

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

December 14, 2012

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

Presentation by the Public Land Development Corporation (PLDC) regarding the Land Optimization Plan and a Request for the Board to Adopt a Policy Restricting the Transfer of Certain Lands to the PLDC in Fee Simple, within the Conservation District, or within Kokee State Park

BACKGROUND

Established in 2011 by the Hawai'i State Legislature, the PLDC is a state entity whose purpose is to create and facilitate partnerships between state and county agencies, businesses, non-profits, and community groups to improve Hawai'i's communities, create jobs and expand public benefit through stewardship and responsible use of land resources. Ultimately, the PLDC seeks to make Hawai'i's lands better for Hawai'i's people.

One of the PLDC's goals is to develop a Public Land Optimization Plan that includes an inventory of public lands that will help the PLDC create culturally sensitive projects and feasible strategies to allow the PLDC to prioritize potential projects. The optimization plan will guide the PLDC in project selection and evaluation.

DISCUSSION

The optimization plan includes an inventory of public lands with suitable, adequate development potential that are or will become available that can be used to meet present and future land development needs. Some of the lands that are to be included in the optimization plan will be lands under the ownership or control of the Board.

Any undertaking by the PLDC is required to be with the express written consent of the land owner directly affected by the undertaking. As such, any undertaking by the PLDC on lands owned or controlled by the Board is required to have the express written consent of the Board prior to commencement of any undertaking.

Based on discussions with the PLDC, the Department has identified certain types of lands or dispositions that it believes would be inappropriate in connection with a PLDC project or

undertaking. These types of lands should be excluded from the PLDC's optimization plan at the outset.

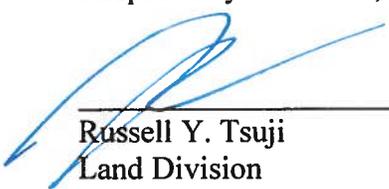
The types of lands or dispositions that the Department believes would be inappropriate for the PLDC are any lands transferred to the PLDC in fee simple; lands in the Conservation District within the Protective, Limited or Resource subzones, except upon express waiver by the Board where the proposed project is for the purpose of protection of natural resources or will be of great benefit to the general public; or lands within Kokee State Park for the purpose of developing a hotel within the park. The restriction on the transfer of lands within the Conservation District may be waived on a case by case basis where the project is consistent with the purpose of the Conservation District, meets all requirements for the issuance of a conservation district use permit, and the project is either intended to protect natural resources or to create a great benefit for the general public.

The adoption of a policy by the Board is not intended to act as a pre-approval of the transfer of any development rights to the PLDC by the Board nor does it indicate that any future request by the PLDC will be approved by the Board. Any transfer of development rights of public lands under the ownership or control of the Board will be required to be brought to the Board for consideration and approval, during a regular meeting, and may be subject to conditions that the Board deems appropriate.

**RECOMMENDATION:** That, consistent with the above discussion, the Board adopt a policy that the Board will not transfer land or development rights to the Public Land Development Corporation in the following situations:

- a. Fee simple transfer;
- b. Lands that are in the Conservation District within the Protective, Limited or Resource subzones, except upon express waiver by the Board where the proposed project is either intended to protect natural resources or to create a great benefit for the general public; or
- c. Lands within Kokee State Park for the purpose of developing a hotel.

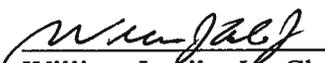
Respectfully submitted,



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Russell Y. Tsuji  
Land Division

APPROVED FOR SUBMITTAL:



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William J. Aila, Jr., Chairperson