

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawaii 96813

April 24, 2015

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

Kaua'i

Cancellation of Revocable Permit No. SP0402 Issued to Camp Hale Koa Association and Waiver of Requirement for a Phase I Environmental Site Assessment, Tax Map Key: (4) 1-4-002:055, Pu'u Ka Pele, Waimea Canyon State Park, Waimea (Kona), Kaua'i and Issuance of Direct Lease to Camp Hale Koa Association, for Recreational Campground Purposes, Tax Map Key: (4) 1-4-002:055, Pu'u Ka Pele, Waimea Canyon State Park, Waimea (Kona), Kaua'i.

APPLICANT:

Camp Hale Koa Association, a registered 501(c)3 non-profit public charity organization.

LEGAL REFERENCE:

Section 171-43.1, Hawaii Revised Statutes, as amended. Lease to an eleemosynary organization which has been certified to be tax exempt under section 501(c)3 of the IRS code.

LOCATION:

Portion of Government lands of Waimea Canyon State Park situated at Waimea (Kona), Kaua'i, identified by Tax Map Key: 1-4-002:055, as shown on the attached map labeled Exhibit A.

AREA:

4.06 acres, more or less.

ZONING:

State Land Use District: Conservation
County of Kauai CZO: None

ITEM E-1

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES _____
NO x

CURRENT USE STATUS:

Encumbered by Governor's Executive Order 2209 to be under the control of the
Department of Land and Natural Resources, Division of State Parks for Kōke'e and
Waimea State Park.

CHARACTER OF USE:

Campground Operation including group cabin rentals, rentals to youth groups, families
and other groups. The property may not be used as a single family residence, except that
a campground caretaker may reside full time on the property.

LEASE TERM:

Ten (10) years.

COMMENCEMENT DATE:

The first day of the month as determined by the Chairperson.

ANNUAL RENT:

Nominal rent of \$480.00 annually.

METHOD OF PAYMENT:

Annually, in advance, on the first day of the month and on each of the anniversary dates
of the Lease.

RENTAL REOPENINGS:

Not applicable.

PERFORMANCE BOND:

Twice the annual rental amount.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exemption Notification attached as Exhibit B.

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>
Applicant in good standing confirmed:	YES <u>x</u>	NO <u> </u>

REMARKS:

The camp was initially a composite of WWII barracks and structures built in the 1940's. For many years, The Hawaii Association of Seventh Day Adventists (HASDA) held a general lease then a revocable permit to operate a camp facility. The revocable permit was terminated in August, 2010 at the request of the HASDA. Subsequent interest from various non-profit groups resulted in the formation of the Camp Hale Koa Association (Association) to refurbish, renovate and operate a similar group camping facility. The Board approved the issuance of a Revocable Permit to the Association at its meeting on December 9, 2010. Their Revocable Permit was effective April 1, 2011 and has been continued annually. The camp site is comprised of 8 cabins, 2 outdoor shower/restroom facilities, a meeting hall, recreational room with table games and a large kitchen.

The Association is a non-profit 501 C(3) organization, governed by an 8-member Board of Directors. The current Executive Director is Rick Bundschuh, who has been actively leading the Association since its inception. There is a caretaker on site and a maintenance person.

Through many hundreds of volunteer hours, donated goods and professional services and dedicated leadership, the Association greatly improved all buildings to safe and rentable condition. They have provided a pictorial history of how the grounds and buildings looked in 2010 to present.

The Association's mission is "to create an affordable, safe and functional environment for education and to support learning for children and youth as well as group camping in Kōke'e State Park for all children, youth and family activities."

The Association provided their revenue and expenses from inception of bringing the camp up to rentable condition, August 2011, to present. In for the 8 months of 2011, their camp revenue was about 21% of total revenue and donations were about 78%. Expenses were 96% of revenue.

In 2012, the Association undertook more major renovations to the structures and grounds. Camp revenue was 9% of total revenue, donations were 91%. Expenses were 106% of revenue, which resulted in no reserve funding.

In 2013, camp revenue increased to 34% of total revenue, donations and grants were 66% of total revenue. Expenses remained at 96% of total revenue.

In 2014, camp revenue increased to 88% of total revenue, donations and grants were 12% of total revenue. Expenses were 75% of total revenue, which allowed the Association to finally retain an amount for additional camp improvements. One of their targeted improvements is to remodel all cabins with new bunk bed frames, mattresses, flooring and wall panels. To date, one of eight cabins has been remodeled.

To ensure the Association continues the use as a campground facility that is open to the public as well as to be accountable for the continued financial viability during the term of the lease, Staff recommends the Lessee provide annual income and expense reports as well as any major improvement plans. Staff has also expressed concerns to the Association that it has made improvements to the property without prior written authorization. The Association has assured staff that in the future, all improvements will be made only after prior written approval and agrees to provide plans and specifications as required under the general lease form.

Staff has visited and toured the Camp and confirm the Association has done a good job in restoring the Camp as well as to provide the community with an affordable group camping environment which services their targeted groups of religious, youths and families. The existing use as a group campground facility and visual observations did not reveal any use or storage of hazardous materials, thus warranting an exemption for an environmental assessment as required under the revocable permit. .

The applicant has not held a lease previously, has not had a prior lease or permit revoked within the last five years, and has been compliant with its current revocable permit.

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RECOMMENDATION: That the Board:

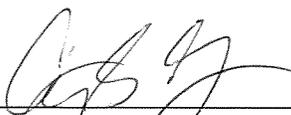
1. Authorize the cancellation of the Revocable Permit No. SP0402 to Camp Hale Koa Association.
2. Waive the requirement under item B.14 of the Revocable Permit for a Phase 1 Environmental Site Assessment.
3. Declare that as this is an existing use, after considering the potential effects of the proposed disposition as 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.
4. Authorize the Chairperson to issue a direct lease to Camp Hale Koa Association 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 non-profit 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.
5. Authorize the Chairperson to negotiate any other specific terms necessary to effectuate the lease.

Respectfully Submitted,



DAN S. QUINN
Administrator

APPROVED FOR SUBMITTAL:



CARTY S. CHANG
Acting Chairperson

EXHIBIT A



STATE OF HAWAII

SURVEY DIVISION

DEPT. OF ACCOUNTING AND GENERAL SERVICES
HONOLULU

July 1, 1985

C.S.F. No. KAUAI FILE
FOLDER 2

PUU KA PELE PARK LOTS

LOTS 55, 56, 57 AND 58 (COMBINED)

Waimea (Kona), Kauai, Hawaii

Being a portion of Waimea Canyon Park,
Governor's Executive Order 2209.

Beginning at the east corner of Lot 56 and at the southwest corner of Lot 53 of Puu Ka Pele Lots, the coordinates of said point of beginning referred to Government Survey Triangulation Station "HALE 2" being 4479.92 feet South and 3951.94 feet West, thence running by azimuths measured clockwise from True South:-

1. 3° 40' 155.77 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;
2. 101° 23' 30.00 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;
3. 4° 22' 208.00 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;
4. 101° 23' 416.00 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;
5. 184° 22' 416.00 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;
6. 281° 23' 416.00 feet along the remainder of Waimea Canyon Park, Governor's Executive Order 2209;

C.S.F. No. KAUAI FILE
FOLDER 2

July 1, 1985

7. 337° 52'

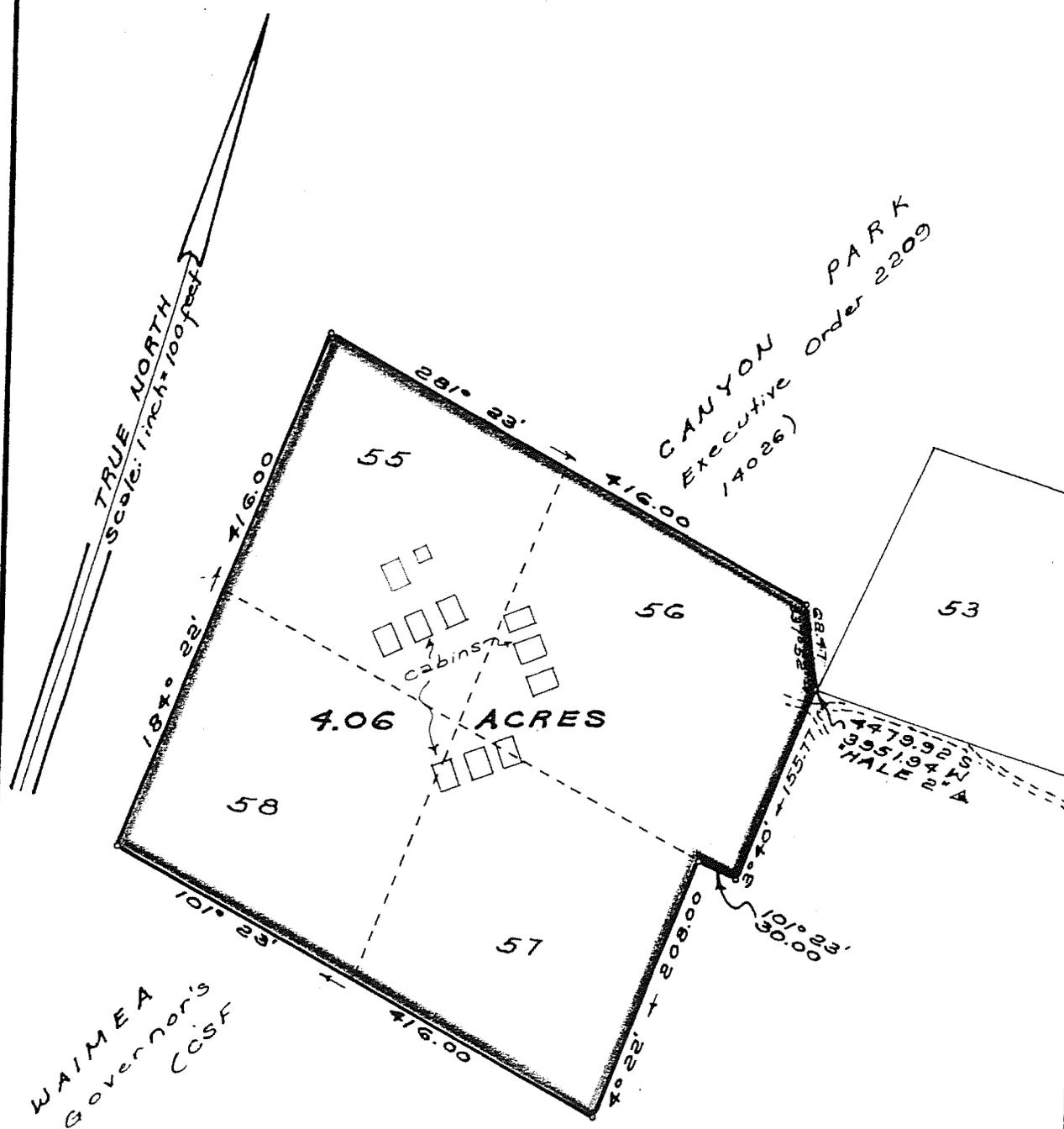
62.47 feet along the remainder of Waimea
Canyon Park, Governor's Executive
Order 2209 to the point of
beginning and containing an AREA
OF 4.06 ACRES.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: Stanley T. Nakamura
Stanley T. Nakamura
Land Surveyor

pt

Compiled from survey by
J. Chrystal, Jr., A. Ishida
and Govt. Survey Records.



PUU KA PELE PARK LOTS
LOTS 55, 56, 57 AND 58 (COMBINED)
 Waimea (Kona), Kauai, Hawaii

Scale: 1 inch = 100 feet

JOB K-250 (85)
 C. BK 11, Pg. 146

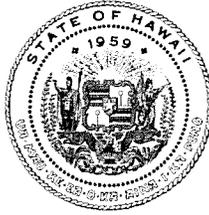
TAX MAP 1-4-02

SURVEY DIVISION
 DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
 STATE OF HAWAII

KAUAI FILE FOLDER B

STW JULY 1, 1985

DAVID Y. IGE
GOVERNOR OF HAWAII



CARTY S. CHANG
INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

W. ROY HARDY
ACTING 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
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

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

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**EXHIBIT B
EXEMPTION NOTIFICATION**

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

Project Title: Issuance of Direct Long Term Lease to Camp Hale Koa Association, a Non-Profit Tax Exempt 501(c)3 organization , Tax Map Key: (4) 1-4-002:055, at Puu Ka Pele Lots, Waimea (Kona), Kaua'i.

Project / Reference No.: SP0402

Project Location: Waimea Canyon State Park

Project Description: Issuance of Long Term lease to Camp Hale Koa Association.

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

Exemption Class No.: State Parks believes that this project will have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment under Chapter 343, Hawaii Revised Statutes (HRS) and §11-200-8(a)(1), Hawaii Administrative Rules (HAR) and within exemption Class 1 of the State Parks Exemption List which exempts operations involving negligible or no expansion or change of use beyond that previously existed within park boundaries [February 5, 1976].

Consulted Parties: DLNR – Land Division and OCCL

Recommendation: It is recommended that the Board find that this action will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.


CARTY S. CHANG
Interim Chairperson