

State of Hawaii  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Forestry and Wildlife  
Honolulu, Hawaii 96813

June 27, 2025

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

Board Members:

SUBJECT: ANNUAL REVIEW OF GRANTS FROM THE LAND CONSERVATION FUND FOR EACH PROJECT THAT HAS BEEN PENDING FOR OVER FIVE YEARS:

- (1) LLCP 2019-04, DIVISION OF FORESTRY AND WILDLIFE, KĀNE‘OHE PALI TO LO‘I, DISTRICT OF KO‘OLAUPOKO, ISLAND OF O‘AHU, TAX MAP KEY NUMBERS (1) 4-5-025:008, (1) 4-5-041:001, (1) 4-5-041:004, and (1) 4-5-042:018

### SUMMARY

The Division requests that the Board review a grant from the Land Conservation Fund that has been pending for over five years. The Board is asked to decide whether to:

1. defer action on the grant until the next annual review of pending projects,
2. impose new conditions on the Awardee for completing the grant, or
3. terminate the grant.

### BACKGROUND

In 2019, the Office of the Auditor published a performance audit of the Department's Legacy Land Conservation Program (LLCP). The audit, available online at [this link](#), recommended that LLCP implement a policy limiting how long a project proposed by a state agency, county, or nonprofit can remain pending.

In response, the Department committed to conducting an annual review of all LLCP projects pending for over five years. This review process helps evaluate whether the agencies or nonprofits responsible for the projects are progressing in completing them and whether completion is likely within a reasonable timeframe.

The Department recently completed its 2025 annual review of grants from the Land Conservation Fund for projects that have been pending for more than five years and found one active project. It now presents this review to the Board.

#### LLCP 2019-04 — Division of Forestry and Wildlife

Project: Kāneʻohe Pali to Loʻi

Location: District of Koʻolaupoko, Island of Oʻahu

Tax Map Keys: (1) 4-5-025:008, (1) 4-5-041:001, (1) 4-5-041:004, (1) 4-5-042:018

At its April 26, 2019, meeting (agenda item C-2), the Board approved a \$700,000 grant from the Land Conservation Fund to the Division of Forestry and Wildlife. The grant would help acquire approximately 948.2 acres in Koʻolaupoko, Oʻahu, for seven of the nine Legacy Land preservation purposes, including:

- Watershed protection
- Habitat conservation
- Cultural and historical site preservation
- Recreational and public hunting areas
- Natural areas
- Agricultural production
- Open space and scenic resources

According to the Division's grant application:

- The property stretches from the Pali Highway and Lookout to the Haʻikū boundary of the Kāneʻohe Forest Reserve, intersecting with the Honolulu Forest Reserve at the Koʻolau summit.
- It contains key freshwater sources, including springs, perennial streams, water tunnels, pumping stations, and reservoirs.
- Heavy rainfall, sheer cliffs, invasive plants, and feral pigs cause high erosion rates.
- The property includes federally designated critical habitats for over 45 endangered species, such as ʻelepaio, damselflies, the Hawaiian hoary bat, and endemic plants.
- Numerous documented and undocumented cultural sites—heiau, ahu, loʻi terraces, and ʻauwai—enhance its cultural value.
- Plans aim to protect these sites through community care and the revival of historical agricultural practices (kalo, pineapple, rice, banana).

The private ownership of the property currently limits hunting and recreation, but the applicant plans to work with community partners to expand public access, restore hiking trails, and manage areas for hunting and cultural practices.

The Department transferred the grant funds to a trust account in June 2019. Today's submittal marks the Board's second review of the grant. The Department acquisition

team is completing transactional due diligence, including a federal appraisal and Phase 1 Environmental Site Assessment. Board action is targeted for August 2025, with closing expected by September 20, 2025. The U.S. Forest Service and the U.S. Navy provide additional funding.

## DISCUSSION

The Division believes that the Department acquisition team, with support from project partners The Trust for Public Land, U.S. Forest Service, and U.S. Navy, is working diligently to complete this transaction and will likely complete it within a reasonable time frame.

## RECOMMENDATIONS

That the Board:

- (1) Defer action until the 2026 annual review, on a grant from the Land Conservation Fund for LLCP 2019-04 to the Division of Forestry and Wildlife for Kāne'ohe Pali to Lo'i at District of Ko'olaupoko, Island of O'ahu, Tax Map Key Numbers (1) 4-5-025:008, (1) 4-5-041:001, (1) 4-5-041:004, and (1) 4-5-042:018.

Respectfully submitted,



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DAVID G. SMITH, Administrator

APPROVED FOR SUBMITTAL:

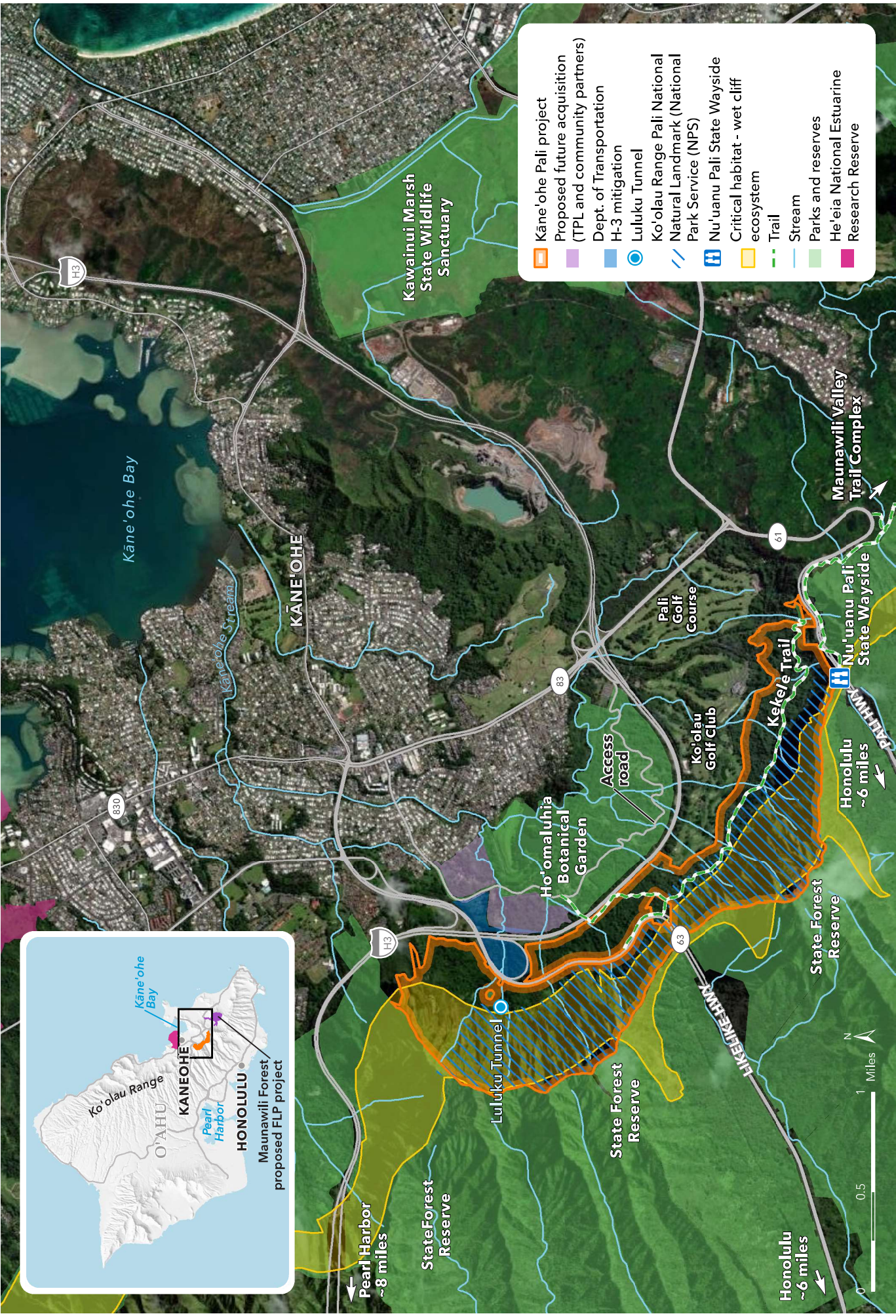


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DAWN N.S. CHANG, Chairperson  
Board of Land and Natural Resources

Attachment: Project area map





# Kāne'ohe Pali

## ISLAND OF O'AHU, HAWAII

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