

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

January 10, 2014

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

PSF 99OD-250

OAHU

Withdraw from Governor’s Executive Order No. 2704; Approval-In-Principle for Direct Issuance of Lease to University of Hawaii for Educational Purposes; Issuance of Immediate Management Right-of-Entry; Sand Island, Honolulu, Oahu, Tax Map Key: (1) 1-5-041:portions of 006 and 334.

APPLICANTS:

University of Hawaii (“UH”);
Division of State Parks, Department of Land and Natural Resources (“DSP”); and
Department of Transportation (“DOT”).

LEGAL REFERENCE:

Section 171-11, 55, and 95 Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Sand Island, Honolulu, Oahu, Tax Map Key: (1) 1-5-041:portions of 006 and 334, as shown on the map attached as **Exhibit A1, A2, and A3**.

AREA:

Area to be withdrawn from EO 2704: 3.089 Acres
Proposed lease area: 3.089 + 1.780 + 1.908 Acres = 6.777 Acres,
subject to review and approval by the Department of Accounting and General Services,
Survey Division.¹

¹ The respective acreages are collected from the draft survey map prepared by ControlPoint Surveying, Inc. dated August 21, 2008. Final acreage is yet to be determined.

ZONING:

State Land Use District: Urban
City and County of Honolulu LUO: P-2

TRUST LAND STATUS:

Parcel 6 : PL 88-233 i.e. ceded
Parcel 334 : Section 5(a) lands of the Hawaii Admission Act, i.e. non-ceded

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Governor’s Executive Order No. 2704 dated October 17, 1974 setting aside to the Division of State Parks for Sand Island State Recreational Area purposes; and

Governor’s Executive Order No. 4170 dated August 17, 2006 setting aside to the Department of Transportation for maritime purposes;

LEASE TERM:

65 years

RENT

Gratis

CHARACTER OF USE:

Educational and research purposes

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

As explained in the Remarks Section below, the proposed leased area for UH will accommodate the existing Marine Education and Training Center (“METC”) and the new location for the Snug Harbor operations located across the Sand Island Bridge. The METC was covered in the Final EIS published on April 23, 1992.

Under the Marine Expedition Center program, the large vessels for the Snug Harbor will be berthed at Piers 34 and 35, while some land based activities of the Snug Harbor will be relocated to the Additional Area as described below. UH plans to use the requested area for storage of containers temporary tent structures and required security fencing. Also, UH plans to relocate its small vessel operations from Snug Harbor to the submerged area

adjacent to the METC site. In addition, UH needs to conduct engineering studies for the improvements eventually to be placed on the location.

In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1), (4), and (5), the subject request for the right-of-entry permit over the Additional Area is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "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"; Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation"; and Class No. 5, that states "Basic data, collection, research, experimental management and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource.". See Exemption Notification attached as **Exhibit B**.

APPLICANT REQUIREMENTS:

None for the subject request.

UH shall provide a legal description and map of the leased premises, according to DAGS Survey Division standards at UH's cost, at the time the request for lease is brought back to the Board for final approval.²

REMARKS:

Prior Board Actions

In early 1990s, the Department of Business, Economic Development and Tourism was tasked to implement the Honolulu Waterfront Master Plan. Part of the plan involved construction of an educational facility for marine education and training at the subject location, including the submerged land where the floating dock is built. A 65-year lease for the METC has been approved and amended by the Board on the following occasions:

May 22, 1992, Item F-17;
October 16, 1992, Item F-9;
September 29, 1995, Item F-4;
January 22, 1999, Item D-11; and
January 12, 2001, Item D-3.

[Note: Upon final approval of the requested lease by the Board in the manner described below, staff will recommend the Board rescind, if appropriate, the previous approvals for

² At the Harbor Modernization Plan meeting held on July 2, 2008 attended by UH, DOT, DLNR, Aloha Tower Development Corporation, and consultants, "UH indicated that it has an accepted procedure with the C&C for UH projects and is willing to accept the site under a metes and bounds lease." It was the UH's response to a question posted at the meeting regarding the need for a legally subdivided lot for the proposed lease. A copy of the minutes of the meeting is in the working file.

housekeeping purposes.]

Due to multiple changes in the plan for the proposed UH facility over the past years, the relevant approvals authorized by the Board were never consummated. The latest location for the METC site is shown on Exhibit A3.

UH Plan

Recently, it was determined that the Snug Harbor operated by UH needs to be relocated to Piers 34 and 35 for berthing of its vessels. The relocation will facilitate the future development of the Honolulu Harbor planned by DOT. However, the small vessel operation of the Snug Harbor will have to secure an alternative location to continue the programs.

UH requests Board authorization to lease the “Additional Area” as shown on Exhibit A to continue the small vessel operation of the Snug Harbor.

In addition, UH requests an immediate management right-of-entry for the Additional Area, which will allow UH’s pre-construction activities, storage of containers, temporary tent structures, and related security fencing. See UH’s letter attached as **Exhibit C**.

EO 4170

A portion of the Additional Area is presently over Parcel 1 encumbered under Executive Order 4170 dated 2006 setting aside to the DOT for maritime purposes. DOT recently advised the Department that it planned to return most of the lands under EO 4170 to the Board, including the Parcel 1. See DOT’s letter attached as **Exhibit D**. Staff will bring the DOT’s request for the withdrawal of lands under EO 4170 for the Board’s consideration upon the delivery of vacant possession by DOT.

Staff’s response to UH’s plan

Staff notes that the prior submittals mentioned above did not authorize any management right-of-entry to UH over the existing METC facilities.³ In addition, portions of the Additional Area over Parcel 1 will be returned to the Board as requested by DOT, and there is no other pending request over the same area. The METC site went through the environmental assessment process in 1992 as noted above, and UH will conduct any necessary process for any aspect of the Snug Harbor operation which was not covered by the 1992 environmental assessment process.

Staff did not solicit comments from other agencies regarding the relocated Snug Harbor facilities to the subject location (other than from DOT which is fully aware of UH’s plan). Comments from agencies will be solicited when satisfying the requirements of Chapter 343, HRS for the future development of the Additional Area.

³ On May 22, 1992, Item F-17, the Board authorized the issuance of a right-of-entry to UH for preliminary surveying and site work. To date, there were no other right-of-entry permits issued to UH for the proposed site.

Therefore, staff recommends the Board approve in principle the issuance of a 65-year lease over the METC site and the Additional Area as shown on Exhibit A3, subject to compliance with the environmental assessment process and submission of the legal description and map of the leased premises by UH within 24 months from the Board approval. Staff will return to the Board for final approval of the lease at a later date, after UH has complied with all Applicant Requirements.

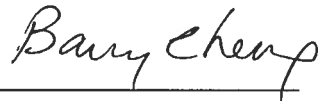
Furthermore, staff recommends the Board issue a right-of-entry permit to UH for the existing METC site and the Additional Area for maintenance, management, pre-construction activities, storage of containers, temporary tent structures, and related security fencing. The permit shall state clearly that no construction activities shall be conducted on the Additional Area and such permit shall expire upon the issuance of the requested lease.

RECOMMENDATION: That the Board:

1. Approve of and recommend to the Governor issuance of an executive order withdrawing the METC area as shown on Exhibit A3 from the Governor's Executive Order No. 2704 and subject to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
2. Approve in principle the issuance of a 65-year direct lease to the University of Hawaii over the METC site and the Additional Area shown on Exhibit A3 for educational and research purposes under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. Within 24 months from the date of Board approval, University of Hawaii shall comply with Chapter 343, HRS;
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.


- 3. Authorize the issuance of an immediate management right-of-entry for the METC site and the Additional Area shown on Exhibit A3 to the University of Hawaii for management, maintenance, pre-construction activities, storage of containers, temporary tent structures, and related security fencing purposes under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
 - B. No construction shall be conducted on the Additional Area described above; and
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

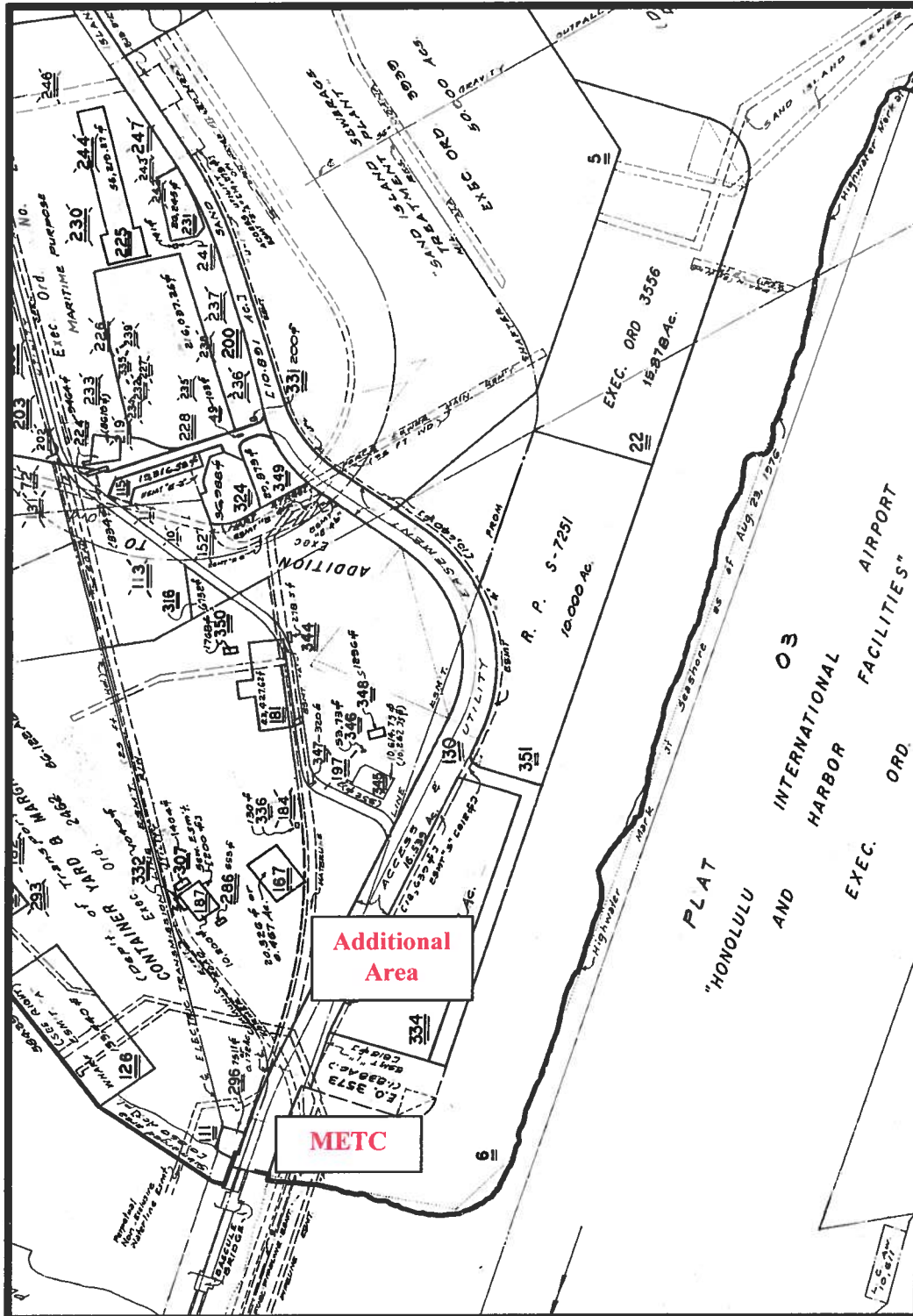


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

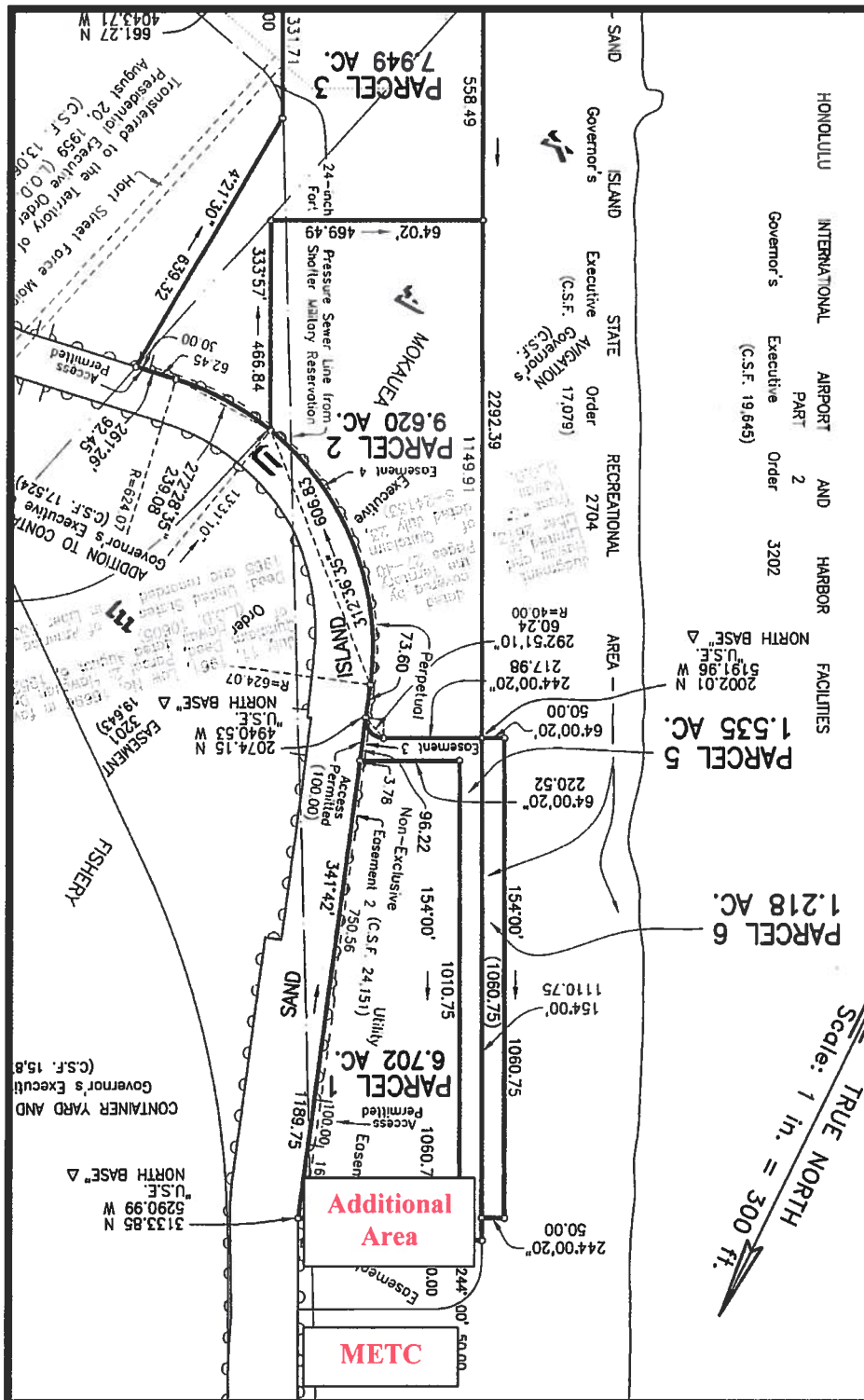


William J. Aila, Jr., Chairperson



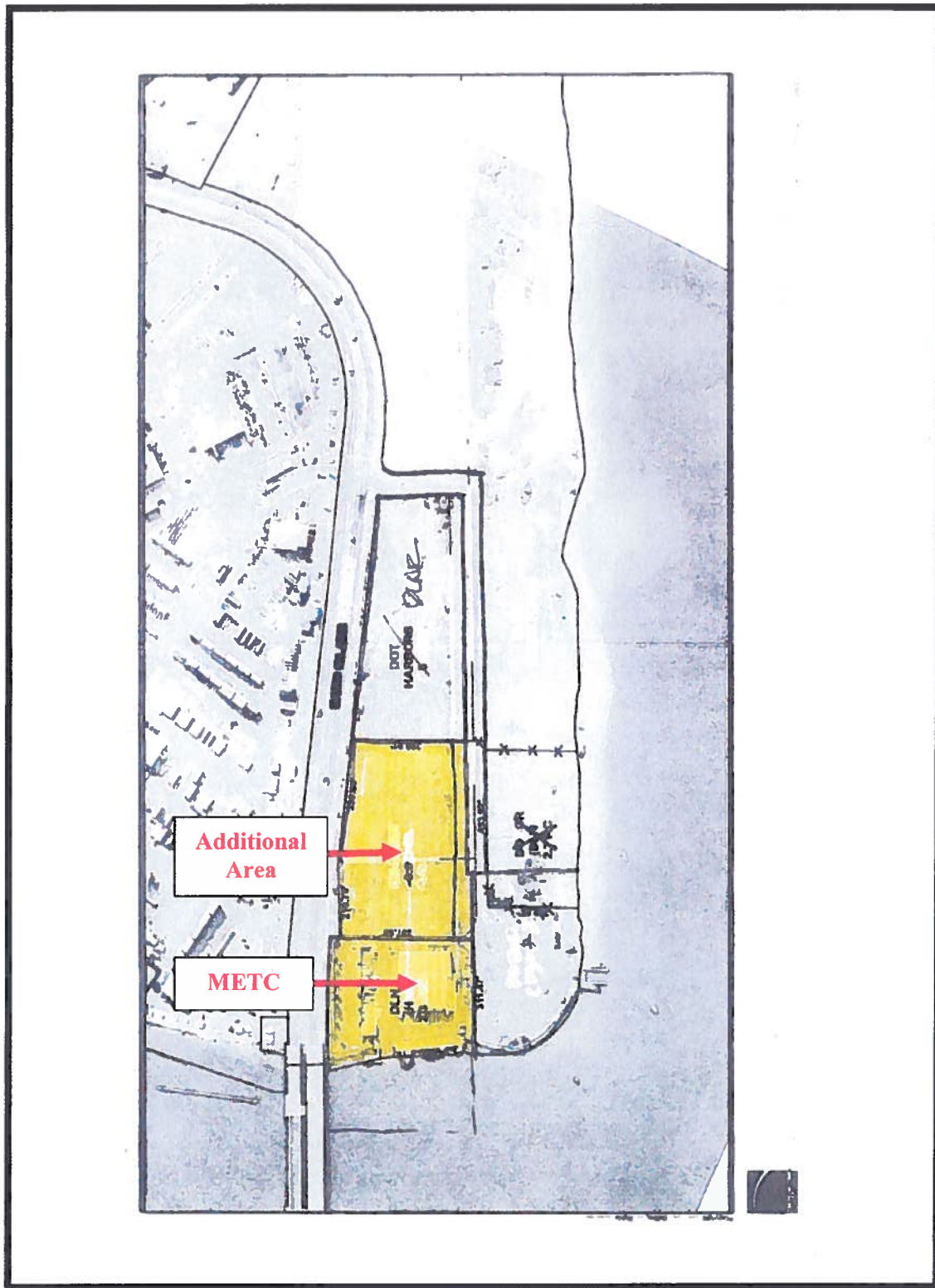
TMK (1) 1-5-041:portions of 006 and 334
Source: Tax Map

EXHIBIT A1



TMK (1) 1-5-041:portions of 006 and 334
 Source: Map from EO 4170

EXHIBIT A2



TMK (1) 1-5-041:portions of 006 and 334
Source: University of Hawaii Proposal

EXHIBIT A3

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Direct Lease for Marine Education and Training Center and Snug Harbor Marine Expedition Program

Project / Reference No.: PSF 99OD-250

Project Location: Sand Island, Honolulu, Oahu, Tax Map Key: (1) 1-5-41:por. 6, 334

Project Description: Approve in principle for direct lease for educational and research purposes and issuance of immediate management right-of-entry

Chap. 343 Trigger(s): Use of State Land


Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1), (4), and (5), the subject request for the right-of-entry permit over the Additional Area is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "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"; Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation"; and Class No. 5, that states "Basic data, collection, research, experimental management and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource."

For the requested management right-of-entry, there will be minimal to no alteration in the conditions of land, water, and vegetation of the subject location. In addition, the applicant will conduct the required environmental assessment before improvement of the subject location, notwithstanding that the Final EIS for the METC site was published in 1992. Therefore it is recommended that the subject request be exempted from an environment assessment.

Consulted Parties Agencies noted in the submittal.

Exemption Item Description from Agency Exemption List: Not applicable

Recommendation: It is recommended that the Board declare that this project will probably 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

David Lassner
Interim President



UNIVERSITY
of HAWAII
SYSTEM

November 22, 2013

Mr. William J. Aila, Jr., Chairperson
Department of Land & Natural Resources
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawai'i 96813

Dear Chairperson Aila;

The University of Hawai'i is requesting a management right of entry for three parcels located on Sand Island, Honolulu, Hawai'i, as shown on the attached exhibit. The purpose of this right of entry would be in anticipation of a lease, for which we have agreement in principle with DLNR, for the continued operations of the existing Honolulu Marine Education and Training Center, and the future permanent site for small vessel operations of the University of Hawai'i Marine Center (UHMC) which are currently located at Snug Harbor. This management right of entry would allow for UHMC's pre-construction activities, storage of containers, temporary tent structures, and related security fencing.

Your support and approval of this request is greatly appreciated. Should you have any questions, please call Brian Taylor, Interim Vice Chancellor for Research, University of Hawai'i at Mānoa at 956-6182.

Mahalo,

A handwritten signature in black ink, appearing to read "David Lassner".

David Lassner
Interim President

Attachment

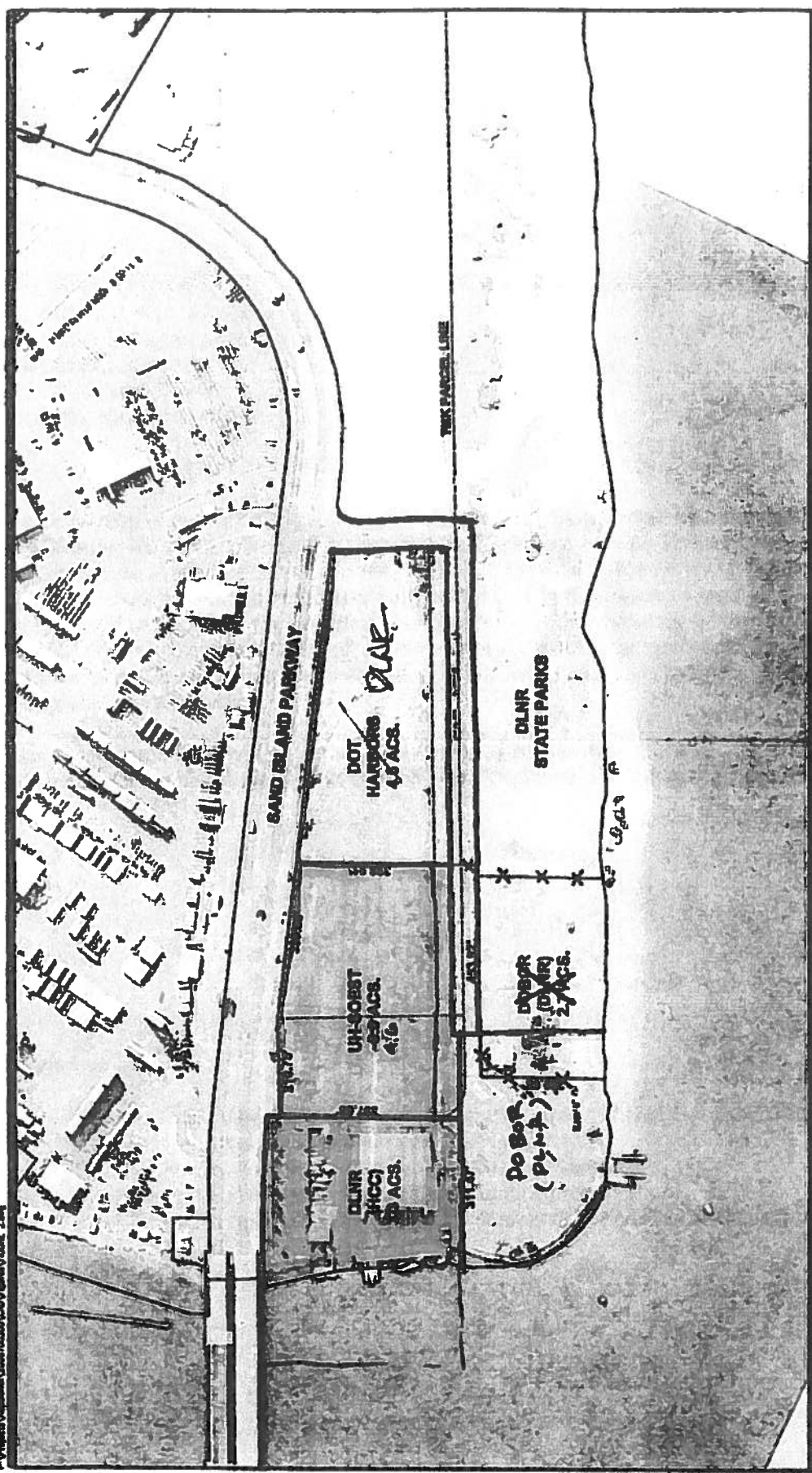
c: Howard Todo, Vice President for Budget and Finance/Chief Financial Officer
John Morton, Vice President for Community Colleges
Tom Apple, Chancellor, University of Hawai'i at Mānoa
Erika Lacro, Chancellor, Honolulu Community College
Brian Taylor, Interim Vice Chancellor for Research, University of Hawai'i at Mānoa

2444 Dole Street, Bachman Hall
Honolulu, Hawai'i 96822
Telephone: (808) 956-8207
Fax: (808) 956-5286

An Equal Opportunity/Affirmative Action Institution

EXHIBIT "C"

PL 20 24 2007 - 100446
A:\Projects\Map\100446\100446.dwg



PROPOSED PARCEL
PREPARED BY: S&T COLLINS HAWAII LTD
DATE: APRIL-04-2007
JUNE 2, 2008





EO4170
GLENN M. OKIMOTO
DIRECTOR

RECEIVED

Deputy Directors
JADE T. BUTAY
FORD N. FUCHIGAMI
RANDY GRUNE
JADINE URASAKI

2013 AUG 22 PM 2:21

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII
IN REPLY REFER TO:
HAR-S
3802.14

August 15, 2013

TO: THE HONORABLE WILLIAM J. AILA, JR.
CHAIRPERSON
DEPARTMENT OF LAND AND NATURAL RESOURCES

FROM: GLENN M. OKIMOTO, PH.D.
DIRECTOR OF TRANSPORTATION

SUBJECT: STATE LANDS SITUATED AT SAND ISLAND

RECEIVED
LAND DIVISION
2013 AUG 23 PM 1:45
DEPT. OF LAND
& NATURAL RESOURCES
STATE OF HAWAII

This is to confirm our recent discussion regarding Governor's Executive Order No. 4170 ("GEO 4170"), dated August 17, 2006, which set aside approximately 33.024 acres of state lands situated at Sand Island, Oahu, Hawaii, to the Department of Transportation for maritime purposes. A map identifying the subject parcels covered by GEO No. 4170 is enclosed for your information.

As you are aware, the University of Hawaii's operations at Snug Harbor must be relocated in order for the development of the new Kapalama Container Terminal to proceed. This development is a priority under the administration's New Day Work Projects to address growth constraints at Honolulu Harbor and its completion will assist in the efficient movement of container goods that are vital to the State's economy. We both agreed in our meeting that the return of the subject lands under GEO No. 4170 to the jurisdiction and management of the Department of Land and Natural Resources ("DLNR") would assist DLNR in providing a replacement location for UH's Marine Education and Training Center and small vessel operations and related storage and other facilities. Of the six (6) parcels set aside to DOT under GEO No. 4170, DOT is amenable to the withdrawal of five (5) parcels. Parcel 2 is currently under active use by Matson and DOT has a continuing maritime need for the land. This letter hereby provides our written notice of the acceptability to withdraw Parcels 1, 3, 4, 5, and 6 from GEO No. 4170 and return the subject lands to DLNR's management and control, subject to access rights over Parcel 5 is provided to the remaining Parcel 2.

Due to the urgency to settle matters with UH as to the future tenancy of the Marine Education and Training Center, we request that immediate attention be given to processing the subject withdrawal of the affected parcels from GEO No. 4170 and the return of the lands to DLNR's management and control. Please have your land management staff work directly with

EXHIBIT "D"

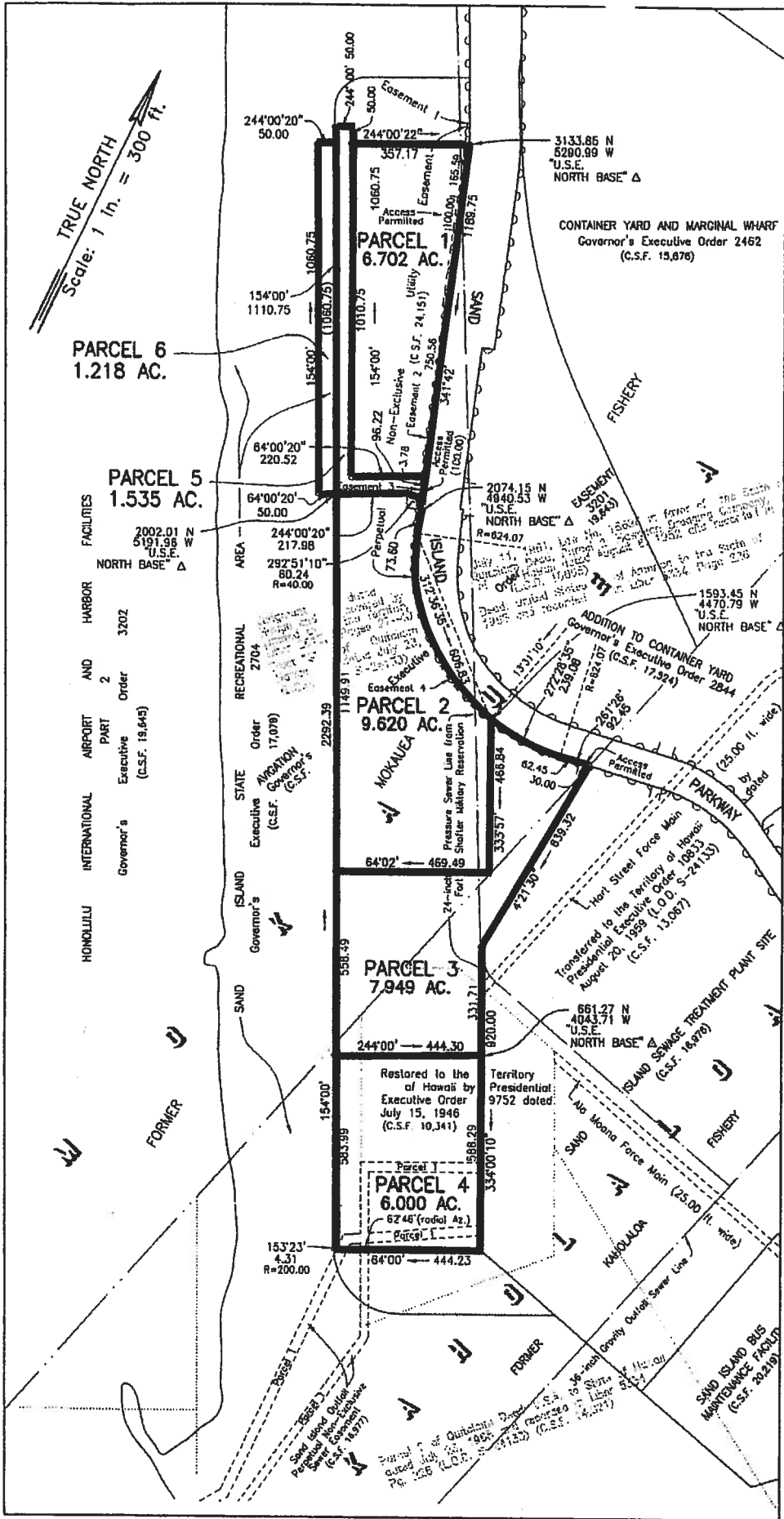
The Honorable William J. Aila, Jr.
August 15, 2013
Page 2

HAR-S 3802.14

Calvert Chun, Property Management Supervisor, who can be contacted at 587-1944 if there are any questions.

Att.

TRUE NORTH
Scale: 1 in. = 300 ft.



PARCEL 6
1.218 AC.

PARCEL 5
1.535 AC.

PARCEL 6.702 AC.

PARCEL 2
9.620 AC.

PARCEL 3
7.949 AC.

PARCEL 4
6.000 AC.

HONOLULU INTERNATIONAL AIRPORT AND HARBOR PART 2
Governor's Executive Order (C.S.F. 19,645)

STATE RECREATIONAL AREA 2704
Governor's Executive Order (C.S.F. 17,078)

3133.86 N
5200.89 W
U.S.E.
NORTH BASE Δ

CONTAINER YARD AND MARGINAL WHARF
Governor's Executive Order 2462
(C.S.F. 19,876)

2074.15 N
4940.53 W
U.S.E.
NORTH BASE Δ

ADDITION TO CONTAINER YARD
Governor's Executive Order 2844
(C.S.F. 17,994)

661.27 N
4043.71 W
U.S.E.
NORTH BASE Δ

661.27 N
4043.71 W
U.S.E.
NORTH BASE Δ

Restored to the Territory of Hawaii by Executive Order July 15, 1946 (C.S.F. 10,341)

Parcel 1
PARCEL 4
6.000 AC.
62'46" (radial Az.)

Transferred to the Territory of Hawaii by Presidential Executive Order 10633 August 20, 1959 (P.O. S-24133) (C.S.F. 13,067)

ISLAND SEWAGE TREATMENT PLANT SITE
(C.S.F. 18,978)

No Moana Force Main (25.00 ft. wide)

ISLAND BUS MAINTENANCE FACILITY
(C.S.F. 20,219)

35-36-inch Gravity Outfall Sewer Line

35-36-inch Gravity Outfall Sewer Line

35-36-inch Gravity Outfall Sewer Line

35-36-inch Gravity Outfall Sewer Line