

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

June 12, 2026

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

PSF No.: 26OD-007

OAHU

Issuance of Direct Lease to Parent Scouters Guild for Camp Site, Youth Educational Programs, Athletic Activities and Supporting Scout-Related Purposes; and Issuance of Immediate Right-of-Entry Permit; Kaimuki, Kapahulu, Honolulu, Oahu, Tax Map Key: (1) 3-2-035:012.

APPLICANT:

Parent Scouters Guild, a Hawaii non-profit corporation and 501(c)(3) eleemosynary organization.

LEGAL REFERENCE:

Sections 171-43.1 and 55, Hawaii Revised Statutes ("HRS"), as amended.

LOCATION:

Portion of Government lands situated at 3640 Crater Road, Kaimuki, Honolulu 96816 on Oahu, further identified by Tax Map Key: (1) 3-2-035:012¹. The parcel is triangular in shape with one side along Crater Road, one side along a narrow access lane to neighboring residences and one side backs residential lots.

AREA:

28,634 square feet, more or less.

ZONING:

State Land Use District: Urban
City & County of Honolulu LUO: R-5

¹ [City and County of Honolulu Real Property Assessment Office Website-\(1\) 3-2-035:012](http://City and County of Honolulu Real Property Assessment Office Website-(1) 3-2-035:012)

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Encumbered by General Lease S-5506 to Boy Scouts of America, Aloha Council, for campsite and related youth programs and athletic purposes. The lease is scheduled to expire on June 9, 2026.

CHARACTER OF USE:

Youth educational programs, athletic activities and supporting Scout-related purposes.

LEASE TERM:

Thirty (30) years. See remarks.

COMMENCEMENT DATE:

June 10, 2026.

ANNUAL RENT:

\$480 per annum (Minimum Rent Policy for New Dispositions, May 13, 2005²).

METHOD OF PAYMENT:

Due annually.

RENTAL REOPENINGS:

At the 10th and 20th years of the lease term, subject to the Board policy on minimum rent applicable at the time of reopening for eleemosynary organizations.

PERFORMANCE BOND:

Twice the annual rental amount.

² Per the Board's direction given at its meeting of May 8, 2026, Land Division is in the process of reassessing the minimum rent policy for consideration by the Board at a future meeting.

DCCA VERIFICATION:

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

APPLICANT REQUIREMENTS:

None. According to the Department of Accounting and General Services, Survey Division, there are sufficient documents on file to prepare a map and legal description for the subject request.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule (“HAR”) Section 11-200.1-15 and the Exemption List for the Department of Land and Natural Resources, reviewed and concurred with by the Environmental Council on November 10, 2020, staff believes the subject request is exempt from the preparation of an environmental assessment pursuant to the following:

General Exemption Type 1: Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing.

Part 1, Item 40: Leases of state land involving negligible or no expansion or change of use beyond that previously existing.

General Exemption Type 2: Replacement or reconstruction of existing structures and facilities where the new structure will be located generally on the same site and will have substantially the same purpose, capacity, density, height, and dimensions as the structure replaced.

Part 1, Item 7: Replacement of cesspools with individual wastewater systems located generally on the same site with substantially the same purpose and capacity.

The subject request is an administrative action that allows the applicant to continue the use of the subject parcel for the same purposes that had occurred since 1917, then formalized in 1944. As part of the application process, the applicant, at its expense, will be required to close the existing, large capacity cesspool (LCC) and install an individual wastewater system (IWS) to be in compliance with the current Federal mandate which is anticipated to have a positive impact on public health and the surrounding environment. Further, based on comments from other agencies (see discussion on page 5), the State Historic Preservation Division (SHPD) will be consulted with prior to approval of IWS plans therefore any impacts to historic sites will be avoided or minimized through proper mitigation measures

determined prior to construction. No other improvements or further development of the site are proposed as a part of this disposition request. Therefore, staff believes the proposed issuance of a new direct lease is a de minimis action that will probably have minimal or no significant effect on the environment and should be declared exempt from the preparation of an environmental assessment and the requirements of §11-200.1-17, HAR.

PUBLIC TRUST ANALYSIS

A presumption in favor of public use would appear to require that the subject land remain vacant to provide for public use and recreation. A practicable alternative to a disposition that would favor public use would be to forego a disposition altogether, leaving the properties vacant. However, the parcel includes a historical site and a two-story structure that if left unsecured would quickly become a magnet for unauthorized and unacceptable use. Staff does not believe this scenario would be reasonable or beneficial.

The Department and the Board are responsible for managing approximately 1.3 million acres of public land comprised of sensitive natural, cultural and recreational resources. The Department's responsibilities include managing and maintaining the State's coastal lands and waters, water resources, conservation and forestry lands, historical sites, small boat harbors, parks, and recreational facilities; performing public safety duties (e.g., flood and rockfall prevention); issuing and managing leases of public lands (agriculture, pasture, commercial, industrial, and resort leases); maintaining unencumbered public lands; and enforcing the Department's rules/regulations.

The applicant is a non-profit organization that provides public benefit to the community by providing opportunities to youth for community engagement and contribution. Additionally, the cesspool closure is required under both federal and state law and supports overall public health and safety. The impact resulting from these actions would be beneficial and in support of a clean and healthy environment.

BACKGROUND:

Although the subject site of the abandoned reservoir in Kaimuki has been utilized by the Boy Scouts of America, Aloha Council, Troop 10 (Aloha Council) since the inception of Troop 10 in 1917, the formal lease with the State began in 1944. The grounds contain an abandoned reservoir with a poured concrete bottom and stone and mortar walls with 2 gated entry ways. Located between the old reservoir structure and back residences is a 5,000-square-foot, two-story, wood-and-cement constructed clubhouse, built in the 1960s under a previous lease with the Aloha Council. The toilet, shower, and kitchen facilities in the clubhouse utilize an LCC for wastewater collection because there is no connection to the City and County's sewer system in this part of Kaimuki.

REMARKS:

The current lease, GL5506, is set to expire on June 9, 2026, but the Aloha Council decided in December of 2024 not to extend or ask for a new lease. In an effort to retain control over the subject grounds for continued use by Boy Scout Troop 10, parents and supporting members of Troop 10 decided to create the Parent Scouters Guild, a non-profit corporation and 501(c)(3) eleemosynary organization (PSG), who are applying for continued use of the subject area for the same purposes. Although the new organization is still connected with the Boy Scouts of America, it is a newly created organization with no established history as a lessee.

An outstanding issue pertaining to this site has been the closure of the existing LCC and the installation of an IWS. Staff has been communicating with the current lessee and the applicant about this matter. The applicant has since retained a consultant for design work for the closure of the LCC and installation of an IWS, which will be submitted to the Department of Health shortly.

In view of the processing time for the IWS application and construction, staff does not expect the IWS to be completed before the tentative commencement date of the requested lease. Therefore, staff recommends the Board allow temporary bathroom facilities, such as portable toilets, to be used at the site while the IWS project is ongoing.

The applicant submitted the request for use of the subject area for scouting activities that include education, training, ceremonial functions, meetings and camping, among other related supporting scout activities. The object of these activities is to promote and support scouting, build leadership skills, educate youth to become better adults with the underlying intent that the activities will benefit community, city, state and the country. The applicant has stated that scouting is an important educational and community service activity which is open to ages 8 to 18 and develops youth to become valued, contributing members of the community.

Comments received from Government Agencies include the following:

- Office of Hawaiian Affairs: Given the parcel contains features that may be historic, they recommend that the IWS permit be routed to the SHPD, but had no further concerns or recommendations.
- City and County, Department of Planning and Permitting (DPP): Commented that they will need to review the proposed IWS plan as well as SHPD.
- Board of Water Supply: Has no objections or comments and concurs with the environmental assessment exemption.

- City and County, Department of Facility Maintenance: Had no comments and concurred with the environmental assessment exemption.

Staff notes that SHPD has not commented on the Board submittal as of this writing. Nevertheless, the applicant will be required to consult with SHPD through the IWS application process.

The Applicant has not had a lease, permit, easement, or other disposition of state lands terminated within the last five years due to non-compliance with such terms and conditions. There are no other pertinent issues or concerns regarding the subject request.

Staff recommends the Board authorize the issuance of a direct lease to the applicant at a rent of \$480 per annum, the Board policy on minimum rent applicable for eleemosynary organizations, due to the community contribution of their organization as described.

Staff notes that this request was originally scheduled for the March 27, 2026 Board meeting. Due to concerns raised by a Board member prior to the meeting, staff decided to defer the request to allow for further research and analysis pursuant to the concerns raised.

Questions regarding the financial ability of the Applicant were raised as the Applicant is a newly established non-profit organization and the most recent estimate for the installation of the septic system put the total cost at over \$100,000. Staff held a meeting with the Applicant to discuss the concerns in which the Applicant indicated that construction funds would be raised through fund raising or through grant applications from charitable institutions or government entities and that a loan would not be necessary.

Land Division also consulted with the City and County of Honolulu regarding future sewage system upgrades in the vicinity and the potential to use the site for a pumphouse to service the area. Feedback from the City indicated that there are plans to upgrade sewer in the area and have included it as a budget line item, however, timing has not been determined and thus remains a non-viable option to pursue at this time.

Using the parcel as a park was also proposed. Staff notes that the size of the parcel and the overall planning and construction process for a future park would be a lengthy path. In addition, given that the site is located in the middle of a residential area, a park could attract vagrant encampments which would be a significant, negative impact to the surrounding community.

Given the options for the site, staff believes that the proposed direct 30-year lease is still the most appropriate course of action. However, Staff also notes that there is a general provision in any lease that allows the State withdraw the leased

premises or a portion of the lease premises for public purposes in the event the sewage pumphouse or park becomes a reality.

In addition, Staff is not requesting a removal bond in conjunction with the lease as it would not be feasible at this juncture. Staff notes that while there is an existing house on the property, given that the improvement was initially constructed by the Boy Scouts, we would assert that it is an Applicant owned improvement in addition to the new IWS they are required to install and therefore, in lieu of requiring the removal bond for the entire length of the lease, Staff recommends that the Board reserve the right for the Lessor to demand a removal bond for the entire improvement cost during the last ten (10) years of the lease. Further, there is a standard provision in the current lease document which allows the State to require the outgoing tenant to remove improvement(s) from the leased premises upon expiration or early termination of the lease.

Staff also requests that the Board issue an immediate right-of-entry permit to the applicant as the lease has expired. The requested right-of-entry permit will provide authorization for the applicant and/or its contractors to start the installation of the septic system as the Applicant informed staff that they recently received approval from the Department of Health for the proposed septic system.

RECOMMENDATION: That the Board:

1. Determine whether the proposed new direct lease to the Parent Scouters Guild for camp site, youth educational programs, athletic activities and supporting Scout related purposes is consistent with the public trust. If the Board determines that this action is consistent with the public trust, then the Board is recommended to approve the following:
2. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment as a de minimis activity.
3. Authorize the issuance of a direct lease to the Parent Scouters Guild, covering the subject area under the terms and conditions cited above, which are, by this reference, incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current nonprofit lease document form, as may be amended from time to time;
 - B. Review and approval by the Department of the Attorney General;
and

- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
4. Authorize the issuance of a right-of-entry permit to the Parent Scouters Guild, covering the subject area under the terms and conditions cited above, which are, by this reference, incorporated herein and further subject to the following:
- A. The standard terms and conditions of the most current right-of-entry permit document form, as may be amended from time to time;
 - B. Expire upon issuance of the requested lease; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Darlene Bryant-Takamatsu
Land Agent

APPROVED FOR SUBMITTAL:



Dawn N. S. Chang, Chairperson

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