

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

February 10, 2012

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

Land Board Members:

**SUBJECT: ISSUANCE OF SPECIAL USE PERMIT NO. FW-2012-H-01 TO PALANI RANCH COMPANY, INC., KAILUA-KONA, NORTH KONA, HAWAII, TMK (3)-7-4-002: por. 007.**

AND

**REQUEST APPROVAL OF DECLARATION OF EXEMPTION FROM CHAPTER 343, HRS, ENVIRONMENTAL ASSESSMENT REQUIREMENT FOR THE PROJECT.**

**BACKGROUND:**

The subject parcels comprise portions of lands set-aside to the Division as an addition to Honuaua Forest Reserve through Governor's Executive Order No. 4166 dated July 20, 2006. Among a variety of actions, the Board previously authorized the Division to employ livestock grazing for the purposes of wildfire prevention on portions of these public lands at its May 26, 2006 meeting (Item D-2). At its meetings of February 9, 2007 (Item C-2), February 22, 2008 (Item C-4), February 27, 2009 (Item C-2), and February 11, 2010 (Item C-2), and February 11, 2011 (Item C-1), the Board of Land and Natural Resources authorized the issuance of one-year revocable permits to Palani Ranch Company, Inc., covering the subject area for pasture purposes under specified terms and conditions.

**DISCUSSION:**

Palani Ranch Company, Inc. seeks continued grazing access to the previously permitted areas, which is an area of approximately 268 acres (Exhibit A), pursuant to the terms outlined in the aforementioned Board actions. The Division supports this interest as projected forest reserve management actions for these pasture areas are still largely in planning or preliminary phases. Continued control of fuel loads will provide beneficial

protection for portions of the grazed area until active ecosystem management work is initiated.

The Special Use Permit terms will remain unchanged from the terms last approved by the Board on February 11, 2011 and included in the last permit that was issued; the renewed month-to-month permit would be valid for one (1) year.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with “Exemption List for the Division of Forestry and Wildlife of the Department of Land and Natural Resources, reviewed and concurred upon by the Environmental Council on June 12, 2008,” the proposed activities are exempt from the preparation of an environmental assessment. Specifically, the proposed activities fall under Exemption Class No. 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.” and Exemption Class No. 4, that states “Minor alteration in the conditions of land, water, or vegetation.”

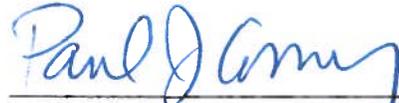
Refer to attached Exemption Notification labeled Exhibit B

RECOMMENDATION:

That the Board:

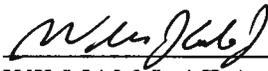
1. Declare that, after considering the potential effects of the proposed dispositions provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the renewal of a Special Use Permit to Palani Ranch Company, Inc., covering the subject area (Exhibit A) for pasture purposes under the terms and conditions approved by the Board on February 11, 2011, which are by this reference incorporated herein and further subject to the following:
  - a. Review and approval by the Department of the Attorney General; and
  - b. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully submitted,



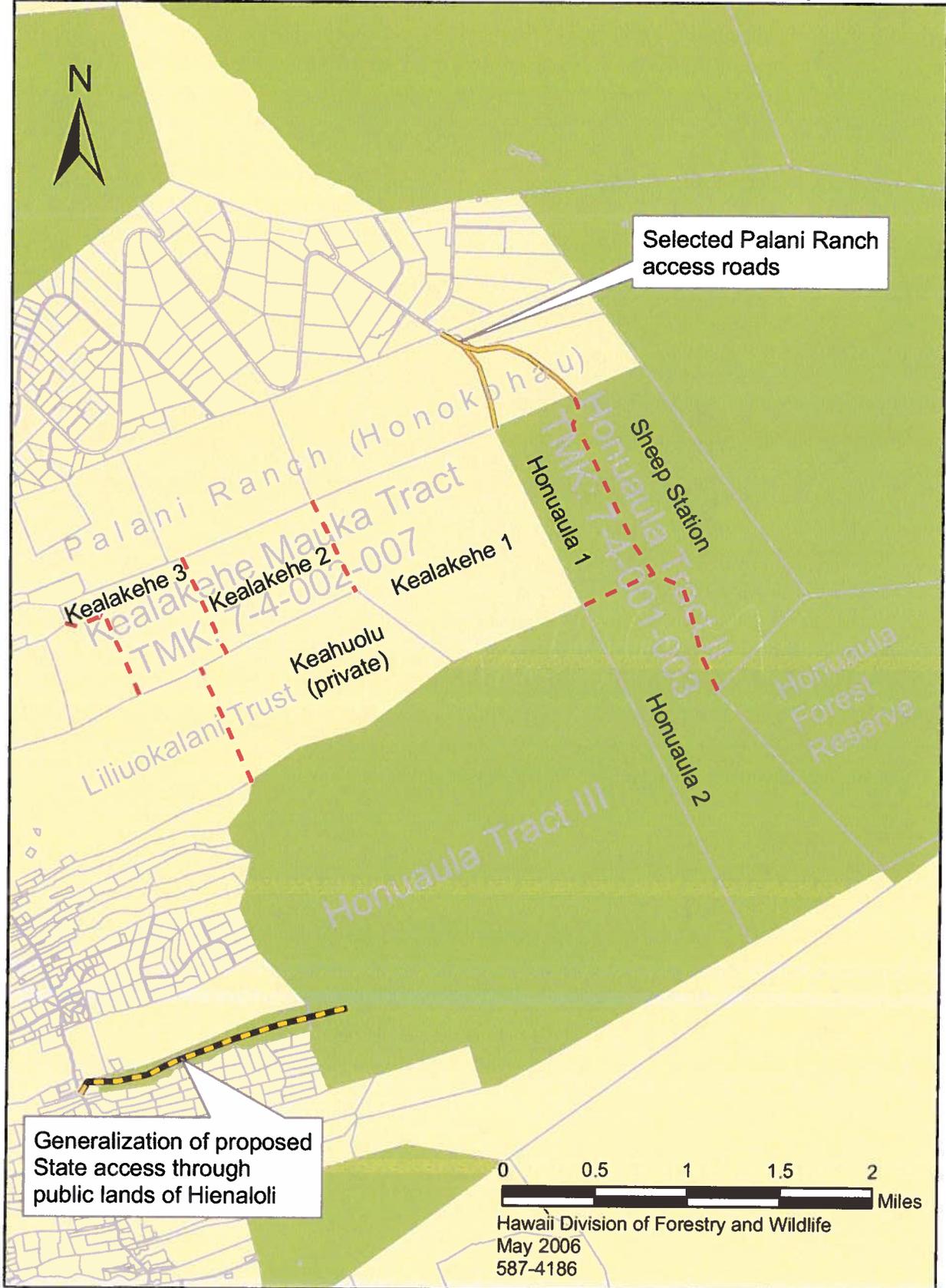
PAUL J. CONRY, Administrator

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR., Chairperson

Exhibit A: Parcels, paddocks and road information - Honuaula Forest Reserve and adjacent lands.



NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

**WILLIAM J. AILA, JR.**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

**GUY H. KAULUKUKUI**  
FIRST DEPUTY

**WILLIAM M. TAM**  
DEPUTY DIRECTOR - WATER

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

**EXEMPTION NOTIFICATION**

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS.

Project Title:	Issuance of Special Use Permit to Palani Ranch Company, Inc., Kailua-Kona, North Kona, Hawaii, TMK (3) 7-4-002: por. 007.
Project Number:	SUP No. FW-2012-H-01
Project Description	Palani Ranch Company, Inc. seeks continued access to the previously permitted areas, which is an area of approximately 268 acres, for pasture purposes under specified terms and conditions.
Chapter 343 Trigger(s)	Use of State Lands
Exemption Class & Description:	Exemption Class No. 1 of the Department of Land and Natural Resources, Division of Forestry and Wildlife. "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involve negligible or no expansion or change of use beyond that previously existing" and Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation."
Recommendation:	It is anticipated that this project will have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

\_\_\_\_\_  
WILLIAM J. AILA, JR., Chairperson

\_\_\_\_\_  
Date

**EXHIBIT B**