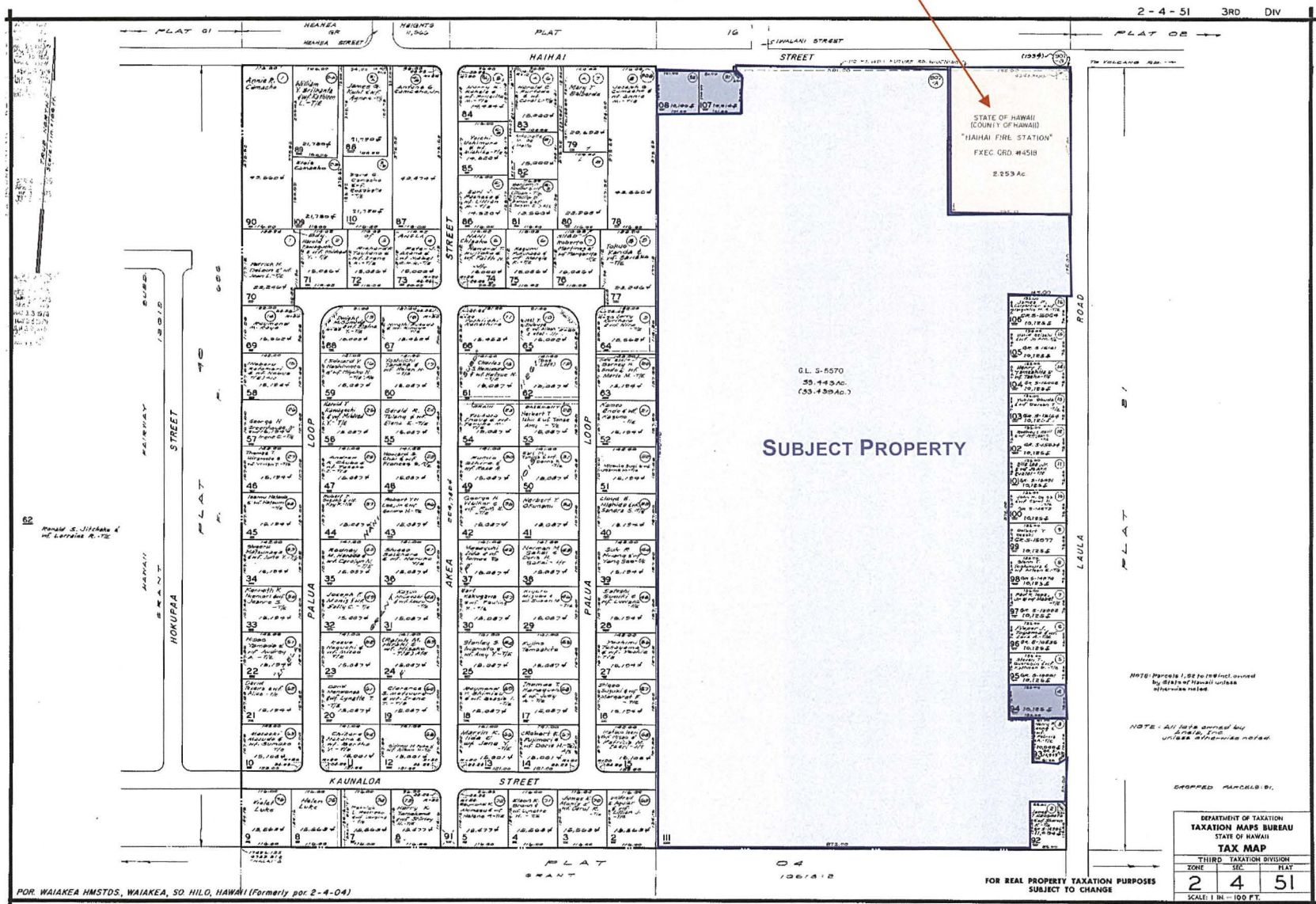


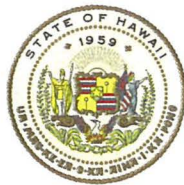
EXHIBIT A1

TMK: (3) 2-4-051:094,107,108, 111

Haihai Street Fire Station



DAVID Y. IGE
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

June 6, 2022

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

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, Hawaii Revised Statutes (HRS), and Chapter 11-200.1, Hawaii Administrative Rules (HAR):

| | |
|--|--|
| Project Title: | Set Aside to the County of Hawaii for Affordable Housing Purposes. |
| Project / Reference No.: | 22HD-032 |
| Project Location: | Government lands of, Waiakea, South Hilo, Island of Hawaii; Identified by Tax Map Key: (3) 2-4-005:001, 012, and (3) 2-4-051:094, 107, 108, and 111 |
| Project Description: | Transfer of Government Lands Pursuant to Section 171-11, Hawaii Revised Statutes (HRS), as amended. |
| Chap. 343 Trigger(s): | Use of State Land |
| Exemption Class No. and Description: | In accordance with Hawaii Administrative Rules (HAR)§ 11-200.1-16 (a)(1) and the Exemption List for the Department of Land and Natural Resources reviewed and concurred on by the Environmental Council on November 10, 2020, 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." Part 1, Item 36 that states "Transfer of management authority over State-owned lands, such as setting aside of State lands to or from other government agencies through a Governor's Executive Order". |
| Cumulative Impact of Planned Successive Actions in Same Place Significant?: | No. Staff believes there are no cumulative impacts involved. |

EXHIBIT B

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

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

Analysis:

The County of Hawaii has requested the Board's approval for a set aside the parcels identified above. The County would like to develop these parcels for affordable housing purposes. The potential development of these parcels represents a significant opportunity to address the affordable housing crisis on the Big Island.

Consulted Parties:

Agencies listed in the submittal.

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.

STATE OF HAWAII
DEPARTMENT OF AGRICULTURE
AGRICULTURAL RESOURCE MANAGEMENT DIVISION
HONOLULU, HAWAII 96814

November 30, 2021

Board of Agriculture
Honolulu, Hawaii

Subject: REQUEST FOR APPROVAL FOR THE TRANSFER OF PUBLIC LANDS FROM THE DEPARTMENT OF LAND AND NATURAL RESOURCES TO THE DEPARTMENT OF AGRICULTURE PURSUANT TO ACT 90, SLH 2003, CODIFIED AS CHAPTER 166E, HAWAII REVISED STATUTES; TMK NOS.: (3) 2-4-005:001; (3) 2-4-005:012; (3) 2-4-051:111; (3) 2-2-048:001; ISLAND OF HAWAII, HAWAII

Authority: Section 166E-3, Hawaii Revised Statutes ("HRS")

Tax Map Keys: See Exhibit "A"

BACKGROUND:

Act 90, Sessions Laws of Hawaii ("SLH") 2003 established the Non-Agricultural Park Lands Program within the Hawaii Department of Agriculture ("HDOA"), and was codified as Chapter 166E, HRS. Under this program, the Legislature found that certain public lands classified for agricultural use by the Department of Land and Natural Resources ("DLNR") should be transferred to the HDOA for purposes and in a manner consistent with Article XI, Section 10, of the State Constitution.

The purpose of this chapter is to ensure the long-term productive use of public lands leased or available to be leased by the DLNR for agricultural purposes by allowing these lands to be transferred to the HDOA for leasing and management.

In accordance with provisions of Act 90, SLH 2003, the Board of Agriculture (BOA) must mutually approve of the selected encumbrances for transfer. On the island of Hawaii, staff verified compliance of four (4) encumbrances for approval by BOA as listed below.

EXHIBIT C

B-57

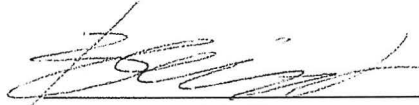
B-58

| <u>Doc No.</u> | <u>Tax Map Key (TMK)</u> | <u>Character of Use</u> | <u>Leased Area (AC)</u> |
|----------------|--------------------------|-------------------------|-------------------------|
| Vacant | (3) 2-4-005:001 | Pasture | 68.659 |
| Vacant | (3) 2-4-005:012 | Pasture | 2.59 |
| Vacant | (3) 2-4-051:111 | Pasture | 33.443 |
| Vacant | (3) 2-2-048:001 | Diversified Ag. | 7.855 |

RECOMMENDATION:

Staff has reviewed the list of proposed encumbrances and performed its due diligence and recommends that the Board approve the transfer of the four (4) encumbrances on the island of Hawaii as listed above.

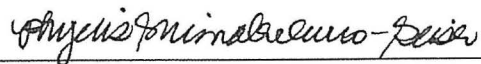
Respectfully submitted,



BRIAN KAU, P.E.
Administrator and Chief Engineer
Agricultural Resource Management Division

Attachment – Exhibit “A”

APPROVED FOR SUBMISSION



PHYLLIS SHIMABUKURO-GEISER
Chairperson, Board of Agriculture

Approved by the Board of
Agriculture at its meeting held
11/30/2021
as agenda item 11. B.3