

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

March 24, 2023

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

PSF No.:21OD-035

OAHU

Issuance of Direct Lease to Hui o Hau`ula for Community Services and Activities Purposes; Koolauloa, Oahu, TMK (1) 5-4-014:003.

APPLICANT:

Hui o Hau`ula, a Hawaii non-profit corporation and 501(c)(3) organization. Copy of IRS Determination Letter as attached as **Exhibits A**.¹

LEGAL REFERENCE:

Sections 171-6 and 43.1, Hawaii Revised Statutes, as amended.

LOCATION:

Government lands situated at Hauula, Koolauloa, Oahu, identified by Tax Map Key: (1) 5-4-014:003, as shown on the maps attached as **Exhibits B1** and **B2**.

AREA:

4.936 acres, more or less.

ZONING:

State Land Use District:	Urban
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

¹ Determination Letter dated October 8, 2014 currently found on the IRS website.
<https://apps.irs.gov/app/eos/details/#main-content>

CURRENT USE STATUS:

Right-of-Entry permit No. 4476 issued to Hui o Hau`ula for due diligence and site maintenance purposes.

CHARACTER OF USE:

Community services and activities purposes.

LEASE TERM:

Three (3) years.

COMMENCEMENT DATE:

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

ANNUAL RENTAL:

\$480 per year, pursuant to the Board policy adopted on May 13, 2005 under agenda item D-19 on minimum rent for new disposition.

METHOD OF PAYMENT:

Due annually.

RENTAL REOPENINGS:

Not applicable.

PERFORMANCE BOND:

Twice the annual rental amount.

CHAPTER 343 ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rules ("HAR")§ 11-200.1-15 and -16 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," Part 1, Item 40, that states "Leases of state lands involving negligible or

no expansion or change of use beyond that previously existing". The subject request will probably have minimal or no significant effect on the environmental and should be declared exempt from the preparation of an environmental assessment and the requirements of § 11-200.1-17, HAR. (**Exhibit C**)

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>x</u>	NO <u> </u>
Registered business name confirmed:	YES <u>x</u>	NO <u> </u>
Good standing confirmed:	YES <u>x</u>	NO <u> </u>

APPLICANT REQUIREMENTS:

None

REMARKS:

In 2004, the subject parcel was leased for agricultural purposes until the lease was terminated for non-compliance with lease conditions in 2010. Later, the City and County of Honolulu ("City") planned to develop the subject parcel into a district park following the issuance of Governor's Executive Order No. (EO) 4323. However, the park was never built for reasons the City never made known to the staff. There were other planned uses discussed in the community, including joint use of a health clinic and a community center. Potential partners from the health clinic subsequently withdrew from the development of the subject parcel.

The idea of having a community center/resilience hub that is built to protect and support the resilience of the Koolauloa community continued to be discussed in the community. Koolauloa is the only district on Oahu that does not have a shelter located in the community. Therefore, there is a compelling need for the Koolauloa community to have the critical lifelines that can be provided through the Resilience Hub: safety and security, food, water, shelter, health and medical, energy, communications, transportation and waste management technology.

In 2020, the Applicant advised the staff that they received funding from the federal government to conduct an environmental assessment for the proposed community center/resilience hub. The request also received support from the then District Senator. Therefore, the Applicant requested a right-of-entry for due diligence in relation to the proposed community project and site maintenance purposes, too.

At its meeting of October 23, 2020, under agenda item D-7, the Board authorized the cancellation of EO 4323 and the issuance of a right-of-entry permit to the Applicant over the subject parcel for due diligence and site maintenance purposes.

In August 2022, Applicant and its consultant retained for the preparation of the environmental assessment held a video conference with the staff to discuss the overall project and schedule.

Since 2020, the community worked diligently in the upkeep and maintenance of the subject parcel by keeping the once overgrown vegetation under control. During a recent inspection in October 2022, staff noted that majority of the area has turned into an open space with no fencing installed. Community members can exercise on the walking path around the perimeter of the parcel while the kids enjoy their ball games on the well-maintained grassy area in the middle. Photos taken during the site visit are attached as **Exhibit D1 and D2**.

Applicant is fully aware of the need for compliance regarding environmental assessment in relation to its upcoming request for a long-term lease including the proposed resilience center. The compliance process typically takes two to three years, at the minimum. Before the conclusion of Chapter 343 process, Applicant wants to replace the current right-of-entry with a 3-year lease to obtain funding for the planning and development of the proposed community center/resilience hub. In addition, they would like to continue with the removal of invasive species and vegetation control together with passive uses such as recreational opportunities, walking path, small scale, non-commercial sports practice, other individual and family recreational play and activities during day-light hours.

Staff's understanding is that upon the completion of the Chapter 343 process and issuance of longer-term lease, the above listed activities these activities will continue. Based on conversations of the Applicant's representative it is not anticipated that there will be issues regarding traffic/parking due to the above activities.

Since there are no sidewalks within the neighborhood, the "walking paths" were added to the property to provide the community a safe pathway for exercise.

Upon conclusion of the environmental process regarding the proposed community resilience center, staff will bring a request to extend the lease to a longer term, if appropriate, at a later Board meeting.

Comments were solicited from the following agencies:

DLNR-Division of State Parks	No objects/comments. Concur to the proposed EA exemption.
DLNR-Division of Forestry & Wildlife	No Response
C&C-Planning & Permitting	See Comments (Exhibit E)
C&C-Parks & Recreation	No Response
C&C-Board of Water Supply	See Comments (Exhibit F) ²

The Applicant 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.

There are no more pertinent issues or concerns. Staff recommends the Board issue a direct lease to the Applicant according to the terms and conditions described above.

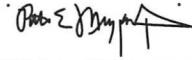
RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, Hawaii Revised Statutes, and Chapter 11-200.1-15 and -16, 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 direct lease to Hui o Hau`ula covering the subject area 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 non-profit lease document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General; and

² Applicant originally planned to have a 40' x 80' native Hawaiian Hale on the premises during the term of the subject requested lease. Now, they decided to incorporate the proposed hale into the current environmental assessment.

- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Patti Miyashiro
Land Agent

APPROVED FOR SUBMITTAL:



Dawn Chang, Chairperson



INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **OCT 08 2014**

HUI O HAUULA
54-010 KUKUNA RD / P O BOX 264
HAUULA, HI 96717-0000

Employer Identification Number:
47-1756958
DLN:
26053665005284
Contact Person:
CUSTOMER SERVICE ID# 31954
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December
Public Charity Status:
170(b)(1)(A)(vi)
Form 990/990-EZ/990-N Required:
Yes
Effective Date of Exemption:
September 10, 2014
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We're pleased to tell you we determined you're exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). Donors can deduct contributions they make to you under IRC Section 170. You're also qualified to receive tax deductible bequests, devises, transfers or gifts under Section 2055, 2106, or 2522. This letter could help resolve questions on your exempt status. Please keep it for your records.

Organizations exempt under IRC Section 501(c)(3) are further classified as either public charities or private foundations. We determined you're a public charity under the IRC Section listed at the top of this letter.

If we indicated at the top of this letter that you're required to file Form 990/990-EZ/990-N, our records show you're required to file an annual information return (Form 990 or Form 990-EZ) or electronic notice (Form 990-N, the e-Postcard). If you don't file a required return or notice for three consecutive years, your exempt status will be automatically revoked.

If we indicated at the top of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Letter 5436

EXHIBIT A

-2-

HUI O HAUULA

Sincerely,


Director, Exempt Organizations



TMK (1) 5-4-014:003

EXHIBIT B1



EXEMPTION NOTIFICATION

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

Project Title:	Direct Lease for Community Services and Activities Purposes.
Project / Reference No.:	21OD-035
Project Location:	Hauula, Koolauloa, Oahu: TMK: (1) 5-4-014:003.
Project Description:	Community Services and Activities Purposes
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No.:	In accordance with Hawaii Administrative Rules ("HAR")§ 11-200.1-15 and -16 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," Part 1, Item 40, that states "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 request would involve negligible or no expansion or change in use of the subject area beyond that previously existing.
Action May Have Significant Impact on Particularly Sensitive Environment:	Staff is not aware of any particularly sensitive environmental issues and use of the area would involve negligible change from what is existing.
Consulted Parties:	Agencies described in the submittal.
Analysis:	Staff believes the request would involve negligible or no expansion or change in use of the subject location beyond that previously existing.

EXHIBIT C

Recommendation:

That the Board find the subject request will probably have minimal or no significant effect on the environmental and should be declared exempt from the preparation of an environmental assessment and the requirements of § 11-200.1-17, HAR.

Photos from October 27, 2022 Site Visit



Figure 1: Open field facing corner of Hanaimoa Street/Hauula Homestead Road



Figure 2: "Walking Path" along Hanaimoa Street

EXHIBIT D1



Figure 3: Portion of "Walking Path" near Mauka Boundary - Facing Hauula Hmstd Road

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.gov/dpp

RICK BLANGIARDI
MAYOR



DAWN TAKEUCHI APUNA
DIRECTOR DESIGNATE

JIRO A. SUMADA
DEPUTY DIRECTOR

January 30, 2023

2023/ELOG-55 (FK)
2294359

Ms. Patti E. Miyashiro
Land Agent
Land Division
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96809

Dear Ms. Miyashiro:

SUBJECT: Direct Lease to Hui o Hau'ula for Community Services and
Activities Purposes, Reference No. PSF21OD-035
Tax Map Key (TMK) 5-4-014: 003, Koolauloa, Oahu, Hawai'i

Thank you for your memorandum of January 9, 2023, requesting comments on the above-referenced lease by the not-for-profit, Hui o Hau'ula, to provide community services and activities on the subject property for a period of three years.

The Department of Planning and Permitting supports the proposed use and relies on the November 10, 2020 determination of the Environmental Council that said uses are exempt from the preparation of an environment assessment. Furthermore, this direct lease is a precursor to the Hau'ula Emergency Leadership Preparedness Committee's plan to establish a resilience hub on this site. City and County of Honolulu, Resolution No. 20-297 was passed to add a government building symbol to the Koolauloa Public Infrastructure Map for a resilience hub at or around parcel, TMK 5-4-014: 003. Therefore, the proposal is consistent with the Oahu General Plan, the Koolauloa Sustainable Communities Plan, and the appropriate functional plans.

You should be aware that the 40-foot by 80-foot native Hawaiian hale and any other substantive structures or improvements needed to support these structures, such as electrical, plumbing, or mechanical lines and equipment may require the applicant to obtain building permits to approve said work.

EXHIBIT E

Ms. Patti E. Miyashiro
January 30, 2023
Page 2

Should you have any questions, please contact Franz Krintz, of our staff, at
(808) 768-8046 or fkrantz@honolulu.gov.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Dawn', with a stylized flourish extending to the right.

Dawn Takeuchi Apuna
Director Designate

DTA:ah

BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843
www.boardofwatersupply.com



DEPT. OF LAND AND NATURAL RESOURCES
February 17, 2023
2023 FEB 27 PM 2:11

RICK BLANGIARDI, MAYOR

BRYAN P. ANDAYA, Chair
KAPUA SPROAT, Vice Chair
MAX J. SWORD
NA'ALEHU ANTHONY
JONATHAN KANESHIRO

DAWN B. SZEWCZYK, P.E., Ex-Officio
EDWIN H. SNIFFEN, Ex-Officio

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

ERWIN M. KAWATA
Deputy Manager

Ms. Patti E. Miyashiro
Land Agent
State of Hawaii
Department of Land and Natural Resources
Land Division
P.O. Box 621
Honolulu, Hawaii 96809

Dear Ms. Miyashiro:

Subject: Your Memorandum Dated January 9, 2023, Regarding Request for
Comments for Draft Land Board Submittal for Issuance of Direct Lease to
Hui o Hau'ula for Community Services and Activities Purposes, Koolauloa,
Oahu, Tax Map Key (1) 5-4-014:003, Reference No. PSF21OD-035

Thank you for the opportunity to comment on the subject issue. We have no objections
to the proposed lease, but offer the following comments:

1. As stated in the draft submittal, in addition to maintaining the subject parcel by removing invasive species and providing passive recreational activities, such as walking/running trails, sports practices, and other play activities during the daylight hours, the lessee is also planning to plant Native Hawaiian plants and trees, hold community gatherings in a Native Hawaiian Hale, stage a farmers market to sell local products, conduct educational programs and run a local food bank on the site. These additional activities could have environment and socio-economic impacts and should be disclosed through a public document, such as an Environmental Assessment.
2. The subject parcel does not currently have any water service. If water service is required for any of the planned activities, the lessee shall be required to apply for water service, install an appropriately sized water meter and other appurtenances, and pay any applicable fees and charges. In addition, plans for the water meter, including water demand, prepared by a licensed engineer, shall be submitted to the Board of Water Supply (BWS) for review and approval. Further, if the water meter is to be located within the leased property, an appropriately sized easement shall be granted to BWS. Lessee shall pay for all

EXHIBIT F

Ms. Miyashiro
February 17, 2023
Page 2

costs associated with surveying, describing, designating and recording any water meter easement.

3. The subject parcel is located in the BWS No-Pass Zone (mauka of Hanaimoa Street) where ground disposal of wastewater could contaminate the underlying freshwater groundwater aquifer. The subject parcel is also located within 1,000 feet of the BWS Hauula Well (State Well No. 3-3655-01) and will require waiver from State Department of Health rules. Requests for reconsideration of No-Pass Zone locations shall be based on technical data including boring logs, which will determine the thickness of the caprock formation above the basal freshwater lens and that the proposed wastewater treatment facility will not contaminate groundwater resources used or expected to be used for domestic water supplies. Inquiries should be directed to the BWS Water Resources Division, Hydrology-Geology Branch.

If you have any questions, please contact Michael Matsuo of our Land Division at (808) 748-5951 or Barry Usagawa of our Water Resources Division at (808) 748-5900.

Very truly yours,



ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer

RL