

State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawai'i 96813

April 25, 2025

- SUBJECT: (1) APPROVE FIVE GRANTS OF AVAILABLE FUNDS FROM THE FISCAL YEAR 2025 LAND CONSERVATION FUND FOR THE ACQUISITION OF INTERESTS AND RIGHTS IN SPECIFIC PARCELS OF LAND HAVING VALUE AS A RESOURCE TO THE STATE (TOTAL AREA APPROXIMATELY 2,711 ACRES), SUBJECT TO STANDARD CONDITIONS AND SPECIAL CONDITIONS, INCLUDING CONTINGENCIES FOR REDISTRIBUTING UNACCEPTED, NON-ENCUMBERED, OR UNEXPENDED FUNDS FROM A FISCAL YEAR 2025 GRANT AWARD TO ONE OR MORE OTHER FISCAL YEAR 2025 GRANT AWARDS APPROVED FOR INITIAL, PARTIAL FUNDING (C, D, AND E BELOW):
- A. NORTH SHORE COMMUNITY LAND TRUST, UP TO \$3,000,000 (FULL FUNDING) FOR THE ACQUISITION OF APPROXIMATELY 170.913 ACRES AT DISTRICT OF KO'OLAULOA, ISLAND OF O'AHU (KE KĪPUKA O KALAEUILA), TAX MAP KEY NUMBERS (1) 5-6-003:011, :019, :020, :021, :022, :023, :024, :026, :030, :031, :046, AND :049, WITH A CONSERVATION EASEMENT HELD BY THE CITY & COUNTY OF HONOLULU OR OTHER SUITABLE ENTITIES, AND A SPECIAL CONDITION CONCERNING TAX MAP KEY NUMBER (1) 5-6-003:049.
 - B. THE NATURE CONSERVANCY, UP TO \$2,000,000 (FULL FUNDING) FOR THE ACQUISITION OF APPROXIMATELY 1,916.058 ACRES AT DISTRICT OF KA'Ū, ISLAND OF HAWAI'I (HĪLEA), TAX MAP KEY NUMBER (3) 9-5-018:001, WITH A GRANT OF EXEMPTION FOR ANY EASEMENT REQUIRED PURSUANT TO SECTION 173A-4, HAWAII REVISED STATUTES.
 - C. MAKAHANALOA FISHING ASSOCIATION, UP TO \$4,704,750 (WITH INITIAL, PARTIAL FUNDING OF UP TO \$1,000,000) FOR THE ACQUISITION OF APPROXIMATELY 81.19 ACRES AT DISTRICT OF SOUTH HILO, ISLAND OF HAWAI'I (KAWAINUI MAKAI), TAX MAP KEY NUMBERS (3) 2-7-010:027 AND (3) 2-7-011:001, WITH A CONSERVATION EASEMENT HELD BY THE COUNTY OF HAWAI'I OR OTHER SUITABLE ENTITIES.

- D. HO'ĀLA KEALAKEKUA NUI, INC., UP TO \$1,000,000 (WITH INITIAL, PARTIAL FUNDING OF UP TO \$700,000) FOR THE ACQUISITION OF APPROXIMATELY 1.26 ACRES AT DISTRICT OF KONA, ISLAND OF HAWAII (KŌKUA KEALAKEKUA), TAX MAP KEY NUMBERS (3) 8-1-009:007 AND :008, WITH A CONSERVATION EASEMENT HELD BY THE COUNTY OF HAWAII OR OTHER SUITABLE ENTITIES.
 - E. DLNR-DIVISION OF FORESTRY AND WILDLIFE, UP TO \$3,310,000 (WITH INITIAL, PARTIAL FUNDING OF UP TO \$300,000) FOR THE ACQUISITION OF APPROXIMATELY 542 ACRES AT KO'OLAU, DISTRICT OF HĀNA, ISLAND OF MAUI (EAST MAUI COASTAL FOREST), TAX MAP KEY NUMBERS (2) 1-2-001:001 (POR.), :027, AND :045 AND (2) 1-2-003:002 AND :018, WITH A GRANT OF EXEMPTION FOR ANY EASEMENT REQUIRED PURSUANT TO SECTION 173A-4, HAWAII REVISED STATUTES.
- (2) FOR EACH GRANT APPROVED UNDER ITEM (1) ABOVE, EXEMPT THE AWARD OF STATE FUNDS FROM THE REQUIREMENT TO PREPARE AN ENVIRONMENTAL ASSESSMENT, UNDER CHAPTER 343 HAWAII REVISED STATUTES AND CHAPTER 11-200.1, HAWAII ADMINISTRATIVE RULES.
 - (3) DELEGATE AUTHORITY TO THE CHAIRPERSON TO APPROVE ONE OR MORE SUITABLE ENTITIES TO HOLD A CONSERVATION EASEMENT OVER A PROPERTY THAT THE BOARD APPROVES FOR ACQUISITION BY WAY OF THE LAND CONSERVATION FUND WHENEVER (A) BOARD APPROVAL INCLUDES A REQUIREMENT FOR CONVEYANCE OF A CONSERVATION EASEMENT TO A SUITABLE ENTITY, AND (B) A SUITABLE ENTITY, OTHER THAN THAT SPECIFICALLY IDENTIFIED IN THE BOARD'S APPROVAL, IS NEEDED TO COMPLETE THE APPROVED CONSERVATION TRANSACTION.
 - (4) AUTHORIZE THE DEPARTMENT TO PROCEED WITH ALL DUE DILIGENCE AND NEGOTIATIONS NECESSARY TO CARRY OUT THE FISCAL YEAR 2025 LEGACY LAND CONSERVATION PROGRAM GRANTS AND ACQUISITIONS APPROVED BY THE BOARD AND THE GOVERNOR.

SUMMARY

The Division recommends that the Board (1) approve up to \$7 million in Fiscal Year 2025 Legacy Land Conservation Program grant awards to one State agency and four

nonprofit land conservation organizations from available funds in the Land Conservation Fund, subject to standard and special conditions; (2) exempt each award of Fiscal Year 2025 grant funds from the requirement to prepare an environmental assessment; (3) delegate authority the Chairperson to approve suitable holders of a conservation easement over the lands to be acquired, as necessary; and (4) authorize the Department to proceed with all due diligence and negotiations that may be necessary to carry out the Fiscal Year 2025 Legacy Land Conservation Program grants and acquisitions approved by the Board and the Governor. These grant awards contribute to meaningful public-private land conservation partnerships that help to reshape and diversify our economy and enhance the quality of life for our communities.

BACKGROUND (see ADDENDUM for additional information)

Governing Authorities

Hawaii Revised Statutes (HRS)

- Chapter 92 Public Agency Meetings and Records
- Chapter 173A Acquisition of Resource Value Lands
- Chapter 198 Conservation Easements
- Chapter 343 Environmental Impact Statements

Hawaii Administrative Rules (HAR)

- Chapter 11.200.1 Environmental Impact Statement Rules
- Chapter 13-140 Legacy Land Conservation Program Rules

Fiscal Year 2025 Application Cycle

Throughout the application process, the Legacy Land Conservation Program (LLCP) advised applicants that approximately \$6,700,000 in FY2025 funding would be available for land acquisition awards. The LLCP received seven final applications for land acquisition awards by the deadline of December 1, 2024, with funding requests that ranged from \$1 million to \$4,704,750 (totaling \$17,144,595) for properties ranging in size from one acre to 1,916 acres (totaling 2,843 acres). One applicant withdrew from the process before final review by the Legacy Land Conservation Commission (LLCC), leaving six applications, five of which are recommended for a grant award as presented for Board action in this submittal.

Application Review, Ranking, and Recommendation

The LLCC reviewed and ranked the final six grant applications, incorporating the results of agency consultations, permitted interaction group investigations (including field visits), applicant presentations, and public testimony into the recommendation that the LLCC issued on January 30, 2025 (Meeting 88, Agenda Items 4 and 5). The LLCC recommends funding for five of the six applications received and does not recommend funding for one. The attached LLCC Ranking and Recommendation Summary (EXHIBIT A) also includes maps, photos, and Form 6 (Importance and Threats), as

submitted with each application. Additional details are provided in the DISCUSSION section below.

Legislative Consultation

On March 7, 2025, the Department forwarded the Fiscal Year 2025 LLCC recommendation to the Senate President and the Speaker of the House of Representatives, along with the Department's request for consultation. The Department received written replies dated March 11, 2025, from the Senate President and March 18, 2025, from the Speaker of the House confirming that the legislators have no comments, concerns, or objections about the five applications presented for approval in this Board submittal (EXHIBIT B).

DISCUSSION

EXHIBIT A includes a map and table presenting basic information for each application, maps and photos for each recommended application, and application Form 6 that addresses the Importance and Threats of each recommended application. The following discussion summarizes administrative and financial details for each application, including conservation easement status (see ADDENDUM for context).

A. Ke Kīpuka o Kalaeuila: North Shore Community Land Trust (NSCLT) applied for \$3 million to acquire approximately 170.913 acres at the District of Ko'olauloa, Island of O'ahu (twelve parcels) that would fulfill eight of nine Legacy Land resource preservation purposes established in HRS § 173A-5(g):

- (1) Watershed protection
- (2) Habitat protection
- (3) Coastal areas, beaches, and ocean access
- (4) Cultural and historical sites
- (5) Recreational and public hunting areas
- (7) Natural areas
- (8) Agricultural production
- (9) Open spaces and scenic resources

NSCLT estimates that matching funds would provide 88.03% of total project costs (\$22,059,000 of \$25,059,000) from sources including:

- City & County of Honolulu (City) Clean Water and Natural Lands Fund, through the City's purchase of a conservation easement over the property.
- U.S. Fish and Wildlife Service - Recovery Land Acquisition Sub-grant through the Division of Forestry and Wildlife (requires Board approval).
- U.S. Department of Defense - Readiness Environmental Protection Integration Program through an application with the Army and/or Marine Corps, with a deed restriction or restrictive use easement placed over the property.

- Private funding.

Eleven of the twelve target parcels for this acquisition are wholly co-owned by three limited liability companies (LLC), each managed by a common trustee of three different trusts. The twelfth parcel is partially owned by the same three LLCs (each a willing seller) and a fourth, separate LLC that is not on record as a willing seller for fee title or conservation easement. Under the present circumstances, the Division, after consulting with the Department of the Attorney General, believes that the best interests of the State would not be served by expending grant funds for acquiring an undivided interest in fee title. The Division recommends that the Board attach a special condition to its approval of this grant award, such that NSCLT may not use grant funds to acquire less than 100% of the fee title interests in Tax Map Key Number (1) 5-6-003:049.

Agency Consultation: The Department of Agriculture recommended that NSCLT "explain what will happen to the aquacultural operation(s) on the property." In its final application, NSCLT notes that:

15 acres of aquaculture ponds are leased to produce crops such as sea asparagus. If protected, in the near term, NSCLT plans to allow the sea asparagus lease to continue until it is ready to assess the condition and production potential of the aquaculture ponds. In this interim period, NSCLT would use lease revenues to reinvest into management and stewardship of the property. In the long term, NSCLT hopes to have the lease continue while restoring sustainable agriculture and aquaculture on mauka portions of the property, including lo'i kalo, loko i'a, and traditional pacific agroforestry.

Staff in the Division of Forestry and Wildlife noted that the property "does have native coastal strand restoration potential, and existing native ecosystem and recreational values."

B. Hīlea: The Nature Conservancy (TNC) applied for \$2 million to acquire approximately 1,916.06 acres (one parcel) at District of Ka'ū, Island of Hawai'i, that would fulfill seven of nine Legacy Land resource preservation purposes established in HRS § 173A-5(g):

- (1) Watershed protection
- (2) Habitat protection
- (4) Cultural and historical sites
- (5) Recreational and public hunting areas
- (7) Natural areas
- (8) Agricultural production
- (9) Open spaces and scenic resources

TNC estimates that matching funds would provide 56.02% of total project costs (\$2,548,000 of \$4,548,000) from sources including:

- U.S. Fish and Wildlife Service - Recovery Land Acquisition Sub-grant through the Division of Forestry and Wildlife (requires Board approval).
- Other public and private funding opportunities.

TNC requests that the Board grant an exemption for any easement required under HRS § 173A-4. The Legacy Land Conservation Commission and the Division support this request, based on TNC's track record of resource conservation at its fourteen Hawai'i nature preserves (three on the island of Hawai'i, including the Ka'ū Preserve, whose Kaiholena Unit is adjacent to Hīlea, see EXHIBIT A(1)B), its experience in holding conservation easements over private property, and its ongoing work with partners to perform resource surveys, demonstrate effective resource management, improve conservation, and strengthen local leadership.

TNC's application includes letters of support from:

- Walter J. Andrade/MJ Ranch
- Hawai'i Wildlife Fund
- U.S. Department of Interior, National Park Service, Ala Kahakai Historic Trail
- Kuahiwi Contractors, Inc.
- Hawaii District, Division of Forestry and Wildlife
- Michelle M. Galimba, Hawai'i County Council District 6
- 'Iewe Hānau O Ka 'Āina
- RJ Ranch

C. Kawainui Makai: Makahanaloa Fishing Association (**MFA**) applied for \$4,704,750 to acquire approximately 81.19 acres at the District of South Hilo, Island of Hawai'i (two parcels) that would fulfill eight of nine Legacy Land resource preservation purposes established in HRS § 173A-5(g):

- (1) Watershed protection
- (2) Habitat protection
- (3) Coastal areas, beaches, and ocean access
- (4) Cultural and historical sites
- (5) Recreational and public hunting areas
- (7) Natural areas
- (8) Agricultural production
- (9) Open spaces and scenic resources

MFA estimates that matching funds would provide 26.22% of total project costs (\$1,646,250 of \$6,278,000) from sources including:

- County of Hawai'i (County) Public Access, Open Space, and Natural Resources Fund, through the County's purchase of a conservation easement over the

- property.
- Landowner.

Kawainui Makai is priority number two in the 2024 Annual Report of the County Public Access, Open Space, and Natural Resources Preservation Commission. On March 18, 2025, the County Council Committee on Legislative Approvals and Acquisitions voted to forward Council Resolution 95-25 to the full Council with a favorable recommendation to authorize the County Director of Finance to negotiate the acquisition.

Agency Consultation: The Department of Agriculture commented that:

The application does not explain the role the 50+ acres of teak and mahogany trees will have in the use of the overall property and its management by the Association. The Department is uncertain that the applicant's proposal meets the criteria for land acquisition, maximization of public benefits, and other considerations specified in Chapter 173A, HRS. However, we defer to the information provided and the subsequent decision by Hawaii County's Public Access, Open Space, and Natural Resource Preservation Commission on the applicant's proposal.

Makahalanaloa Fishing Association's response (see **EXHIBIT A(1)C**), specifies six Chapter 173A, HRS land acquisition priorities addressed in its application and notes:

We envision community stewardship operating the forests as a hardwood resource in transition to native species and agriculture, alongside native species remediation in the remaining Conservation zone along the riverbanks and pali that will ensure a verdant future for the people of Hawai'i ... Agroforestry could be conducted in the understory of the open areas cleared by selective harvesting within the upland.

The final application includes a Timber Value Analysis and Onomea Tree Planting Plan.

Staff in the Division of Forestry and Wildlife commented that Kawainui Makai "has significant recreational value if public access can be required as part of the acquisition. While Kawainui stream has native species, the vegetation on this property has very little native ecosystem value as it is largely invaded by *Miconia* and Alexander palms. It would be very difficult to restore the vegetation to native."

D. Kōkua Kealakekua: Ho'āla Kealakekua Nui, Inc. (HKNui) applied for \$1 million to acquire approximately 2.77 acres at District of Kona, Island of Hawai'i (two parcels) that would fulfill six of nine Legacy Land resource preservation purposes established in HRS § 173A-5(g):

- (1) Watershed protection

- (4) Cultural and historical sites
- (5) Recreational and public hunting areas
- (6) Parks
- (8) Agricultural production
- (9) Open spaces and scenic resources

HKNui estimates that matching funds would provide 30.26% of total project costs (\$434,000 of \$1,434,000) from sources including:

- County of Hawai'i (County) Public Access, Open Space, and Natural Resources Fund, through the County's purchase of a conservation easement over the property.
- Private funds.

AGENCY CONSULTATION: Staff in the Division of Forestry and Wildlife commented:

This property has significant recreational value if public access is required for the acquisition. It does not have native ecosystem value because even if restored, it is not adjacent to native areas. It is unclear, if managed by the nonprofit, whether the public would be required to visit via a guided tour or whether they would be able to visit independently. This purchase would add significant value to the community. No parking or capacity management is available for the Ka'awaloa Trail to Captain Cook Monument/Kealakekua Bay. This project could provide a solution to this. State parks could enter a Stewardship Agreement with Kokua Kealakekua, like Haena on Kauai. The Kaawaloa Trail is a significant historical feature in that area.

E. East Maui Coastal Forest: DLNR-Division of Forestry and Wildlife (DOFAW) applied for \$3.31 million to acquire approximately 541.6 acres at Ko'olau, District of Hāna, Island of Maui (four parcels and a portion of a fifth parcel) that would fulfill seven of the nine Legacy Land resource preservation purposes established in HRS § 173A-5(g):

- (1) Watershed protection
- (2) Habitat protection
- (3) Coastal areas, beaches, and ocean access
- (4) Cultural and historical sites
- (5) Recreational and public hunting areas
- (7) Natural areas
- (9) Open spaces and scenic resources

DOFAW estimates that matching funds from the U.S. Forest Service Forest Legacy Program would provide 75.13% of total project costs (\$10 million of \$13.31 million).

DOFAW requests that the Board grant an exemption for any easement required under

HRS § 173A-4. The Legacy Land Conservation Commission and the Division support this request based on historical practice and the Department's general reluctance to encumber State-owned property with a conservation easement.

The application includes letters of support from:

- State of Hawaii Congressional Delegation (Hirono, Schatz, Case, Tokuda)
- Maui Nui Seabird Recovery Project
- County of Maui Department of Water Supply
- U.S. Department of Interior, National Park Service, Haleakalā National Park
- Sierra Club of Hawai'i, Maui Group
- Trust for Public Land, Hawai'i
- U.S. Department of Interior, U.S. Fish and Wildlife Service, Pacific Islands Fish and Wildlife Office

Agency Consultation: The Department of Agriculture noted that "Form 5, Attachment 1 states that the six parcels are "vacant". There is no mention of the County-approved agricultural dedication for pasture use of five of the six parcels and the ranching operation(s) occupying the project area. If there is no pasture use of the parcels, the Department of Agriculture has no comments to offer. If there is pasture/livestock use on the parcels, then the applicant should explain what is to become of the agricultural operation(s) that are using the lands for agricultural purposes." In its final application, DOFAW explains that "[t]he property is not being used for agricultural activities and none of the parcels have agricultural leases for pasture or other agricultural uses."

Staff in the Division of Forestry and Wildlife commented that the acquisition "would have substantial recreation benefits and may facilitate management of coastal strand forest."

Chapter 343, Hawaii Revised Statutes, Environmental Review

On November 20, 2020, the Environmental Council concurred with the Department's adoption of a two-part exemption list (as defined in HAR § 11-200.1-2 and implemented under § 11-200.1-16), including General Exemption Type 1, PART 1, Action Type 42 *The award of grants under HRS Chapter 173A provided that the grant does not fund an activity that causes any material change of use of land or resources beyond that previously existing.* As these awards are strictly for acquisition and not for management actions, the Division recommends that the Board exempt the subject proposed awards of State grant funds for land acquisition from the requirement to prepare an environmental assessment.

RECOMMENDATIONS

That the Board:

- 1) Authorize the Chairperson to enter into grant agreements and encumber Fiscal Year 2025 funds from the Land Conservation Fund with:

- a. North Shore Community Land Trust, up to \$3,000,000 for the acquisition of approximately 170.913 acres at District of Ko'olaupua, Island of O'ahu (Ke Kīpuka o Kalaeuila), Tax Map Key Numbers (1) 5-6-003:011, :019, :020, :021, :022, :023, :024, :026, :030, :031, :046, and :049, with a conservation easement held by the City & County of Honolulu or other suitable entities, and with a special condition that North Shore Community Land Trust may not use grant funds to acquire less than 100% of the fee title interests in Tax Map Key Number (1) 5-6-003:049.
- b. The Nature Conservancy, up to \$2,000,000 for the acquisition of approximately 1,916.058 acres at District of Ka'ū, Island of Hawai'i (Hīlea), Tax Map Key Number (3) 9-5-018:001, with a grant of exemption for any easement required under Section 173A-4, Hawaii Revised Statutes;
- c. Makahanaloa Fishing Association, up to \$4,704,750 for the acquisition of approximately 81.19 acres at District of South Hilo, Island of Hawai'i (Kawainui Makai), Tax Map Key Numbers (3) 2-7-010:027 and (3) 2-7-011:001, with a conservation easement held by the County of Hawai'i or other suitable entities; and
- d. Ho'āla Kealakekua Nui, Inc., up to \$1,000,000 for the acquisition of approximately 1.26 acres at District of Kona, Island of Hawai'i (Kōkua Kealakekua), Tax Map Key Numbers (3) 8-1-009:007 and :008, with a conservation easement held by the County of Hawai'i or other suitable entities,

Following the recommendation from the Legacy Land Conservation Commission for full and partial funding awards, the initial, partial funding amounts encumbered in the Fiscal Year 2025 Land Conservation Fund shall be limited to up to \$1,000,000 for c. Makahanaloa Fishing Association, and up to \$700,000 for d. Ho'āla Kealakekua Nui, Inc. Each grant agreement shall be subject to each of the following provisions:

- i. compliance with Chapter 173A, Hawaii Revised Statutes;
- ii. compliance with Chapter 343, Hawaii Revised Statutes;
- iii. execution of a Grant Agreement with the Board, including requirements that each nonprofit easement holder sign the Grant Agreement as a Consenting Party;
- iv. certification of an appraisal by the Department;
- v. insertion of Legacy Land Conservation Program restrictions and covenants into the deeds of conveyance as a condition of contractual agreements with the grant recipients;
- vi. approval of the Grant Agreement and conveyance documents by the Attorney General's office;
- vii. the availability of funds;
- viii. the approval of the Governor; and

- ix. such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 2) Approve a grant award from the Fiscal Year 2025 Land Conservation Fund, using a total of up to \$3,310,000 to the Division of Forestry and Wildlife—including an exemption from any additional conservation easements that may be required under Section 173A-4, Hawaii Revised Statutes—and authorize the Chairperson to execute a letter of offer to the landowner and encumber funds from the Land Conservation Fund for the acquisition of approximately 541.6 acres at Koolau, District of Hana, Island of Maui (Item (1) E, East Maui Coastal Forest), Tax Map Key Numbers (2) 1-2-001:001 (por.), :027, and :045 and (2) 1-2-003:002 and :018, subject to the availability of funds, the approval of the Governor, compliance with Chapter 173A, HRS, and the normal process and procedures for the acquisition of lands by the State.

Given the recommendation from the Legacy Land Conservation Commission that the Division receive an initial, partial funding award of up to \$100,000, and the Division's endeavor to transfer the balance remaining in the Fiscal Year 2025 Land Conservation Fund for this acquisition—after all other obligations are satisfied—the initial amount transferred from the Fiscal Year 2025 Land Conservation Fund for this acquisition shall be up to \$300,000, as funds are available.

- 3) Exempt the following five proposed uses of State funds for land acquisition grants from the requirement to prepare an environmental assessment, in accordance with Sections 343-5 and 343-6, Hawai'i Revised Statutes; Sections 11-200.1-1, -2, -8, -13, -14, -15, and -16, Hawaii Administrative Rules; and the Department of Land and Natural Resources Exemption List (Exemption Type 1, Part 1, Action Types 38 and 42) reviewed and concurred on by the Environmental Council on November 10, 2020:

Exemption Class 1, PART 1, Action Type 38

Item (1)E.	LLCP 2025-05	Division of Forestry and Wildlife (East Maui Coastal Forest)
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Exemption Class 1, PART 1, Action Type 42

Item (1)A.	LLCP 2025-01	North Shore Community Land Trust (Ke Kīpuka o Kalaeuila)
Item (1)B.	LLCP 2025-02	The Nature Conservancy (Hīlea)
Item (1)C.	LLCP 2025-03	Makahalanaloa Fishing Association (Kawainui Makai)
Item (1)D.	LLCP 2025-04	Ho'āla Kealakekua Nui, Inc. (Kōkua Kealakekua)

- 4) Approve—as a contingency if an awardee declines its award or is unable to accept, encumber, or expend all or part of its awarded funds—awards of remaining, available funds from the Fiscal Year 2025 Land Conservation Fund, up to the amounts originally requested in the Fiscal Year 2025 application, to:
 - i. Makahanaloa Fishing Association, as first alternate, for the acquisition of approximately 81.19 acres at District of South Hilo, Island of Hawai'i (Kawainui Makai), Tax Map Key Numbers (3) 2-7-010:027 and (3) 2-7-011:001, with a conservation easement held by the County of Hawai'i or other suitable entities;
 - ii. Ho'āla Kealakekua Nui, Inc., as second alternate, for the acquisition of approximately 1.26 acres at District of Kona, Island of Hawai'i (Kōkua Kealakekua), Tax Map Key Numbers (3) 8-1-009:007 and :008, with a conservation easement held by the County of Hawai'i or other suitable entities.
 - iii. DLNR- Division of Forestry and Wildlife, as third alternate, for the acquisition of approximately 542 acres at Ko'olau, District of Hāna, Island of Maui (East Maui Coastal Forest), Tax Map Key Numbers (2) 1-2-001:001 (por.), :027, and :045 and (2) 1-2-003:002 and :018, with a grant of exemption for any easement required pursuant to Section 173A-4, Hawaii Revised Statutes.
- 5) Authorize the Chairperson, if needed, to redirect up to \$7,000,000 of available funds from a Fiscal Year 2025 Legacy Land grant award—that were declined, not accepted, not encumbered, or not expended by an applicant to the Fiscal Year 2025 Legacy Land grant award to:
 - i. Makahanaloa Fishing Association, as first alternate, for the acquisition of approximately 81.19 acres at District of South Hilo, Island of Hawai'i (Kawainui Makai), Tax Map Key Numbers (3) 2-7-010:027 and (3) 2-7-011:001, with a conservation easement held by the County of Hawai'i or other suitable entities;
 - ii. Ho'āla Kealakekua Nui, Inc., as second alternate, for the acquisition of approximately 1.26 acres at District of Kona, Island of Hawai'i (Kōkua Kealakekua), Tax Map Key Numbers (3) 8-1-009:007 and :008, with a conservation easement held by the County of Hawai'i or other suitable entities.
 - iii. DLNR- Division of Forestry and Wildlife, as third alternate, for the acquisition of approximately 542 acres at Ko'olau, District of Hāna, Island of Maui (East Maui Coastal Forest), Tax Map Key Numbers (2) 1-2-001:001 (por.), :027, and :045 and (2) 1-2-003:002 and :018, with a grant of exemption for any easement required under Section 173A-4, Hawaii Revised Statutes.
- 6) Delegate authority to the Chairperson to approve one or more suitable entities to hold a conservation easement over a property that the Board approves for acquisition of fee title by way of the Land Conservation Fund whenever (a) Board approval includes a requirement for conveyance of a conservation easement to a suitable entity, and (b) a suitable entity, other than that specifically identified in the Board's approval, is needed to complete the approved conservation

transaction. A suitable entity can be a nonprofit land conservation organization, the Department of Land and Natural Resources, the Department of Agriculture, the Agribusiness Development Corporation, an appropriate land conservation organization, or a county, state, or federal natural resource conservation agency.

- 7) Authorize the Department to proceed with all due diligence and negotiations necessary to carry out the Fiscal Year 2025 Legacy Land Conservation Program grants and acquisitions approved by the Board and the Governor.

Respectfully submitted,



DAVID G. SMITH, Administrator

APPROVED FOR SUBMITTAL:



DAWN N.S. CHANG, Chairperson
Board of Land and Natural Resources

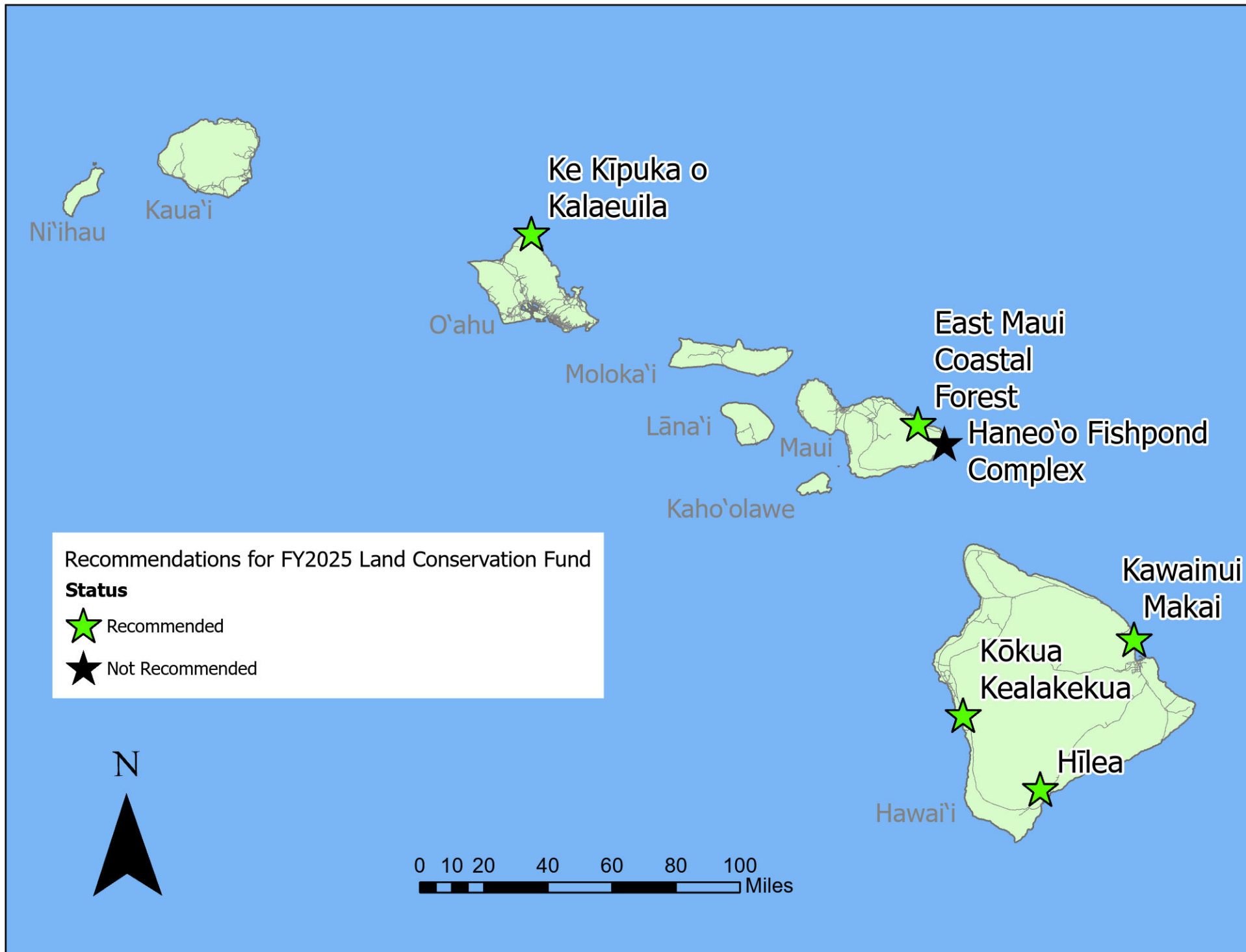
ATTACHMENTS

- EXHIBIT A:** Map and table of recommended grant wards for the Fiscal Year 2025 Legacy Land Conservation Program, with project maps & photos, and Form 6 (Importance and Threats), for Items (1)A, (1)B, (1)C, (1)D, and (1)E
- EXHIBIT B:** Consultation Responses from the President of the Senate (March 11, 2025) and the Speaker of the House of Representatives (March 18, 2025)
- EXHIBIT C:** Checklist for Legacy Land Conservation Program Projects (Exhibit B for Legacy Land Conservation Program Grant Agreements)
- ADDENDUM:** Legacy Land Conservation Program Outline

EXHIBIT A
April 25, 2025

**Map and table
of recommended grant awards
for the
Fiscal Year 2025 Legacy Land
Conservation Program
(7 pages)**

**followed by maps & photos
and Form 6
(Importance and Threats),
for projects (1)A - (1)E**



Legacy Land Conservation Commission Ranking and Recommendations Summary, Fiscal Year 2025 Land Acquisition Grants
January 30, 2025 (Meeting 88, Agenda Items 4 & 5)

¹Rank based on average of individual Commissioner scores: 1 = exemplary, 2 = above average, 3 = average, 4 = below average, 5 = lowest. For Recommendations see page 6.

Item	Rank/ Score ¹	Application	Applicant	District, Island	Type	Description From Application Form 5: Describe (a) the location of the property, the characteristics of the land, and any easements and/ or other encumbrances, and (b) the public benefits of the acquisition, including but not limited to where public access may be practicable or not practicable and why.	Acres <i>approx</i>	State Land Use District County Zoning	Matching \$ Match % <i>(rounded)</i>	LLCP \$ Requested Recommended % of request	TOTAL \$
2G	2 1.29	Hilea	The Nature Conservancy	Ka'ū, Hawai'i	Fee (Easement Waiver Requested)	<p>The property is characterized by a mix of open ranch lands and intact native forest. It contains the celebrated landmark mountain Makanau, the famous hei'au Kohailalani situated on Makanau, and the mountain Pakua, which is entirely forested in high quality native forest. The ranch land at the feet of these two mountains was formerly sugar-cane land, as was the top of Makanau, and is highly productive ranch land. The hei'au Kohailalani is currently maintained and used for cultural practices and ceremonies. This land is adjacent to conservation acreage owned by The Nature Conservancy.</p> <p>Public benefits include preservation of native forest, preservation of productive agricultural lands currently in use for ranching, preservation of a celebrated local landmark in its natural state, continued protection of important cultural resources (Kohailalani hei'au) and the preservation of open space and natural beauty. Managed public access is practicable from Ka'ala'iki Road.</p> <p>TMK: (3) 9-5-018:001</p>	1,916.06	<u>Agricultural</u> A-20a	2,548,000 56.02%	2,000,000 2,000,000 100%	4,548,000

Legacy Land Conservation Commission Ranking and Recommendations Summary, Fiscal Year 2025 Land Acquisition Grants
January 30, 2025 (Meeting 88, Agenda Items 4 & 5)

¹Rank based on average of individual Commissioner scores: 1 = exemplary, 2 = above average, 3 = average, 4 = below average, 5 = lowest. For Recommendations see page 6.

Item	Rank/ Score ¹	Application	Applicant	District, Island	Type	Description From Application Form 5: Describe (a) the location of the property, the characteristics of the land, and any easements and/ or other encumbrances, and (b) the public benefits of the acquisition, including but not limited to where public access may be practicable or not practicable and why.	Acres <i>approx</i>	State Land Use District County Zoning	Matching \$ Match % <i>(rounded)</i>	LLCP \$ Requested Recommended % of request	TOTAL \$
2F	3 1.38	Kawainui Makai	Makahanaloa Fishing Association	South Hilo, Hawai'i	Fee + Easement (County of Hawai'i)	<p>Currently listed on the market are 2 Adjacent parcels: 27-920 Old Mamalahoa Hwy (40.30 Acres) & 27-870 Old Mamalahoa Hwy (40.89 Acres), surrounding Kawainui River in Hilo Moku on Hawai'i Island. This aina is a river valley with uplands. Approximately 30 (of 80) acres are estuary/watershed containing several waterfalls and swimming areas, critical habitat for endangered species & fisheries for subsistence lifestyle. Historic rock structures and terracing remain on both sides of the river, including canoe house. Approximately 50 acres Mahogany and Teak forestry now near maturity on exceptional agricultural land. No easements or encumbrances, Hawai'i State Land Use Designation agricultural for uplands and conservation for the river valley and shoreline pali.</p> <p>Public Acquisition preserves part of the cultural corridor of Hilo/Hāmākua Heritage Coast, including a storied site of beloved Hilo Palikū. Acquisition would help public preserve public access as is evident with examples of protracted political and legal processes such as Onomea Bay and Papaikou Beach. Legalizing access to river, ocean, beach and agricultural lands protects traditional subsistence and recreation. Public acquisition would preserve remaining historic sites, trails, scenic vistas, and promotes connection to 'āina, local culture, and traditional ways of life. Public Access via existing trails and other areas would be maintained and managed by the community, including cultural gatherings & work days on gardens, agroforestry, natural resource study & stewardship.</p> <p>TMKs: (3) 2-7-010:027; (3) 2-7-011:001</p>	81.19	Agricultural + Conservation <u>Subzone L+R</u> A-20a	1,646,250 26.22%	<u>4,704,750</u> 1,000,000 21.26%	6,278,000

Legacy Land Conservation Commission Ranking and Recommendations Summary, Fiscal Year 2025 Land Acquisition Grants
January 30, 2025 (Meeting 88, Agenda Items 4 & 5)

¹Rank based on average of individual Commissioner scores: 1 = exemplary, 2 = above average, 3 = average, 4 = below average, 5 = lowest. For Recommendations see page 6.

Item	Rank/ Score ¹	Application	Applicant	District, Island	Type	Description From Application Form 5: Describe (a) the location of the property, the characteristics of the land, and any easements and/ or other encumbrances, and (b) the public benefits of the acquisition, including but not limited to where public access may be practicable or not practicable and why.	Acres <i>approx</i>	State Land Use District County Zoning	Matching \$ Match % <i>(rounded)</i>	LLCP \$ Requested Recommended % of request	TOTAL \$
2E	4 1.50	Kōkua Kealakekua	Ho'āla Kealakekua Nui, Inc. (HKN)	South Kona, Hawai'i	Fee + Easement (County of Hawai'i)	<p>Kōkua Kealakekua is located in Ka'awaloa at the intersection of Nāpo'opo'o Rd. and Māmalahoa Hwy. This strategic property sits at the popular Ka'awaloa trailhead (Captain Cook Monument Trail) and is the gateway to accessing Kealakekua Bay State Historical Park. Kealakekua Bay is a wahi pana (storied place) home to the historic Kona Field System, two fishing villages, Hikiau Heiau, trails, dry stack walls, anchialine pools, ponds, birthing sites, house sites, and burial grounds. The 600 ft Pali Kapu o Keōua (cliff) shelters the Bay. The Bay is a Marine Life Conservation District which includes a shallow coral reef ecosystem and habitat for diverse coral, fish, limu (seaweed), and threatened and endangered species. The surrounding community still relies on the Bay for cultural practice, fishing, and gathering. The Kōkua Kealakekua property is currently overgrown with trees, shrubs, and grass and includes a dilapidated house.</p> <p>Kealakekua Bay faces severe challenges due to habitat degradation, overuse, desecration and tourism. Nonprofit HKN partnered with community and government agencies to develop the Kealakekua Bay Community Action Plan (CAP) a model for community co-management of the Bay and its cultural and natural resources. This property sits at a critical access point to the Bay and Ka'awaloa trailhead. If acquired, it would enable implementation of the CAP goals. While the majority of the property would be restored to native habitat and open space, it would be home to a cultural and interpretive center, bathroom facilities, a visitor parking area, a native plant nursery, and serve as a kīpuka for restoration, cultural, educational programs. HKN would provide managed and guided access as determined by the CAP.</p> <p>TMKs: (3) 8-1-009:007, :008</p>	1.26	<u>Urban</u> Commercial	434,000 30.26%	1,000,000 700,000 70%	1,434,000

Legacy Land Conservation Commission Ranking and Recommendations Summary, Fiscal Year 2025 Land Acquisition Grants
January 30, 2025 (Meeting 88, Agenda Items 4 & 5)

Rank based on average of individual Commissioner scores: 1 = exemplary, 2 = above average, 3 = average, 4 = below average, 5 = lowest.							For Recommendations see page 6.				
Item	Rank/ Score ¹	Application	Applicant	District, Island	Type	Description From Application Form 5: Describe (a) the location of the property, the characteristics of the land, and any easements and/ or other encumbrances, and (b) the public benefits of the acquisition, including but not limited to where public access may be practicable or not practicable and why.	Acres <i>approx</i>	State Land Use District County Zoning	Estimated Matching \$/ Match % <i>(rounded)</i>	LLCP \$ <u>Requested</u> Recommended % of request	TOTAL \$
2D	5 2.0	East Maui Coastal Forest	DLNR- Division of Forestry and Wildlife	Ko'olau, Hānā, Maui	Fee (Easement Waiver Requested)	The East Maui Coastal Forest acquisition is located on Maui's northeast coast along the Hana Highway (sea level to 1,700 ft elevation). It is adjacent to private parcels, unencumbered state land, and the state Koolau Forest Reserve. This mixed native/non-native forest contains critical habitat for endangered plants and habitat for native seabirds and the Hawaiian hoary bat. Six streams flow through EMCF providing stream habitat and nutrient rich freshwater for coastal fisheries. The project area also contains remnants of the historic Piilani Trail. DOFAW is currently working to purchase parcels with clear title reports and working to resolve title issues with the other parcels so they can also be acquired through purchase or donation. The LLCP funding request is the required match for a federal grant that is secured for the project and would be used to purchase the parcels with clear title.	541.6	Agricultural + Conservation <u>Subzone L+G</u>	10,000,000 75.13%	<u>3,310,000</u> ≤100,000 3.02%	13,310,000
						AG + Interim					
2A	6 4.38	Haneo'o Fishpond Complex	Hawaiian Kingdom Foundation	Hānā, Maui	Fee + Easement (Easement Holder to be determined)	Property is located on Haneo Road in Hana Maui. Land is open space with few trees. No easements known at this time. Benefits are public open space and access is readily available as the property sits adjacent to a county road. TMKs: (2) 1-2-001:001 (por.), :027, :045; (2) 1-2-003:002, :018	1.00	<u>Rural</u> Interim	449,800 28.11%	<u>1,150,200</u>	1,600,000
Based on the application review process and Commission ranking, this application is not recommended for funding.						TMK: (2) 1-4-008:001					

Agenda Item 5 - Recommendations

The Legacy Land Conservation Commission ("Commission") recommends that the Board of Land and Natural Resources ("Board"):

- I. (1) Approve two awards for grants from available funds in the Land Conservation Fund, for full funding of the two top-ranking Fiscal Year 2025 applications for land acquisition grants, in the order ranked by the Commission (Ke Kīpuka o Kalaeuila followed by Hīlea), as funds are available, and (2) for the second-ranked application from The Nature Conservancy for land acquisition at Hīlea, District of Kaʻū, Island of Hawaiʻi, waive the requirement that The Nature Conservancy convey a conservation easement to another suitable entity.
- II. (1) Approve three awards for grants from available funds in the Land Conservation Fund, for partial funding of the third, fourth, and fifth ranked Fiscal Year 2025 applications for land acquisition grants, in the order ranked by the Commission, as funds are available, in the amounts of:
 - \$1 million for Kawainui Makai (third-ranked)
 - \$700,000 for Kōkua Kealakekua (fourth-ranked), and
 - up to \$100,000 for East Maui Coastal Forest (fifth-ranked), and (2) waive the requirement that the DLNR-Division of Forestry and Wildlife convey a conservation easement to another suitable entity.
- III. Not approve a grant award for funding of the sixth ranked application for Haneoʻo Fishpond Complex.
- IV. Provide for greater flexibility in the awards program by:

(1) approving—as a contingency in the event that an awardee declines its Fiscal Year 2025 ("FY2025") Legacy Land grant award, or is unable to accept or expend all or part of its awarded funds—awards of remaining, available funds in the FY2025 Land Conservation Fund, up to the amounts originally requested in the FY2025 applications, to:

- Makahanaloa Fishing Association, as first alternate, for the acquisition of approximately 81.19 acres at District of South Hilo, Island of Hawaiʻi, currently identified by Tax Map Key Numbers (3) 2-7-010:027 and (3) 2-7-011:001;
- then to Hoʻāla Kealakekua Nui, Inc., as second alternate, for the acquisition of approximately 1.26 acres at District of South Kona, Island of Hawaiʻi, currently identified by Tax Map Key Numbers (3) 8-1-009:007 and (3) 8-1-009:008; and
- lastly to DLNR-Division of Forestry and Wildlife, as third alternate, for the acquisition of approximately 541.6 acres at Koʻolau, District of Hānā, Island of Maui, currently identified by Tax Map Key Numbers (2) 1-2-001:001 (por.), (2) 1-2-001:027, (2) 1-2-001:045; (2) 1-2-003:002, and (2) 1-2-003:018.

(2) authorizing the Chairperson, if needed, to redirect up to \$ 6,800,000 of remaining, available funds from the FY2025 Legacy grant awards—that were declined, not accepted, or not used by Ke Kīpuka o Kalaeuila, The Nature Conservancy, Makahanaloa Fishing Association, Hoʻāla Kealakekua Nui, Inc., or DLNR-Division of Forestry and Wildlife—to the FY2025 grant awarded to:

- Makahanaloa Fishing Association, as first alternate, for the acquisition of approximately 81.19 acres at District of South Hilo, Island of Hawaiʻi, currently identified by Tax Map Key Numbers (3) 2-7-010:027 and (3) 2-7-011:001;
- then to Hoʻāla Kealakekua Nui, Inc., as second alternate, for the acquisition of approximately 1.26 acres at District of South Kona, Island of Hawaiʻi, currently identified by Tax Map Key Numbers (3) 8-1-009:007 and (3) 8-1-009:008; and
- lastly to DLNR-Division of Forestry and Wildlife, as third alternate, for the acquisition of approximately 541.6 acres at Koʻolau, District of Hānā, Island of Maui, currently identified by Tax Map Key Numbers (2) 1-2-001:001 (por.), (2) 1-2-001:027, (2) 1-2-001:045; (2) 1-2-003:002, and (2) 1-2-003:018.

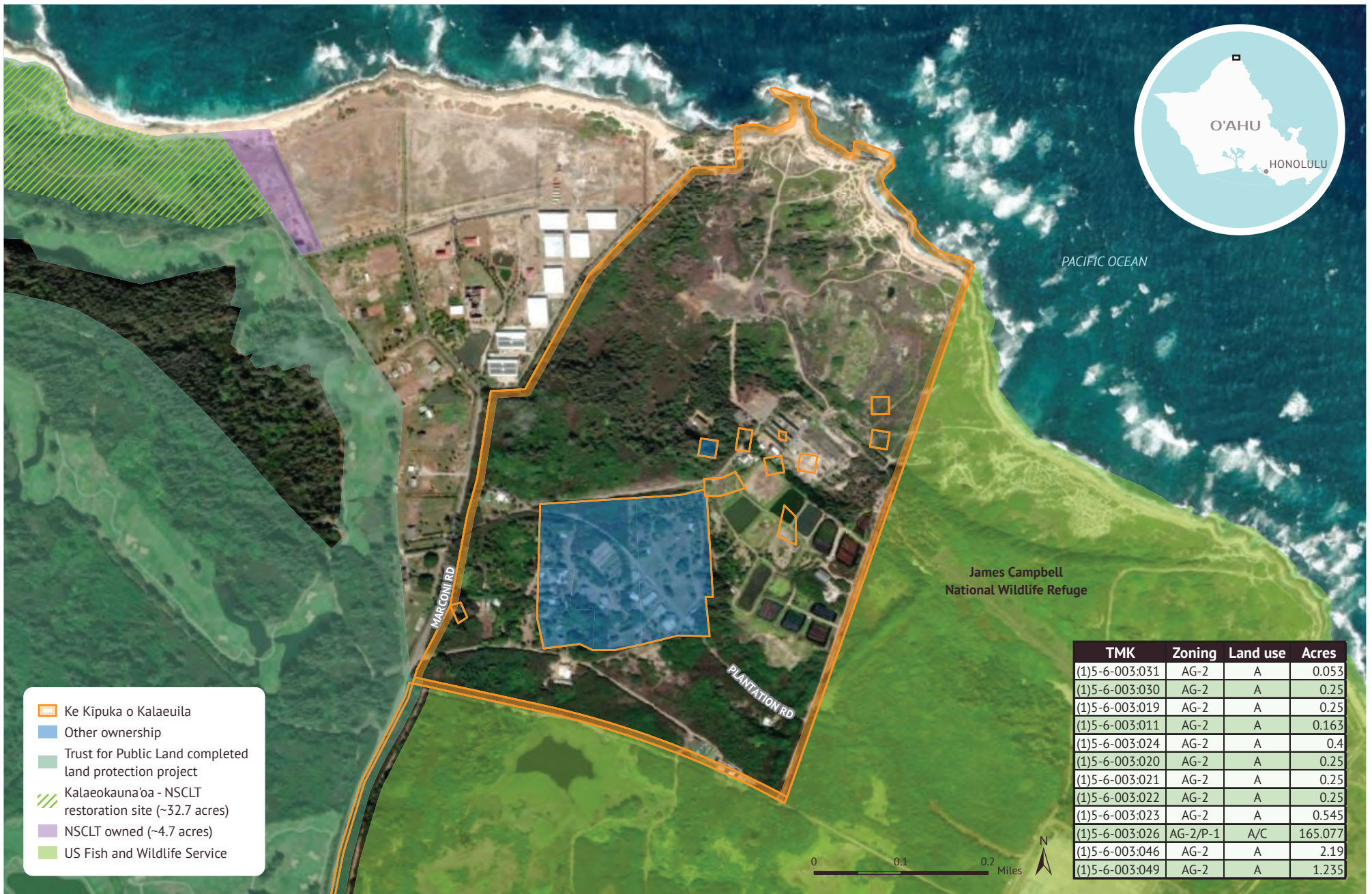
EXHIBIT A(1)A

Ke Kīpuka o Kalaeuila Ko‘oauloa, O‘ahu

Maps & Photos

and Form 6

(Importance and Threats)



Ke Kīpuka o Kalaeuila

KAHUKU, ISLAND OF O'AHU

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Ke Kīpuka o Kalaeuila

KAHUKU, ISLAND OF O'AHU

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Aerial of Ke Kīpuka O Kalaeuila



Ke Kīpuka O Kalaeuila's coastline looking southeast



Ke Kīpuka O Kalaeuila looking mauka



Form 6

Fiscal Year 2025 Grant Application: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders (3000 character limit)

Currently approximately one third (20,000 acres) of the North Shore is for sale. We know our food, economy, and way of life depends on voluntary land conservation.

The primary threat to the many natural, cultural, agricultural, recreational, educational, and scenic values of the Kalaeuila property is land use and land cover conversion. The property is currently listed for sale. The landowners are motivated sellers and have already received offers on the property. A probable buyer would be a real estate speculator or developer capitalizing on a rare opportunity to own ½ mile of oceanfront with an ideal location next to a resort and golf course. If we do not place the property into conservation, it is very likely it will be subdivided and developed into "gentleman estates" and serve as a quasi-agricultural, luxury, residential community. Such a development has recently taken place at the adjacent property on Marconi Road with devastating impacts including the illegal decimation of a 2 acre stretch of pristine coastal sand dune habitat for endangered bees and the senseless killing of a beloved nesting Laysan albatross named Ho'okipa. Further development at Kalaeuila would mar the coastal ecosystem, cause pollution, runoff, and sedimentation, disrupt the potential for native plants and wildlife to utilize the area, and preclude community-based management which would perpetuate culture, education, and allow for managed and pono public access.

A secondary threat to the property is land cover change due to the spread of invasive species. While a significant portion of the property includes intact coastal strand habitat, the inland portions are dominated by various invasive plants including casuarina, leucaena, pluchea, and various grasses. Over time, this vegetation will continue to encroach and displace native vegetation, thereby degrading habitat for native wildlife, which cannot as easily use the exotic shrub lands.

As with all of Hawai'i's beaches, coastal erosion is an ongoing concern, but due to the current low human use of this area and the presence of native coastal vegetation, the beaches are fairly intact and resilient. A significant portion of the coastline is lined with limestone outcroppings, which are even more resilient to erosion. Based on sea level rise scenarios, this parcel will be relatively unaffected by up to 1 meter of sea level rise, above which impacts may become evident.

Lastly, if developed and subdivided, it is unlikely that the many cultural sites present on the property will be properly managed or restored, and thereby will not achieve their highest value in terms of historic preservation, cultural use, educational value, and public access. At worst, these sites could be damaged or destroyed through the negligence of landowners motivated by other interests.

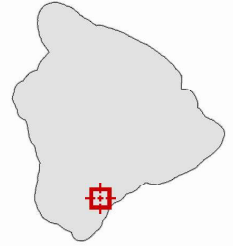
EXHIBIT A 1(B)

Hīlea Ka‘ū, Hawai‘i

Maps & Photos and Form 6 (Importance and Threats)



Overview



Legend

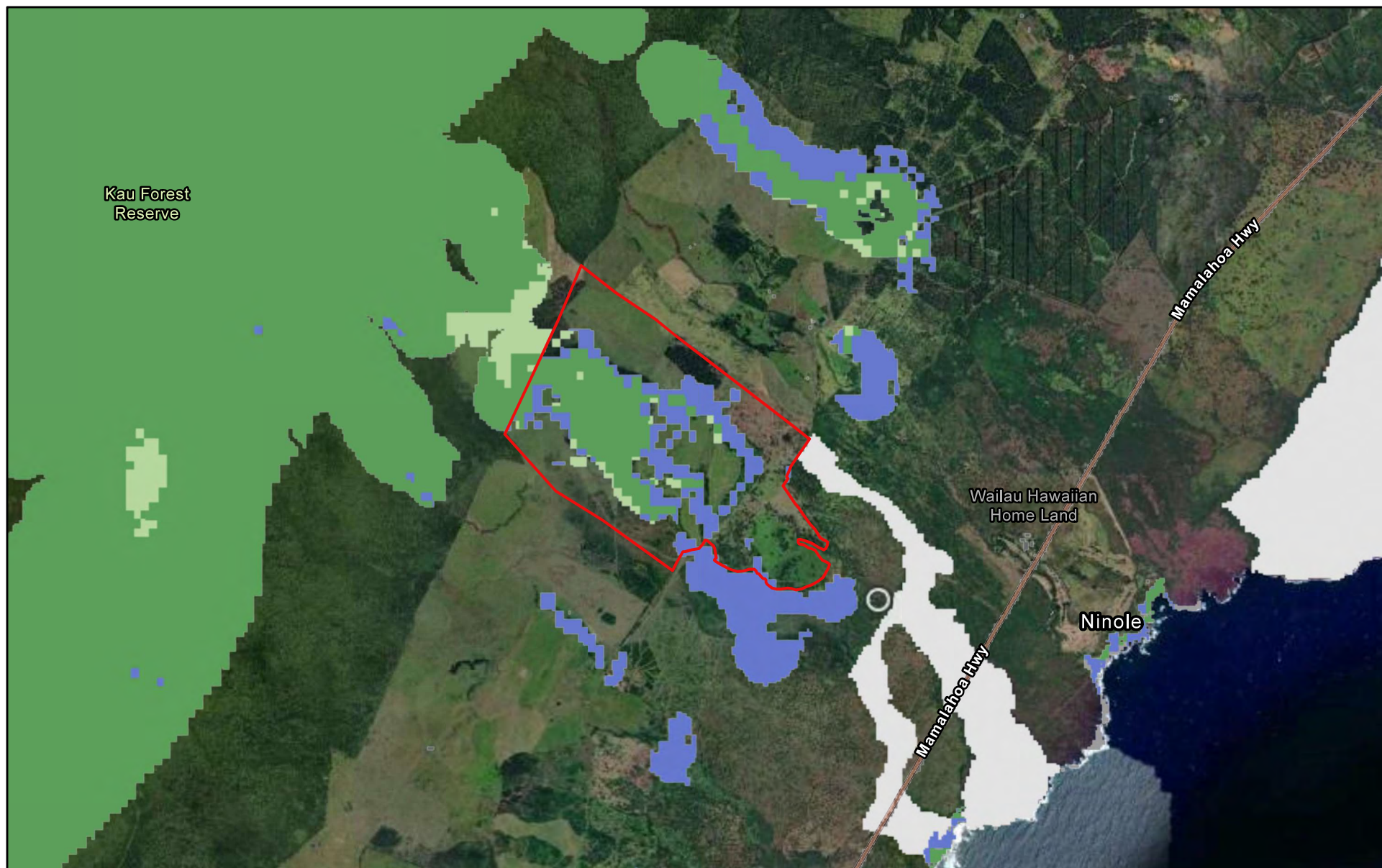
Parcel ID	950180010000	Situs/Physical Address		Market Land Value	\$2,411,200	Last 2 Sales Date		Price		Reason	Qual
Acreage	1916.058	Mailing Address	OLSON, EDMUND C TR #2	Dedicated Use Value	\$506,600		12/17/2020	0		OTHER REASONS INVOLVED	U
Class	AGRICULTURAL		46 AMAUULU RD HILO HI 96720 2347	Land Exemption Value	\$0		12/29/2004	\$4300000		ADD'L PARCELS	U
				Net Taxable Land Value	\$506,600						
				Assessed Building Value	\$0						
				Building Exemption Value	\$0						
				Net Taxable Building Value	\$0						
				Total Taxable Value	\$2411200						

Brief Tax Description 1916.058 AC TOG/ESMTS

(Note: Not to be used on legal documents)

*Hawaii County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The assessment information is from the last certified taxroll. All data is subject to change before the next certified taxroll. The 'parcels' layer is intended to be used for visual purposes only and should not be used for boundary interpretations or other spatial analysis beyond the limitations of the data. The 'parcels' data layer does not contain metes and bounds described accuracy therefore, please use caution when viewing this data. Overlaying this layer with other data layers that may not have used this layer as a base may not produce precise results. GPS and imagery data will not overlay exactly.

Resilient & Connected Network Map for Legacy Land Application TMK 395018001



10/22/2024

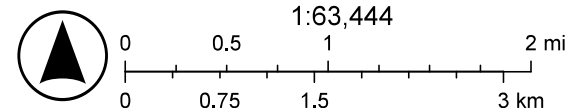
 Hawaii Island Parcels

Resilient and Connected Network (Simple)

- Resilience, Flow, and Recognized Biodiversity
- Resilience and Flow
- Resilience and Biodiversity

- Pioneer Lava
- Sea Level Rise Area
- Developed
- World Imagery
- Low Resolution 15m Imagery

High Resolution 60cm Imagery
 High Resolution 30cm Imagery
 Citations
 19m Resolution Metadata



Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc., METI/NASA, USGS, EPA, USDA, USFWS, Earthstar Geographics, Center for Resilient

The Nature Conservancy Hawai'i & Palmyra
 October 22, 2024

State Zoning Map for Legacy Land Application TMK 395018001



10/22/2024

Hawaii Island Parcels

State Land Use Districts

Conservation

Agricultural

Urban

World Imagery

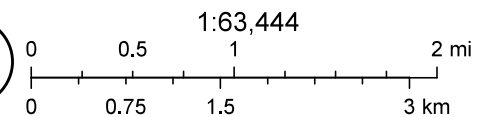
Low Resolution 15m Imagery

High Resolution 60cm Imagery

High Resolution 30cm Imagery

Citations

19m Resolution Metadata



Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc., METI/NASA, USGS, EPA, USDA, USFWS, Earthstar Geographics

The Nature Conservancy Hawai'i & Palmyra
October 22, 2024

January 13, 2025

The Nature Conservancy, Hawai'i & Palmyra

Makanau / Pakua (Hīlea) LLCP 2025 Application Supplementation

Supplemental Maps (3)* for Makanau/Pakua (Hīlea) LLCP 2025 Application

*Because we may submit up to three maps, please disregard previously submitted maps.

Map 1: Hawaiian Place Names

The Hīlea Property's native 'ōhi'a / uluhe forest is located on Pu'u Pakua and Pu'u Iki, adjacent to TNC's Ka'ū Preserve (Pu'u Iki straddles both properties). The Hīlea Property is also home to Kohāikalani Heiau, a culturally and historically important site that is located on the southern edge of Pu'u Makanau's plateau.



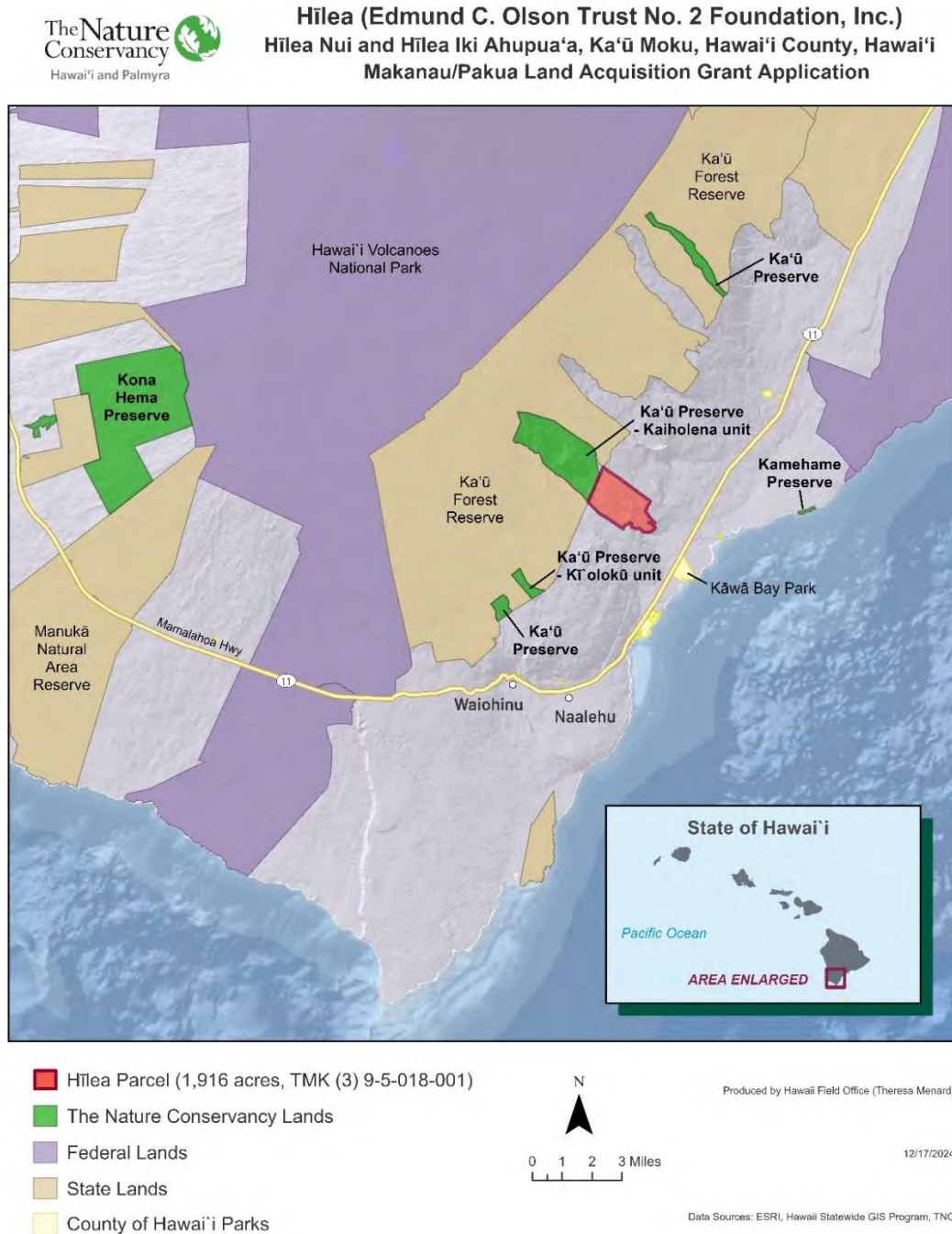
January 13, 2025

The Nature Conservancy, Hawai'i & Palmyra

Makanau / Pakua (Hīlea) LLC 2025 Application Supplementation

Map 2: Location in Relation to Existing Conservation Areas

The Hīlea Property is adjacent to two existing conservation areas: the Kaiholena management area/unit of TNC's Ka'ū Preserve and the State of Hawai'i Ka'ū Forest Reserve. The Hīlea Property is in the vicinity of Hawai'i Volcanoes National Park, the Manukā Natural Area Reserve, other units of TNC's Ka'ū Preserve, TNC's Kona Hema Preserve, TNC's Kamehame Preserve, and the County of Hawai'i Kāwā Bay Park.



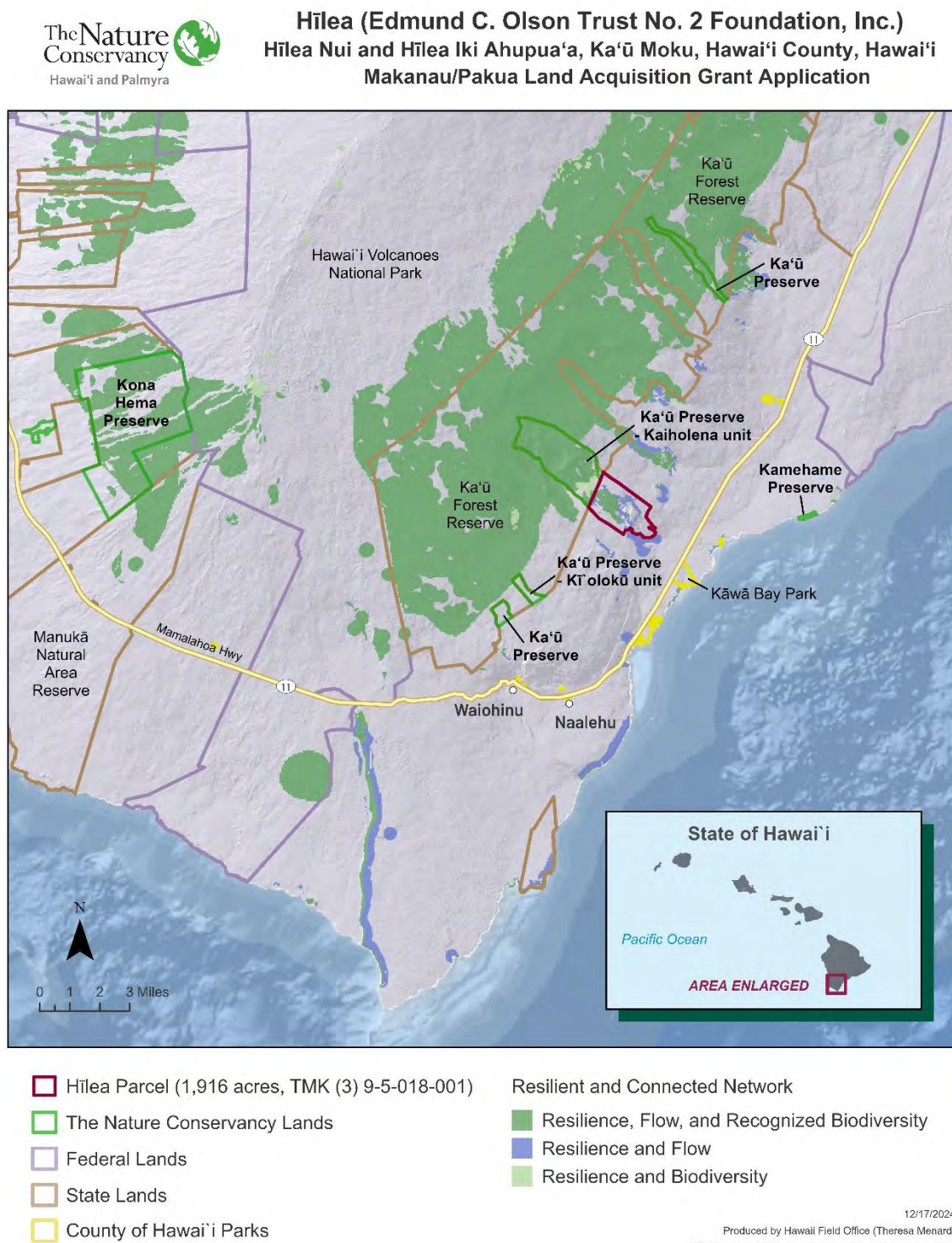
January 13, 2025

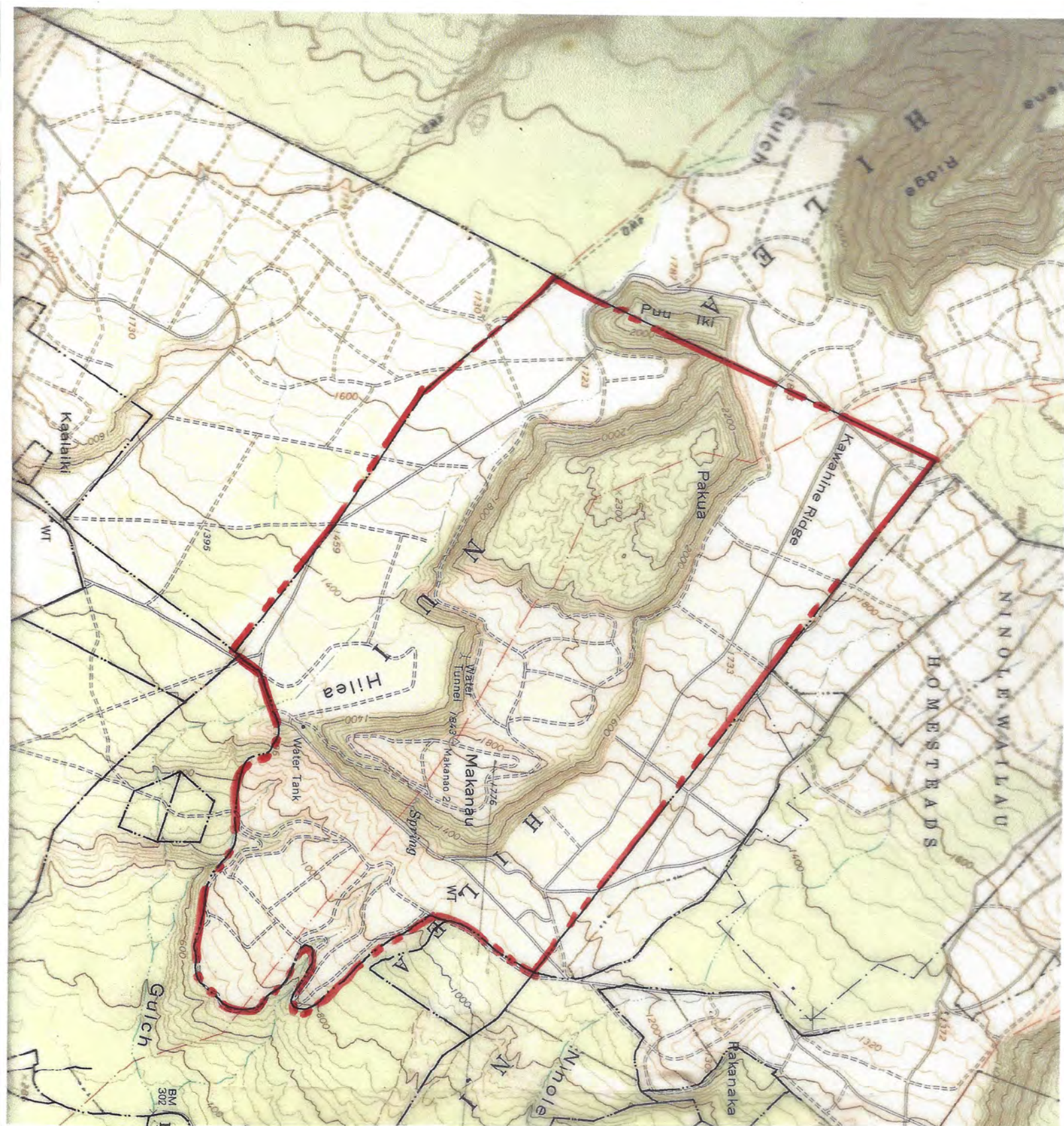
The Nature Conservancy, Hawai'i & Palmyra

Makanau / Pakua (Hīlea) LLCP 2025 Application Supplementation

Map 3: Habitat connectivity

Map 3 shows connectivity between the Hīlea Property's native forest and the native forest of TNC's Ka'ū Preserve (Kaiholena unit) and the State of Hawai'i's Ka'ū Forest Reserve.





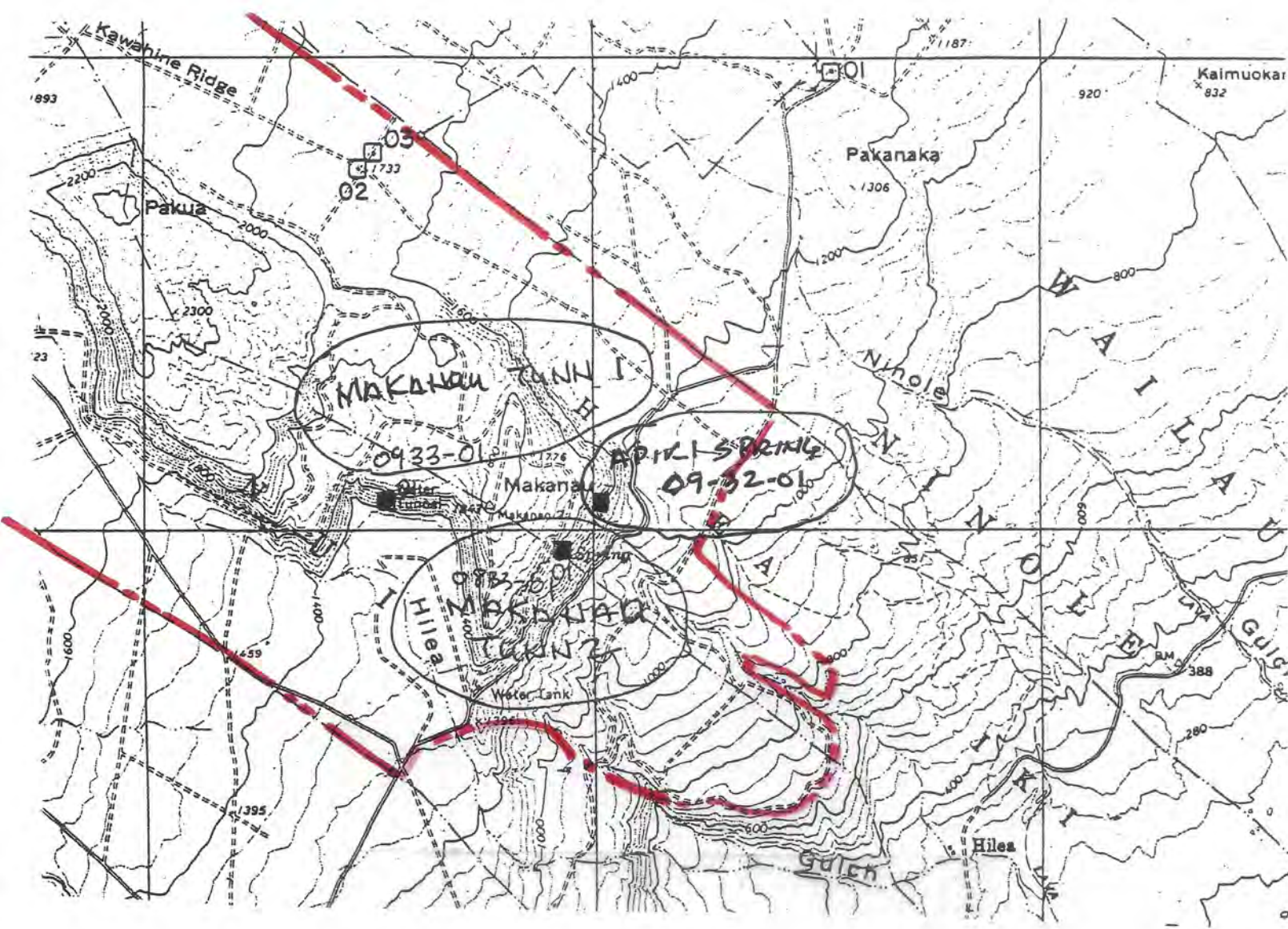
Road System at TMK 9-5-018-001

Double Solid line – Main Artery roads, paved or partially paved

39,000 lineal feet = 7.38 miles X 24' width X 1.5' depth = 52,000 cu yds

Double Dashed line – Secondary cane roads, all gravel, includes slope up face of Makaanau

60,000 lineal feet = 11.36 miles X 20' width X 1.5' depth = 66,667 yds cu



Water System at TMK 9-5-018-001

- 1) Makanau Tunnel, State well # 09-33-01, 200' of bored tunnel through rock. Collection box, 3" pipelines and concrete storage tank. All renovated in 2017 at a cost of \$27,500.00. Services pasture tenants and off site TMK's.
- 2) Waihinu Spring, (aka Makanau Tunnel 2), State well # 08-33-01, Collection box, 2" pipelines. Services on site pasture tenants.
- 3) Apiki Spring, (aka Searle spring), State well # 09-32-01, Collection box, 2" pipelines. Services on site pasture tenants, also recorded easement to Searle/Becker off site TMK users.

Note: map depiction from Commission of Water Resource Management Registration form, May 1989

5 0 1 KILOMETER

CONTOUR INTERVAL 40 FEET
DATUM IS MEAN SEA LEVEL

AND SOUNDINGS IN FEET—DATUM IS MEAN LOWER LOW WATER
LINE SHOWN REPRESENTS THE APPROXIMATE LINE OF MEAN HIGH WATER
THE MEAN RANGE OF TIDE IS APPROXIMATELY 2 FEET

HAWAIIAN ISLANDS HAWAII

QUADRANGLE LOCATION

GEOLOGICAL SURVEY, DENVER, COLORADO 80225, OR WASHINGTON, D.C. 20242
FOR A LISTING OF TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST

H







January 13, 2025

The Nature Conservancy, Hawai'i & Palmyra

Makanau / Pakua (Hīlea) LLC 2025 Application Supplementation

Supplemental Photos (5) for Makanau/Pakua (Hīlea) LLC 2025 Application

*Because we may submit up to five photos, please disregard previously submitted photos.



Photo 1: View of the Hīlea Property in the foreground, looking mauka after a heavy rain, with Pu'u Pakua on the right and Pu'u Iki at center. The Nature Conservancy's Ka'u Preserve (Kaiholena unit) is in the background. Photo by Shalan Crysedale, The Nature Conservancy, Hawai'i & Palmyra (December 2021).



Photo 2: View of Pu'u Pakua from Pu'u Makanau on the Hīlea Property.
By M. Coleman (Dec. 2, 2024).



Photo 3: Downslope view from Pu'u Makanau on the Hilea Property looking northeast.
By M. Coleman (Dec. 2, 2024).



Photo 4: Downslope view from Pu'u Makanau on the Hilea Property looking southwest.
By M. Coleman (Dec 2, 2024).



Photo 5: Upslope view of Hilea Property and surrounding properties from estuary at Kāwā Bay Park, Photo by S. Crysedale (August 2016).



Form 6

Fiscal Year 2025 Grant Application: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders (3000 character limit)

Adjacent to conservation lands held by The Nature Conservancy and in close proximity to the Ka'ū Forest Reserve, this property is important for its conservation, watershed, and habitat protection value. As the site of the storied heiau Kohaikalani the property has well-established importance as a cultural resource. Ongoing ranching operations by local families demonstrate the agricultural value of the parcel. The distinctive silhouette of Makanau, Pakua, and the other Ninole hills adjacent make for unmistakable open space and scenic value. The parcel also has significant current and potential recreational and hunting value, as well as value as a site for forest and native landscape restoration. Situated mauka of Punalu'u and Kāwā coastal areas, this property also has high value in preserving the viewscape from these coastal areas, and for supplying the fresh water springs and estuaries that are such important features of both Punalu'u and Kāwā.

The parcel is under immediate threat of being sold for development by the current landowner, Edmund Olson Trust II(Trust) and is being marketed by the Trust at the current time, as part of its consolidation plans and transition into a perpetual foundation. However, due to the values described above, it would be best if this parcel would be kept in its current use in forest and agriculture through acquisition by a land conservation non-profit organization. This property is not an appropriate area for development for residential purposes due to its remote location, its importance in preserving the watershed and hydrological cycle for the Ka'u coast, the importance of Kohaikalani hei'au, and its high scenic value. Development would impact the health of the native forest on the parcel as well as the neighboring parcels in conservation.

Consultation with stakeholders is ongoing, with active outreach to ranching tenants Kuahiwi Ranch, MJ Ranch, and Johanson Ranch and to local conservation non-profits. Consultation with local Native Hawaiian and lineal descendent groups will also occur as the acquisition process progresses.

III. Form 6: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders

Adjacent to conservation lands held by The Nature Conservancy and in close proximity to the Ka'u Forest Reserve, this property is important for its conservation, watershed, and habitat protection value. As the site of the storied heiau Kohaikalani the property has well-established importance as a cultural resource. Ongoing ranching operations by local families demonstrate the agricultural value of the parcel. The distinctive silhouette of Makanau, Pakua, and the other Nīnole hills adjacent make for unmistakable open space and scenic value. The parcel also has significant current and potential recreational and hunting value, as well as value as a site for forest and native landscape restoration. Situated mauka of Punalu'u and Kāwā coastal areas, this property also has high value in preserving the viewscape from these coastal areas, and for supplying the fresh water springs and estuaries that are such important features of both Punalu'u and Kāwā.

The parcel is under immediate threat of being sold for development by the current landowner, Edmund Olson Trust II(Trust) and is being marketed by the Trust at the current time, as part of its consolidation plans and transition into a perpetual foundation. However, due to the values described above, it would be best if this parcel would be kept in its current use in forest and

January 13, 2025

The Nature Conservancy, Hawai‘i & Palmyra

Makanau / Pakua (Hīlea) LLC 2025 Application Supplementation

agriculture through acquisition by a land conservation non-profit organization. This property is not an appropriate area for development for residential purposes due to its remote location, its importance in preserving the watershed and hydrological cycle for the Ka‘ū coast, the importance of Kohaikalani heiau, and its high scenic value. Development would impact the health of the native forest on the parcel as well as the neighboring parcels in conservation.

Consultation with stakeholders is ongoing, with active outreach to ranching tenants Kuahiwi Ranch, MJ Ranch, and Johansen Ranch and to local conservation non-profits. Consultation with local Native Hawaiian and lineal descendent groups will also occur as the acquisition process progresses.

If TNC does not acquire the Hīlea Property, the property will likely be acquired by either a ranching business for cattle ranching or a developer for the development of house lots or subdivisions. There are at least two other interested buyers, one is a ranching business and one is a developer. The developer contracted for an appraisal. Under either scenario of non-TNC acquisition, the native forest will not likely be managed for conservation and thus will remain threatened by incursion of invasive ungulates, weeds, and diseases. Subdivision for agricultural house lots brings artificial lights now absent on the property, unintentional and intentional introduction of invasive pest species including horticultural weeds, insects and pathogens. An additional risk of subdivision is an increased rate of water withdrawal from the source of surface and subsurface flow at Old Plantation Springs, with associated threats to native insect and estuarine fauna described in greater detail below.

Purchase by a rancher carries the risk of on-island herd rotation and accompanying introduction of weed species not currently present in the area as well as increased likelihood of water withdrawal from the Old Plantation Springs Tunnel water source located on TNC property upslope that feeds Hīlea gulch and the estuarine systems at Kāwā Bay and Nīnole Springs on the shoreline. If the property is not acquired by TNC, it is likely there will be no contribution to the recovery of the ESA-listed species found on and within the vicinity of the property. Permanent habitat loss and degradation is also likely and therefore ESA-species will be adversely affected.

The entire Hīlea Property will also be threatened by conversion/development because it is zoned Agriculture. The property has 28 lots of record that allow for development without subdivision approval from the County. There is an existing network of 7.38-miles of “main artery roads” and 11.36-miles of secondary gravel roads. The property is also a potential candidate site for solar, hydro-electric and wind energy production, with examples of each of these now operational in Ka‘ū.

Former sugar lands in Ka‘ū and elsewhere on Hawai‘i Island have been subdivided and sold as agricultural lots with the resulting introductions of alien pest species being well-documented and detrimental to the adjacent State and privately-owned and managed native forest biota (Hawai‘i Invasive Species Council, <https://dlnr.hawaii.gov/hisc/info/> last visited on 3 January, 2025) . Wind, solar, and hydroelectric developments in the area have resulted in the death of native birds and bats (American Bird Conservancy, <https://abcbirds.org/to-protect-birds-and-bats-from-wind-turbines-adopt-hawaiis-approach/> last visited on 3 January, 2025), and water withdrawal threatens surface and sub-surface stream flow in the seasonally arid lowlands of Ka‘ū.

The Hilea Property has three water sources and maintains water rights to a water source on TNC's upslope property. If TNC does not acquire the property, these vital waters may be diverted in a manner that would adversely impact ESA-listed species in the area and downstream at Kāwā Bay. Diversion of water for non-agriculture use also threatens local ranching operations that have traditionally drawn from these water sources and made relatively small improvements in water withdrawal infrastructure in consultation with TNC.

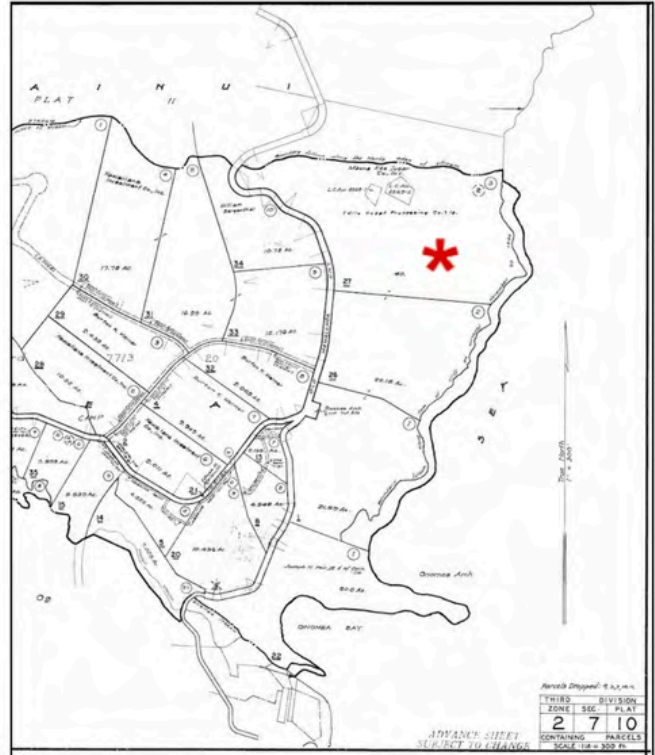
With respect to community engagement thus far, TNC has spoke to individual members of the community about TNC's interest in acquiring the Hilea Property, and all were supportive of the idea of TNC acquiring the property. For example, the three Ranches with leases at Hilea offered strong support. The caretaker of the heiau on the property offered support. TNC has also spoke with and received support from Board members of the local nonprofit Ka 'Ohana O Honu'apo, Hilo branch DOFAW staff, UH research faculty, kupuna with ties to the lands, and several nonprofit organizations connected to the land.

EXHIBIT A 1 (C)

Kawainui Makai South Hilo, Hawai‘i

Maps & Photos

Form 6 (Importance and Threats) and Reply to Department of Agriculture Comments



Kawainui Makai (shading represents current hardwood plantation)



1/29/2024

World Imagery

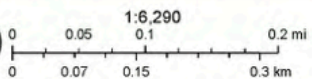
Low Resolution 15m Imagery

High Resolution 60cm Imagery

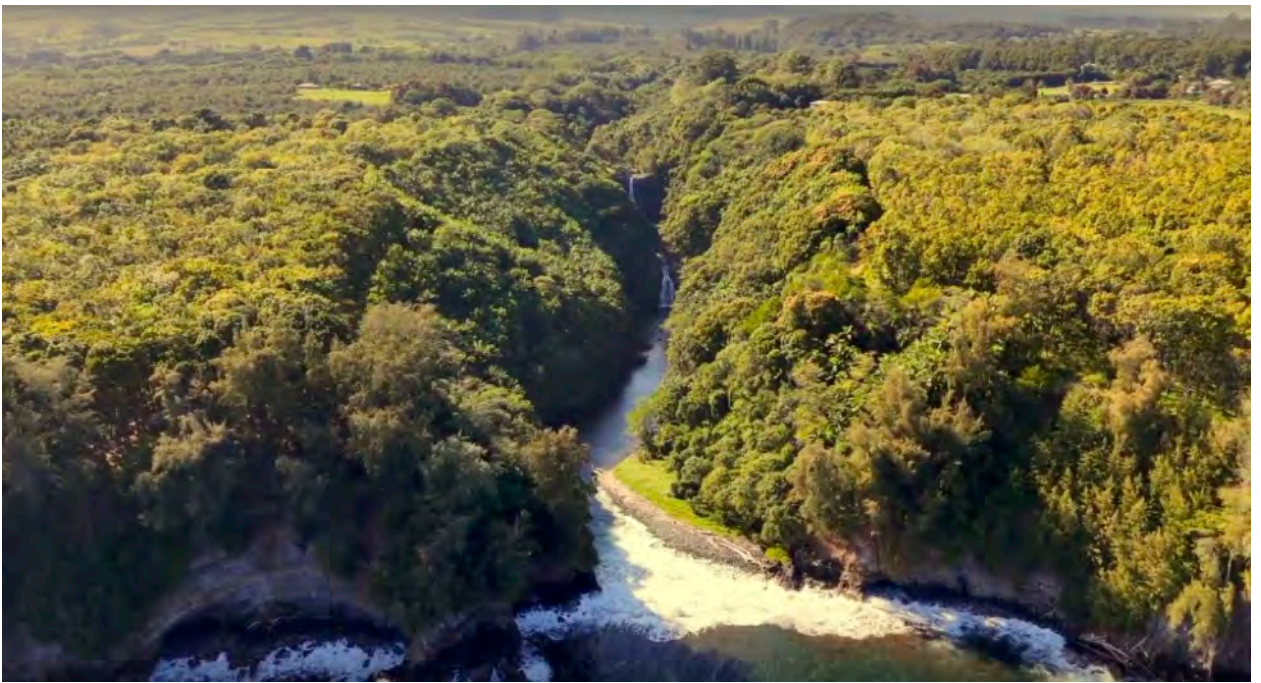
High Resolution 30cm Imagery

Citations

1.2m Resolution Metadata



Resource Mapping Hawaii, Maxar, Esri Community Maps Contributors, © OpenStreetMap, Microsoft, Esri, TomTom, Garmin, SafeGraph



AERIAL SHOT OF KAWAINUI MAKAI FOREST & STREAM



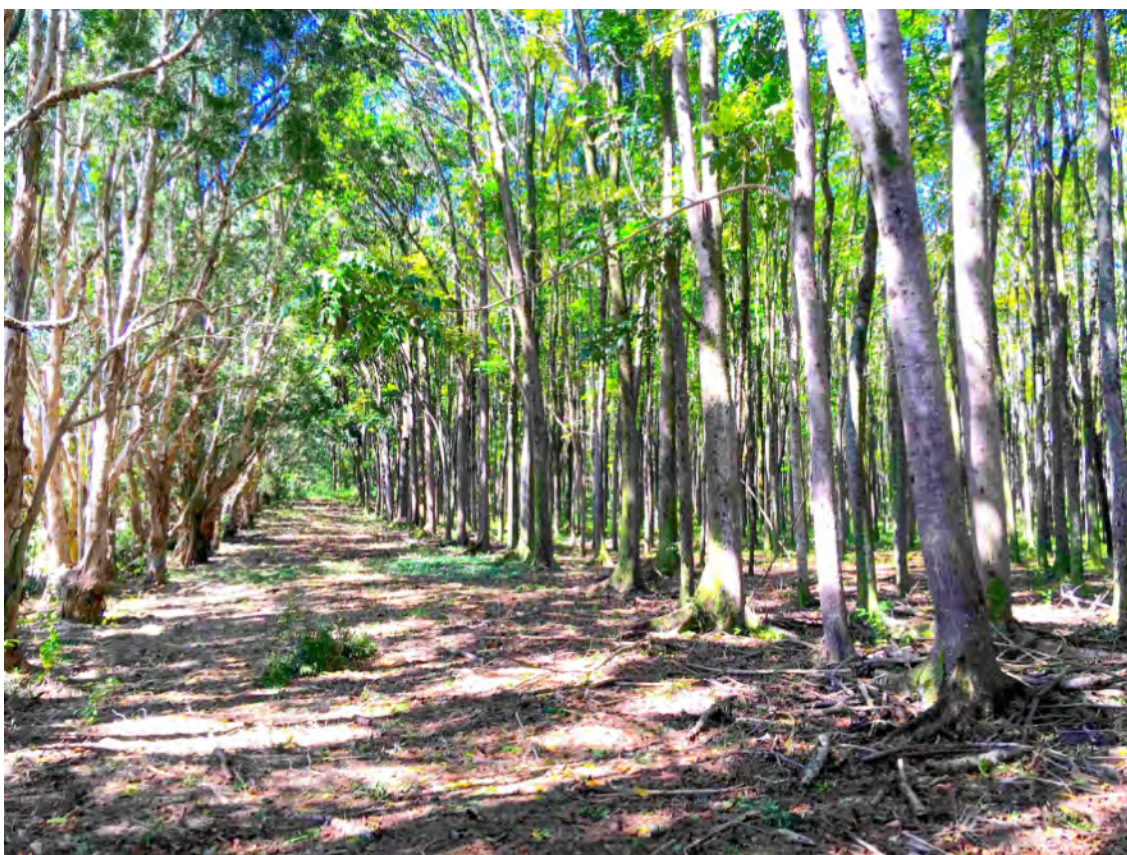
MID LEVEL WATERFALL & POOL



LOOKING DOWNSTREAM FROM MID LEVEL



LOWER LEVEL POOL



TEAK & MAHOGANY FORESTRY OPERATION

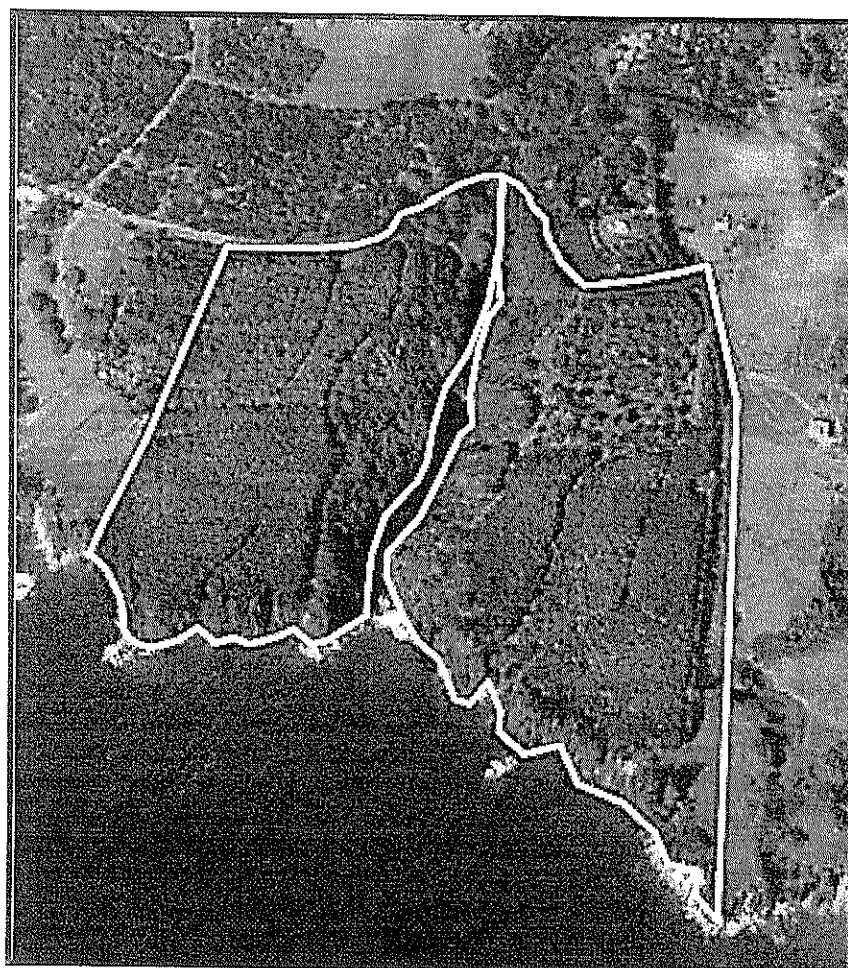
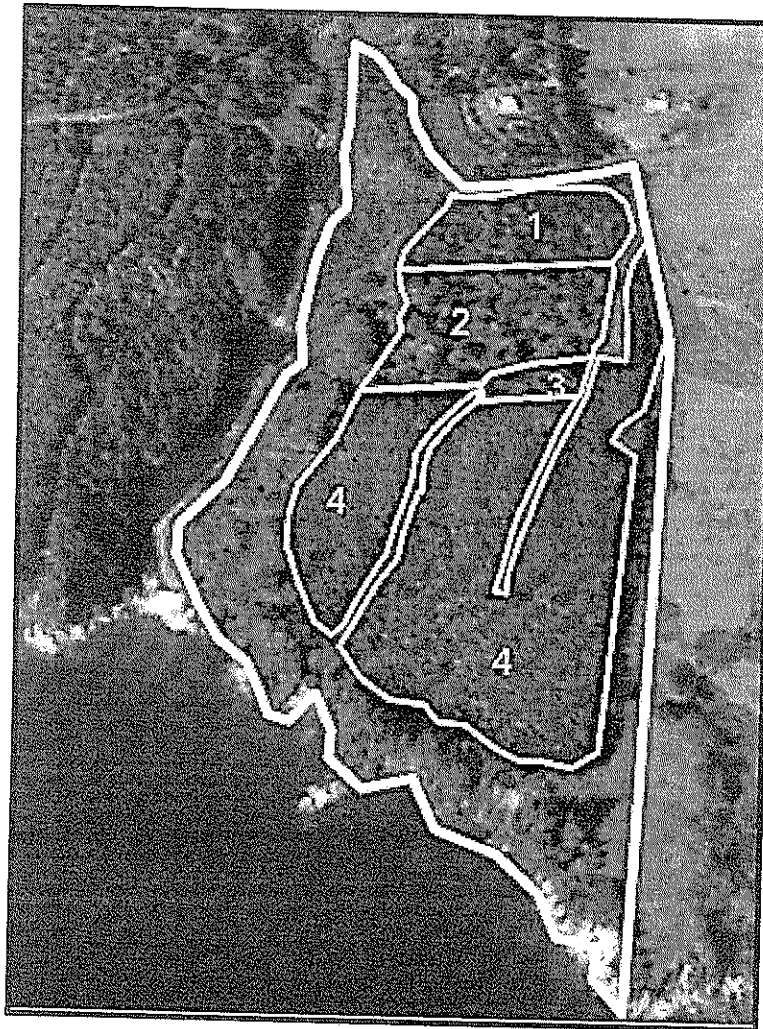


Figure 2 – Sampled Parcel Stratified into Four Stands



DISCUSSION – Saw Timber:

The following four tables display saw timber characteristics and values of each stand and the Total Parcel. Because the wood quality from this plantation has not been evaluated via milling, the value per board foot (bd ft) is only an estimate.

Stand (Stratum) Saw Timber (=> 12" diameter small end of log, minimum 10' long)	Estimated Acres	Average DBH	Average Tree Height	Per Acre Est. Mean Volume (bd ft)
1. Khaya/Teak	2.9	13.8	37.4	2,625
2. Thinned Khaya/ Queensland Maple replants	3.4	15.4	36.7	2,833
3. Khaya, Pheasantwood, Bigleaf Mahogany	0.3	15.7	43.9	2,625
4. Bigleaf Mahogany	14.1	15.0	46.0	1,071
Total Parcel	20.7	15.0	41.0	



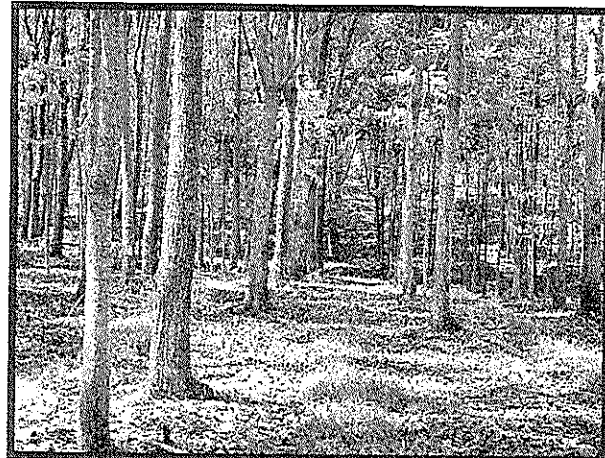
Stand 1 – Khaya with Teak understory



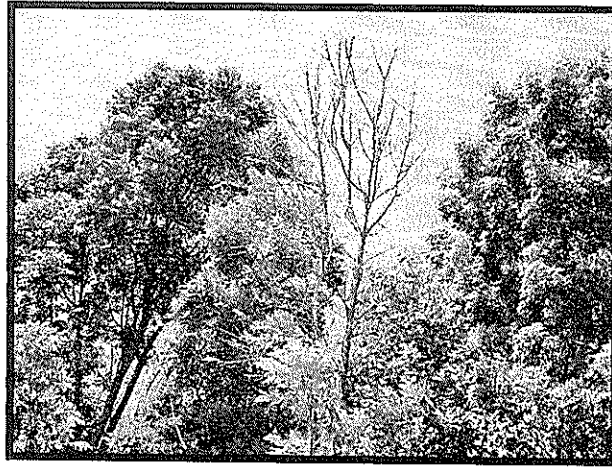
Stand 2 – Khaya with Queensland maple understory



Stand 3 – Mixed overstory, Khaya, Pheasant wood,
Mahogany



Stand 4 – Pure Big Lead mahogany stand



Stand 3 – Mixed overstory, Khaya, Pheasant wood,

Stand 4 – Pure Big Lead mahogany stand



Form 6

Fiscal Year 2025 Grant Application: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders (3000 character limit)

Due to the nature of agricultural use and desire to live along the coast, streams and gulches are often the last refuge of remaining native fauna and flora in the lowland island areas. The current owners since 1989 have focused on upland forestry without restriction of Public Access or development of the stream area, however this significant freshwater ecosystem and important ag land is being actively marketed to buyers and is in imminent danger of development with phrasing such as "luxury home" & "private beach." The 80 acre forestry operation is marketed as (2) 40 acre lots that could be divided into (4) AG 20 lots. Such marketing and de-emphasis on the forestry operation increases the odds of poor forestry & watershed management, and chances the stream and historic site access could become difficult for those who wish to gather, fish, study, care for or otherwise enjoy the resources therein. Public protection of this land means protection of Kawainui's endangered, threatened and at risk species thru prudent resource management as well as optimal ecosystem health and community benefit thru time tested cultural practices.

Luxury housing comes with extensive grading, employee & accessory dwelling, vehicle & equipment storage, landscaping & pools, often prioritizes viewplanes & easy access over ecosystem stability including erosion of cliffside or streambank. Construction & landscaping introduces chemicals and pesticides common in such operations, as well as invasive species. Beyond luxury homes, many privatized uses are incompatible with conservation of this watershed resource, including commercial endeavors like ATV tours or similar recreational facilities, or even simply less balanced ag utilizing clearcutting, regular heavy machinery, monocropping with industrial chemicals, high density animal husbandry etc that could further destabilize the soil, watershed, reef & mauka makai corridor.

Proper management and public access to nearby stream areas is a big issue in this community, including over 2 decades fight (from the 70s thru the 90s) to restore public access and remediate ecosystem damage at Hawaii Tropical Botanical Gardens (the ravine was bulldozed to create illegal dams, man made lakes, diversions of rivers etc in it's quest to attract visitors with introduced species) and nearly 2 decade (still ongoing) issue of Pāpa'ikou Mill trail to Glass Beach/Lyman Bay & stream. The North Hilo/Hāmākua community is taking its first steps via the PONC process to resist the mounting push of private landowners to restrict access to treasured community resources along remaining intact & ecologically important watersheds. In this, the Makahanaloa Fishing Association provides an active subsistence lifestyle community of volunteers invested in maximizing healthy ecosystems with time honored cultural traditions proven to work for both land & people, and hopes to work actively with State & County to protect our cherished natural resources and Hawaii way of life.

FORM 5B Department Responses:
Department of Agriculture, Sharon Hurd

"The Application does not explain the role of 50+ acres of teak and mahogany will have in the use of the overall property and it's management by the Association.

The Department is uncertain that the applicant's proposal meets the criteria for land acquisition, maximization of public benefits and other considerations as specified in Chapter 173A, HRS. However, we defer to the information provided to and subsequent decision by Hawaii County's Public Access, Open Space, and Natural Resource Commission on the applicant's proposal."

FORESTRY OPERATION PLANS: Approximately 50 of the 80 acres of these two parcels are planted with a Mahogany and Teak forestry operation, planted by Na Aina Kai circa 2008. Documentation & Valuation estimates of the Forestry operation are included below, however cursory remarks from the UH Forestry Department indicate a well planted operation and interest in establishing a UH Field Lab for students if the opportunity arises. Online information provides estimates of a 60 ft, 20 inch diameter mahogany tree at current 15 years of age at approximately \$35,000 in processed material. Teak is estimated by a local Hawaii island Hardwood business at \$55 per board foot (comparable to Koa due to its use, desirability and slow growing nature) and mahogany at \$7 to \$15 per board foot, depending on species and age. These local businesses have worked on County owned properties before, operating by coming onsite to carefully and selectively harvest, mill and market the wood, making it easy to envision a partnership that would allow the stewardship group resources and funds to maintain the property, develop it's agricultural potential or offset the purchase price should that be desired. Mahogany and Teak are wonderful building materials and also could be used on site for railings and traditional structures. We envision community stewardship operating the forests as a hardwood resource in transition to native species and agriculture, alongside native species remediation in the remaining Conservation zone along the riverbanks and pali that will ensure a verdant future for the people of Hawai'i.

The Onomea/Pepeekeo area where Kawainui river resides is characterized as one of exceptionally deep, rich soil, with abundant rain and running water and is therefore one of the top agricultural zones on the island. Agroforestry could be conducted in the understory of the open areas cleared by selective harvesting within the uplands. In addition to the opportunities provided by the existing hardwood operation, food based agriculture for the community could be incorporated, as the people of Hāmākua were once known for. In this area working with the forest was a traditional method of agriculture, namely the pakuikui style, where nitrogen rich kukui trees were mixed with ulu and other forest crops and native species for optimal growth and ecosystem balance. The revitalization of this method is part of a solid ongoing effort by neighboring organizations such as HuiMAU, the Ulu Co-op and Project Kanu. Healthy relationships with 'āina using these cherished and invaluable traditions, as well as community partners, would be a guiding principle in preserving and promoting the agricultural and cultural character of the community.

We believe the property meets Chapter 173A, HRS Land acquisition priorities (as specified in Form 3 and elsewhere in the application as well as the County PONC nomination) for:

(1) Lands having exceptional value due to the presence of: **(A)** Unique aesthetic resources; **(B)** Unique and valuable cultural or archaeological resources; or **(C)** Habitats for threatened or endangered species of flora, fauna, or aquatic resources;

(2) Lands that are in imminent danger of development;

(3) Lands that are in imminent danger of being modified, changed, or used in a manner to diminish its value;

(4) Lands providing critical habitats for threatened or endangered species that are in imminent danger of being harmed or negatively impacted;

(6) Lands that are unique and productive agricultural lands.

Attachments: Timber Value Analysis 2013, Onomea Tree Planting Plan 2000 Phase 1 & 2.

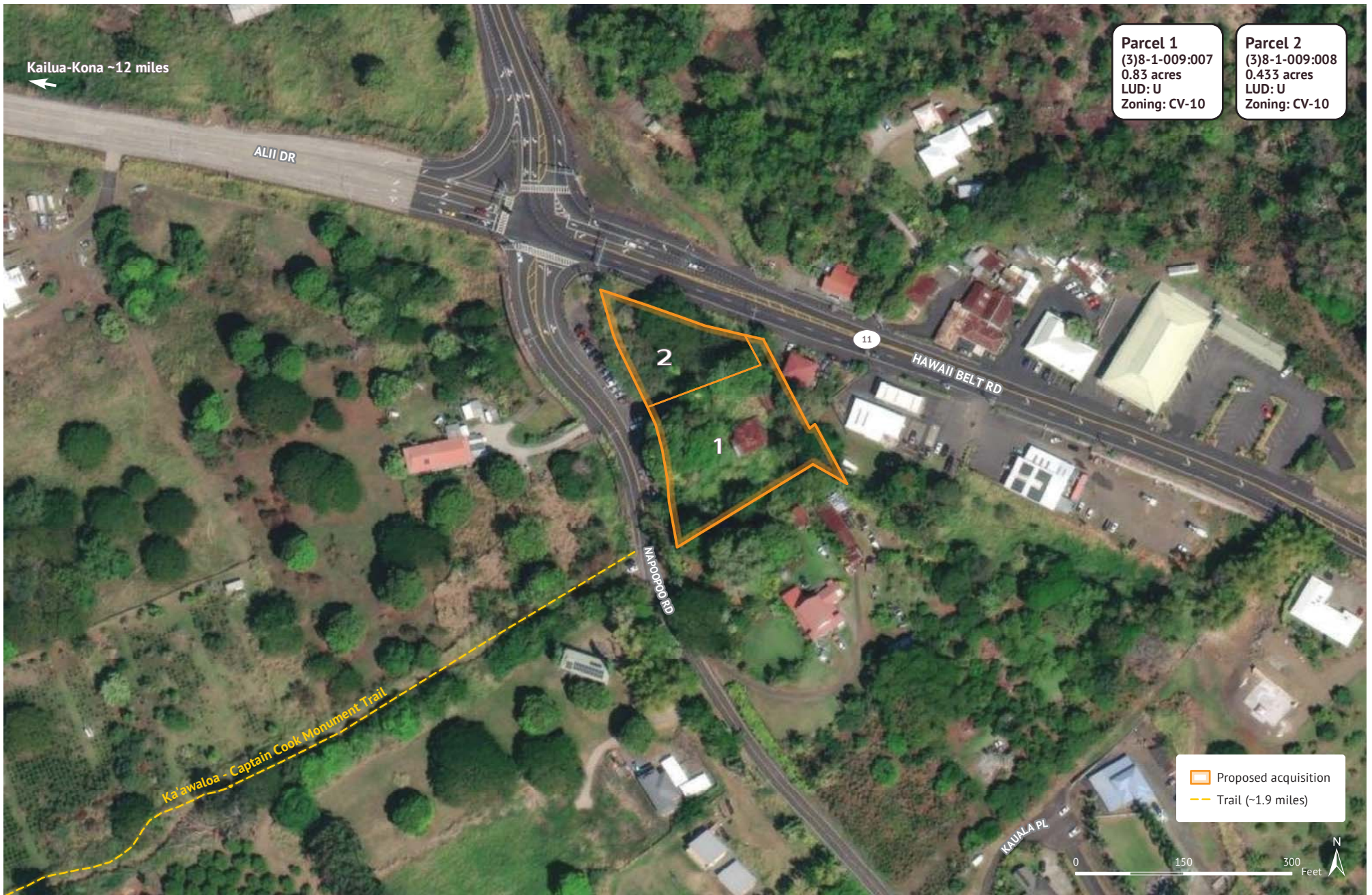
EXHIBIT A1(D)

Kōkua Kealakekua Kona, Hawai‘i

Maps & Photos

and Form 6

(Importance and Threats)



Parcel 1
(3)8-1-009:007
0.83 acres
LUD: U
Zoning: CV-10

Parcel 2
(3)8-1-009:008
0.433 acres
LUD: U
Zoning: CV-10

Kōkua Kealakekua

SOUTH KONA, ISLAND OF HAWAII

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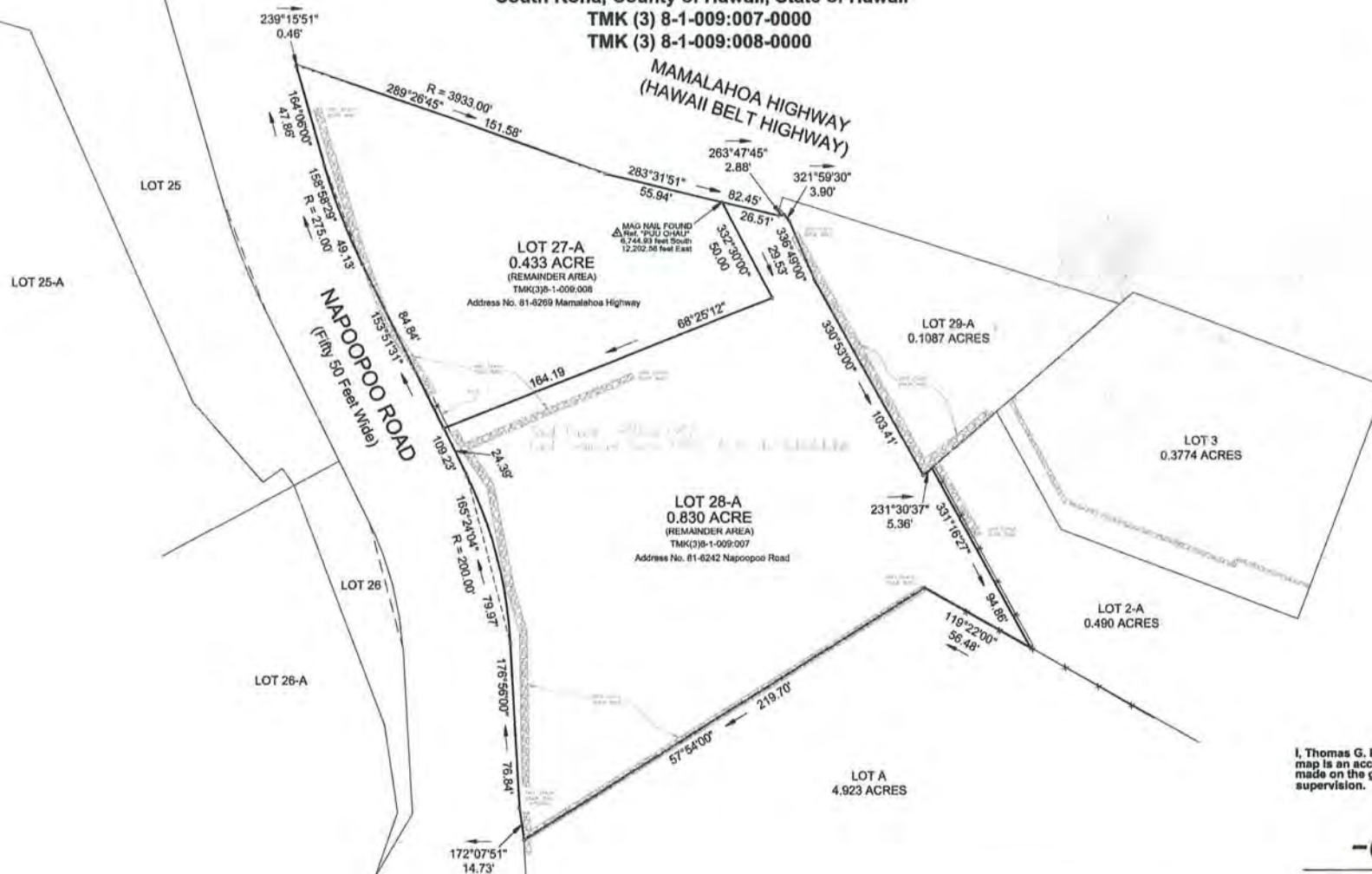
Kōkua Kealakekua

SOUTH KONA, ISLAND OF HAWAII

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Being a Portion of Royal Patent 4386 and 7532
Land Commission Award 8452, Apana 10 to A. Keohokalole
Napoopoo Road/Mamalahoa Highway, Kaawaloa
South Kona, County of Hawaii, State of Hawaii
TMK (3) 8-1-009:007-0000
TMK (3) 8-1-009:008-0000



I, Thomas G. Pattison, do hereby certify that this map is an accurate representation of a survey as made on the ground, by me, or under my direct supervision.

-COPY-

THOMAS G. PATTISON
January 10th, 2024
Hawaii License No. 10743

PATTISON LAND SURVEYING

P.O. Box 384569, Waikoloa Hawaii, 96738
Office 808.327.9439.



Looking toward Kōkua Kealakekua property from Nāpo'opo'o Road



Driveway between two of the Kōkua Kealakekua parcels



Ka'awaloa Trail (Captain Cook Monument Trail)



Hikiau Heiau



Aerial of Ka'awaloa



Form 6

Fiscal Year 2025 Grant Application: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders (3000 character limit)

The property is listed for sale and being actively marketed. The landowners are motivated sellers and have received offers on the property. A likely buyer would be a real estate speculator eyeing development for commercial or luxury residential purposes in this highly desirable and convenient location at the intersection of Mamalahoa Highway, Mamalahoa Bypass Road, and Nāpō'opo'o Road. If this property is lost to speculators or developers the community would lose a once in a lifetime opportunity to establish a kīpuka for implementing the CAP goals and community-led stewardship and pono management of Ka'awaloa Trail and the beloved cultural landscape of Kapukapu. The property is overgrown in invasive vegetation overtaking the few canoe plants that remain.

Kealahou Bay faces severe challenges due to unmanaged tourism, overuse, desecration, and habitat degradation including:

- Disrespectful human behavior: Behavior that diminishes target health, intentionally or unintentionally, such as general disrespect towards residents and natural and cultural resources; illegal activity, including extracting pōhaku (rocks) and trespassing on private lands and historic trails; commercialization; and social media posts and other promotions that contribute to exceeding Kealahou's carrying capacity and result in traffic congestion and parking problems in the small village.
- Climate change: Impacts of climate change – including periodic marine heatwaves that cause coral bleaching, ocean acidification, increased drought, rising sea levels, and increased storm damage – degrade target health and are expected to increase in severity.
- Exceeding carrying capacity: Carrying capacity refers to the maximum population – residents and visitors – that an environment can support sustainably. Exceeding that level leads to the degradation of the environment and impacts to traditional and cultural practices and community quality of life with many factors contributing, including too many people, boats, kayaks, cars, and vacation rentals.
- Human waste Point and non-point sources of pollution that can enter an ecosystem and be a vector for disease, algae blooms, and physiological impairments to marine wildlife (e.g., coral health and reproduction). Human waste includes marine debris (e.g., derelict fishing gear, litter, fishing line), trash, and sewage (including from cesspool and septic tanks).
- Non-Pono fishing: Pono fishing is the sustainable harvest of marine resources. Non-pono fishing includes the depletion of food resources through illegal and unsustainable fishing activities. Non-pono fishing was identified as a threat because it greatly impacts food security and, therefore, community well-being. It also diminishes the relationship between people and nature that is a key aspect of Hawaiian culture.
- Non-native species: Aquatic and terrestrial species that are not native to a particular area often displace native species and become invasive. Non-native aquatic species include ta'ape (bluestripe snapper), to'au (blacktail snapper), roi (peacock grouper), guppies, mollies, and tilapia. Non-native terrestrial species include goats, plants, rats, and mongoose.

EXHIBIT A1(E)

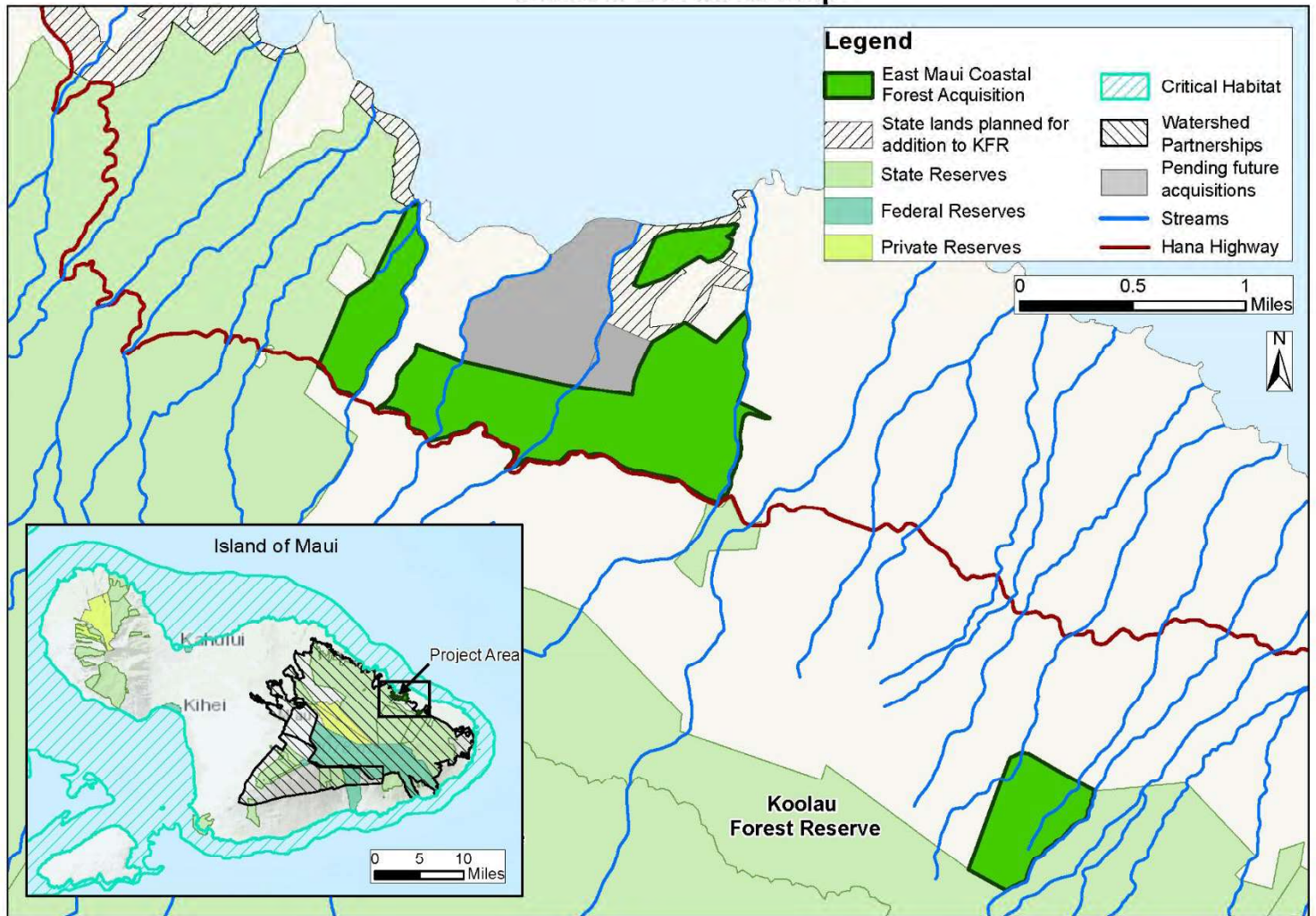
East Maui Coastal Forest Ko‘olau, Hāna, Maui

Maps & Photos

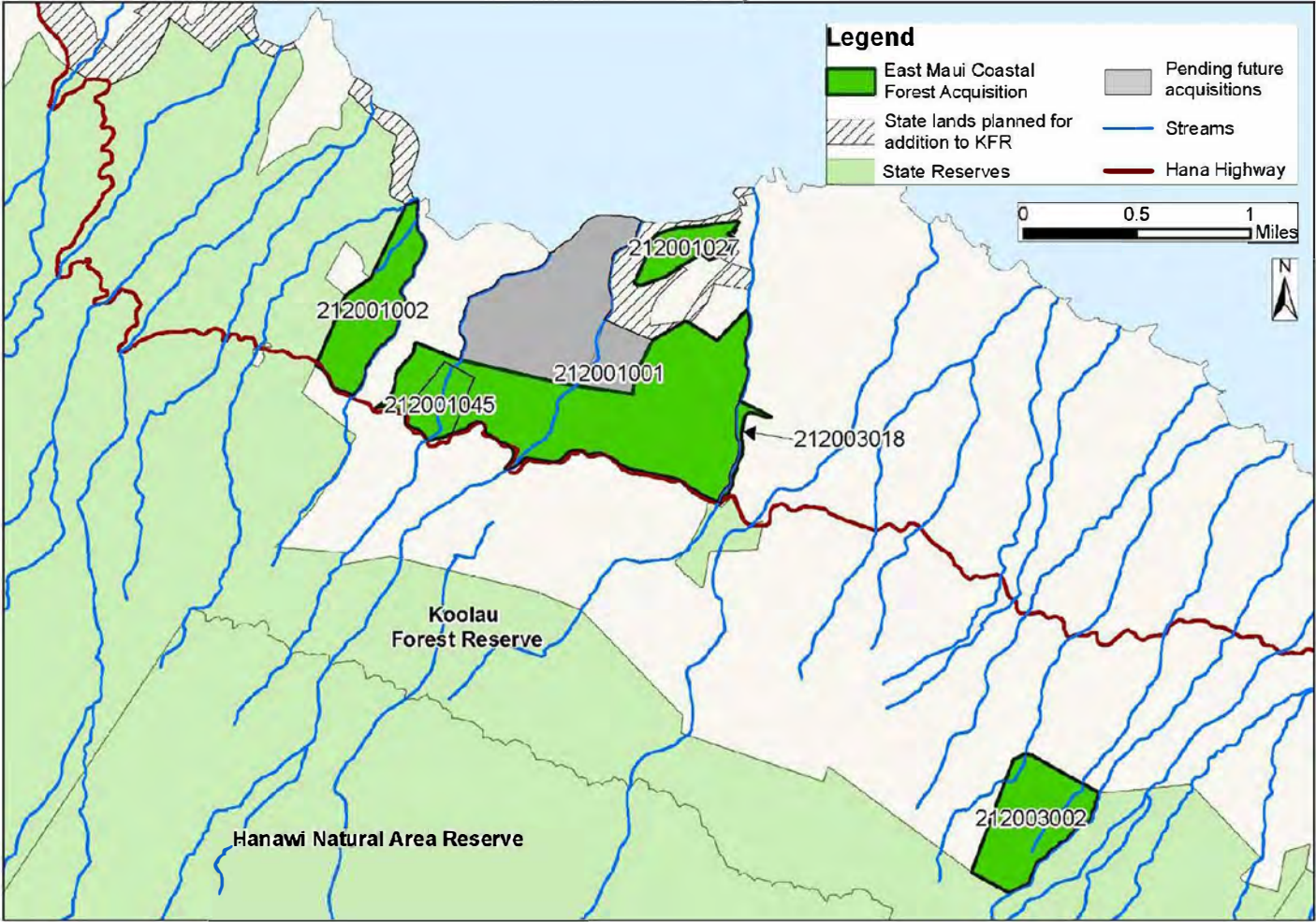
and Form 6

(Importance and Threats)

East Maui Coastal Forest General Location Map



East Maui Coastal Forest Parcel Map



East Maui Coastal Forest – map includes all parcels (funded pending acquisition, proposed Legacy Land parcels and future phases

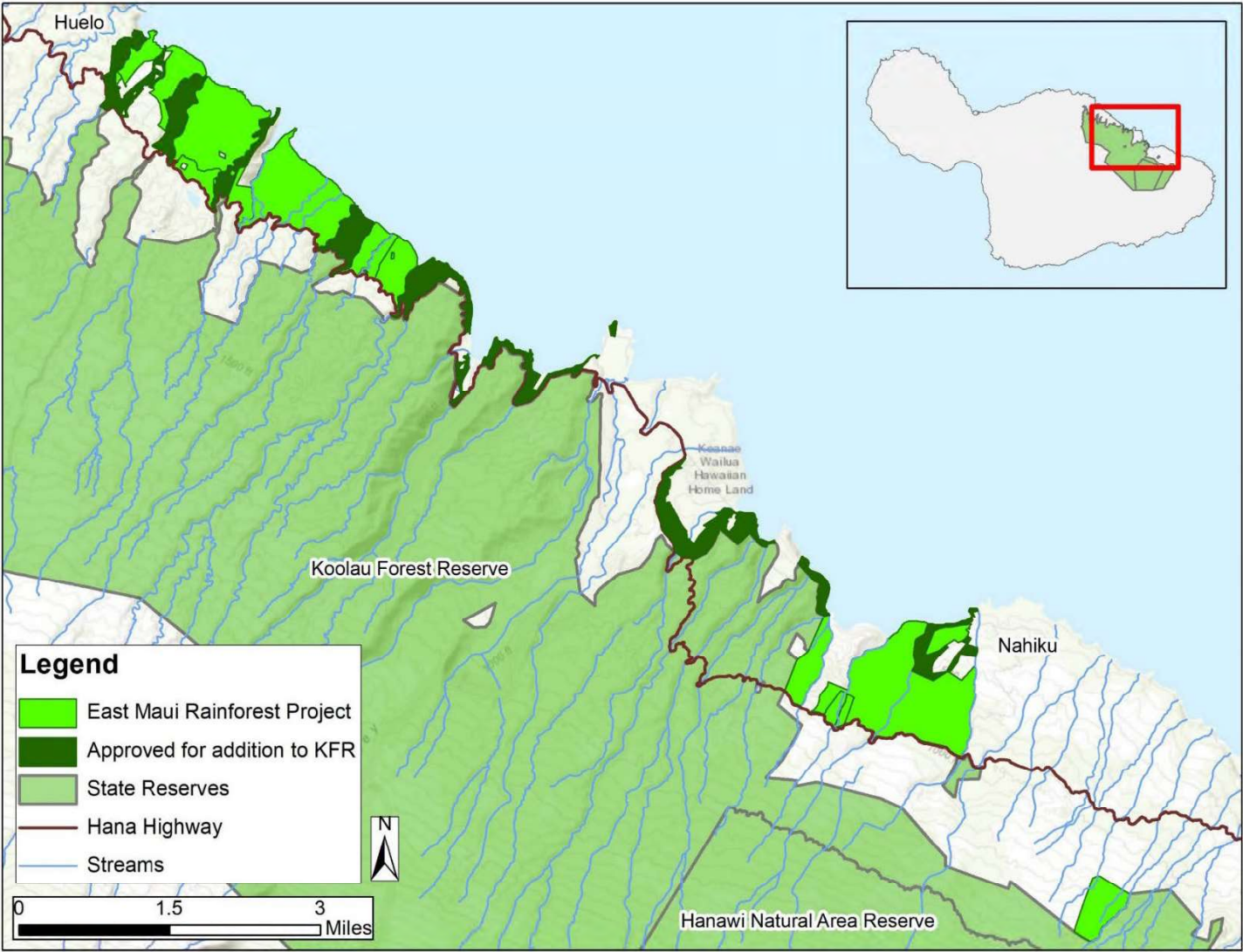




Photo 3. East Maui Coastal Forest portion of Piilani Trail (parcel (2) 1-2-001-027)

Photos



Photo 1. East Maui Coastal Forest Coastline from Nahiku Landing.



Photo 2: (2) 1-2-001:001

Photos #4 (below): (2) 1-2-001:001



Photo #5: Native species found in EMCF include the endangered *Cyperus pennatifolius* or coastal flatsedge (left), endangered Pacific Hawaiian damselfly (top) and Hawaiian goby.



Form 6

Fiscal Year 2025 Grant Application: Importance and Threats

Identify and assess conditions that threaten the significance and importance of the property such as land use/land cover conversion; human and environmental degradation/destruction of natural and cultural resources (e.g. erosion, sedimentation, polluted runoff, flooding, invasive species); user conflict and community concerns. Describe the extent and results of consultation with other stakeholders (3000 character limit)

The EMCF is threatened by sale and development, which would preclude the use of the property by the public, prevent public access and convert the forested cover on the parcels to other land uses. The northeast coast of Maui has the fewest shoreline access points on the island, restricted in numerous locations by private ownership or development. The landowner, a commercial real estate company is supportive of a state purchase for conservation but have expressed their need to sell on a short timeline. The landowner's current objective is to sell non-core assets including agricultural and conservation zoned forest land. Most of the property is zoned for agricultural, allowing for subdivision into roughly 11 lots ranging from 2-40 acres with 2 dwellings/lot allowed. The scenic beauty of northeast Maui has created extremely high demand for properties and these properties are under imminent threat of sale, subdivision, and development.

The issue of stream diversions in east Maui related to a proposed long-term water lease is a longstanding community issue. Most streams on the proposed acquisition are impacted by the East Maui Irrigation (EMI) aqueduct system that diverts stream water above the parcels into ditches that flow to central Maui for agricultural uses. This impacts both the east Maui native Hawaiian community uses of the water for traditional and customary practices as well as the ability of the streams to support native aquatic species. While stream flow to some streams on the EMCF property was either fully or partially restored under the Interim In-stream Flow Standards set by the Commission on Water Resources Management in 2018, there are still pending decisions regarding the long-term water lease, removal of diversions and the level of stream flow in some of these streams.

EXHIBIT B

April 25, 2025

**Consultation Responses from
the President of the Senate
(March 11, 2025)**

**and
the Speaker of the House
of Representatives
(March 18, 2025)**



The Senate

STATE CAPITOL
HONOLULU, HAWAII 96813

March 10, 2025

Ms. Dawn N.S. Chang
Chairperson
Department of Land and Natural Resources
1151 Punchbowl Street
Honolulu, Hawaii 96813

RE: Projects for the Fiscal Year 2025 Legacy Land Conservation Program

Dear Chair Chang:

I am in receipt of your letter dated March 7, 2025 regarding the Legacy Land Conservation Commission's recommendation for the funding of projects for the Fiscal Year 2025 Legacy Land Program.

This is to confirm that I have no concerns or objections at this time as it relates to the projects enumerated in the aforementioned letter.

Thank you and should you have any questions with regard to the foregoing, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ronald D. Kouchi'.

RONALD D. KOUCHI

Senate President

8th Senatorial District- Kauai and Niihau

Cc: Speaker Nadine K. Nakamura
Mr. David Penn, DLNR Program Specialist



HOUSE OF REPRESENTATIVES

Hale o nā Luna Makaʻāinana

STATE OF HAWAII
STATE CAPITOL, ROOM 431
415 SOUTH BERETANIA STREET
HONOLULU, HAWAII 96813

March 18, 2025

Ms. Dawn Chang, Chairperson
Department of Land and Natural Resources
1151 Punchbowl Street
Honolulu, HI 96813

SUBJECT: Projects for Fiscal Year 2025 Legacy Land Conservation Program

Dear Chair Chang:

Thank you for your letter dated March 7, 2025, regarding the Legacy Land Conservation Commission's recommendations for awarding grants for Fiscal Year 2025 from the Land Conservation Fund.

This letter is to confirm receipt and that I have no concerns or questions at this time as it relates to the projects recommended by the Legacy Land Conservation Commission.

If you have any questions or need any additional information, please don't hesitate to contact me at (808) 586-6100 or at repnakamura@capitol.hawaii.gov.

Sincerely,

A handwritten signature in black ink, reading "Nadine K. Nakamura".

NADINE K. NAKAMURA
Speaker of the House

EXHIBIT C

**Due Diligence Checklist for
Legacy Land Conservation
Program Projects**

April 25, 2025

*(Exhibit B for Legacy Land Conservation Program
Grant Agreements)*

Exhibit B

Checklist for Legacy Land Conservation Program (LLCP) Projects

The following items must be completed to the STATE's satisfaction prior to the final award:

- ☐ Title report review. A current title report of the Property must be submitted to and reviewed through the Department of Land and Natural Resources, Land Division ("LD").
- ☐ Appraisal certification. AWARDDEE shall first supply LD a current title report, then contact LD regarding certification requirements prior to issuing appraisal instructions for a new appraisal or ordering an update of a pre-existing appraisal. An appraisal of the Property must be done and submitted to the LLCP and the Awardee must produce an independent review report using specific instructions from LLCP and LD, with final approval by the Chairperson of the Board of Land and Natural Resources.
- ☐ Matching funds and project accounting. Evidence of matching funds, as required by law, must be provided to LLCP. AWARDDEE must provide an accounting of all LLCP grant funds to be expended, evidenced by supporting documentation.
- ☐ Escrow. Funds that are to be used for the purchase of property will be deposited directly into escrow by LLCP. AWARDDEE must provide a copy of the escrow instructions, the account number, and a tentative buyer's statement to the LLCP.
- ☐ Title insurance. AWARDDEE must obtain title insurance in the full amount of the purchase price, insuring that the title to the Property is vested in the AWARDDEE.
- ☐ Environmental inspection. AWARDDEE must conduct an environmental inspection to determine whether there is any environmental contamination or potential for contamination on the property. One or more Environmental Site Assessment(s) (ESA) may be required by STATE. If an environmental condition is found, a Phase II and appropriate remediation (at the cost of awardee) will be required prior to disbursal of funds. AWARDDEE must complete the form supplied by the LLCP and return to the LLCP before funds may be disbursed.
- ☐ Chapter 343, HRS, compliance. An Environmental Assessment and/or Cultural Assessment as may be required by law.
- ☐ Resource value documentation. AWARDDEE shall submit a written statement and photographs that reflect the current status and condition of the resources for which the land is to be protected. The statement shall be certified by AWARDDEE and the photographs shall be taken from identifiable locations on the Property.

- ☐ Purchase and Sale Agreement. AWARDDEE shall submit a copy of the purchase and sale agreement in final draft form.
- ☐ Deed. AWARDDEE shall submit a copy of proposed deed prior to execution of deed for review and approval by STATE. The purchase price of the property must be included in the deed.

ADDENDUM

Legacy Land Conservation Program Outline

April 25, 2025

ADDENDUM – Legacy Land Conservation Program Outline

Acquisition of Interests or Rights in Land

In 2012, the Board adopted regulations implementing the provisions of HRS Chapter 173A, including a delegation of authority to the Division of Forestry and Wildlife for the administration of the Legacy Land Conservation Program (see HAR § 13-140-3). HRS § 173A-5(f) authorizes the Department to administer and manage the Land Conservation Fund. Under § 173A-5(h), the Land Conservation Fund shall be used for four purposes, including (1) *The acquisition of interests or rights in land having value as a resource to the State, whether in fee title or through the establishment of permanent conservation easements under chapter 198 or agricultural easements.* Grant awards from the Land Conservation Fund provide financial assistance for State agencies, counties, and nonprofit land conservation organizations to acquire interests or rights in land for one or more of the nine public purposes established in § 173A-5(g).

Grant Award Process

The grant award process for the Fiscal Year 2025 ("FY2025") Legacy Land Conservation Program ("LLCP") includes the following steps:

- LLCP consults with the Legacy Land Conservation Commission ("LLCC") about grant application forms and timelines in a public meeting.
- The Department approves grant application forms and timelines.
- LLCP notifies the public about the application process.
- An applicant submits its Form 5 project summary (Agency Consultation) with the Department, the Department of Agriculture, and the Agribusiness Development Corporation ". . . regarding the maximization of public benefits of the project, where practicable. . . ." (HRS § 173A-5(i)(7)).
- An applicant submits its grant application to the LLCP (see content requirements in § 173A-5(i)).
- LLCC Permitted Interaction Groups investigate the applications submitted (see HRS § 92-2.5(a)(1)).
- In public meetings, the LLCC reviews and ranks the applications, culminating in recommendations to the Board for approving grant awards (**EXHIBIT A**, and see mandatory evaluation priorities in § 173A-2.6 and discretionary evaluative criteria in HAR § 13-140-39).
- The Department consults with the Senate President and the Speaker of the House of Representatives about the LLCC recommendations (see **EXHIBIT B**).
- The Board approves grant awards, subject to standard and special conditions (this submittal).
- The Governor approves grant awards and release of grant funding, after receiving recommendations from the Department of Budget and Finance.
- Applicant accepts the Department's grant award offer.
- The Department encumbers funding for approved grants.

FY2025 LEGACY LAND CONSERVATION PROGRAM

April 25, 2025

- The Board and its county and nonprofit awardees execute a Legacy Land Conservation Program Grant Agreement, followed by contract certification (Department of Accounting and General Services) and a Notice to Proceed from the Division.

Agency Consultation

Agency Consultation is a required, preliminary step in the application process that can provide an applicant with important, agency-specific information about a property and presents an opportunity to improve application quality by incorporating responses to agency comments in the final application. For the FY2025 application cycle, the Agribusiness Development Corporation did not provide responses, while the Department of Agriculture commented on some of the applications (see DISCUSSION section in main submittal). The Department of Land and Natural Resources received comments from Division of Forestry and Wildlife staff, only, that were then communicated directly to the applicants (see DISCUSSION section in main submittal), and a "no comments" memo from the Engineering Division.

Conservation Easements, Agricultural Easements, Deed Restrictions, and Covenants

The Department generally requires that each nonprofit recipient of LLCP funding for a fee simple land acquisition record a deed of conveyance and a grant of conservation easement (also governed by Chapter 198, HRS) to meet the requirements of HRS § 173A-4. Two of the FY2025 applicants for acquiring fee simple request (one nonprofit and one State agency) request an exemption from the conservation easement requirements, which the Division supports. For the other three applications recommended for fee simple land acquisition by a nonprofit land conservation organization, the Division recommends that each awardee convey a conservation easement to a suitable nonprofit land conservation organization or a county, state, or federal natural resource conservation agency. As advised by the Deputy Attorney General assigned to the LLCP, the Division requires that a private land conservation organization that will hold an easement sign the LLCP grant agreement as a Consenting Party.

LLCP restrictions for deeds to county and nonprofit grantees reference the grant agreement that is executed between the Board and the grantee, and all deeds must recite the State's statutory restrictions on the sale, lease, or other disposition of the acquired interests and rights in land (see §§ 173A-4, 173A-9, and 173A-10). Standard Legacy Land deed restrictions also require that "the land shall be managed consistently with the purposes for which it was awarded a LLCP grant and Chapter 173A, Hawaii Revised Statutes," generally understood as adequate protection of resources as identified and described in the original grant application and post-award Resource Value Documentation.

VALUATION AND PAYMENT

HRS § 173A-4.5(a) establishes appraisal processes for the acquisition of land having value as a resource to the State, and § 173A-4.5(b) mandates that *"[n]o land shall be purchased for a sum greater than the highest value fixed by any appraisal accepted [by the Board] or performed [by the Board's contractor] under subsection (a)."* While the amount requested and recommended for each grant award arises from the applicant's current fair market value estimate, the future expenditure of the awarded grant funds can be limited by the approved appraised value and the matching funds secured for the acquisition. If the Department reduces its payment on a grant agreement such that the Awardee meets its obligated percentage of matching funds, then the unexpended grant funds return to the unencumbered cash balance of the Land Conservation Fund and can be encumbered and expended subject to appropriation and allotment.

If an Awardee completes its transactional due diligence as required in the grant agreement, subject to review and acceptance by LLCP staff and approvals from the Division, the Department of the Attorney General, and the Chairperson (see **EXHIBIT C**, from LLCP Grant Agreement template), then the Division requests, receives, and processes an Awardee's invoice for payment on the grant agreement, resulting in Awardee's endorsement of the check for deposit into escrow and closing of the conservation transaction.