

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, Hawaii

September 25, 2015

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

ISSUANCE OF A TEN-YEAR LEASE TO THE E ALA VOYAGING  
ACADEMY, WAIANAE SMALL BOAT HARBOR, OAHU, HAWAII, TAX  
MAP KEY: (1) 8-5-002:044 FOR THE PURPOSE OF STORING AND  
MAINTAINING THE VOYAGING CANOE E ALA AS WELL AS  
ENGAGING IN EDUCATIONAL ACTIVITIES THAT INCLUDE  
POLYNESIAN NAVIGATION AND HAWAIIAN CULTURE PRACTICES

APPLICANT:

E Ala Voyaging Academy (Academy), whose business and mailing address is P.O. Box  
1353, Waianae, Hawaii, 96792.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION, AREA, AND CURRENT USE STATUS:

Portion of Government lands of Waianae Small Boat Harbor, Oahu, identified by Tax  
Map Key: (1) 8-5-002:044, as shown on the attached map labeled Exhibit A.

Approximate Area of Site: 9,920 square feet, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES  NO

CHARACTER OF USE:

Storing and maintaining the voyaging canoe E Ala as well as engaging in educational  
activities that include Polynesian navigation and Hawaiian cultural practices.

**COMMENCEMENT DATE:**

To commence on the first day of the month as determined by the Chairperson.

**MONTHLY RENTAL:**

The Waianae Halau Waa was recently built at a cost of \$700,000. The Hawaii State Legislature appropriated \$500,000 and \$200,000 came from the Boating Special Fund. The Academy would like to lease approximately 9,920 square feet of land that includes the new improvements. Normally, lease rents are determined by appraisal or by public auction. The Division usually sets a minimum rent of \$.25 per square foot if an appraisal or public auction has not been conducted. The Division has not had the property appraised and the monthly rent for the proposed lease would be \$2,480 at \$.25 per square foot. Amortizing the improvements of \$700,000 over a thirty-year period with an interest rate of 3.9% comes to \$3,310 per month. Either way, the Academy has stated that they cannot afford market rent and have asked for a reduction in rent based on the fact that they are a non-profit entity.

Hawaii Revised Statutes (HRS), §171-43.1 Lease to eleemosynary organizations, states, "The board may lease, at a nominal consideration, by direct negotiation and without recourse to public auction, public lands to an eleemosynary organization which has been certified to be tax exempt under sections 501(c)(1) or 501(c)(3) of the Internal Revenue Code of 1986, as amended. The lands shall be used by such eleemosynary organizations for the purposes for which their charter was issued and for which they were certified by the Internal Revenue Service."

We believe that HRS, §171-43.1 applies in this instance since the Waianae Halau Waa was built to house sailing canoes and the Academy operates and maintains the voyaging canoe E Ala for the purpose of educating the community in the art and science of Polynesian voyaging and Hawaiian culture.

The Academy is a 501(c)(3) non-profit educational organization and has requested a rent of \$100 per month. The Division recommends that they also be responsible for maintaining the new Halau Waa, leased area, as well as install sub meters and pay for utilities such as water and electricity.

**SECURITY DEPOSIT:**

Twice the monthly rental.

**CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:**

In accordance with the "Department of Land and Natural Resources Exemption List," approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption

Class 1, #52, that states "Use of state lands and waters by those exercising traditional and customary practices for minor non-commercial purposes or for the gaining of traditional ecological knowledge."

**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 Academy's primary purpose is to educate youth and young adults in the art and science of Polynesian voyaging, Hawaiian culture, and aloha 'aina. E Ala was built by the Waianae Hawaiian Civic Club in 1981 inspired by the voyages of Hokule'a to Tahiti accomplished without the use of modern navigational instruments.

The 34-year old canoe has water damaged parts that need replacing. High school and college students will assist in restoring the canoe by rebuilding new components. The following list of activities will be necessary to fulfill our educational mission to the Waianae community.

1. A storage container obtained through donation placed next to the halau for easy access and the secure storage of materials, supplies, tools, and equipment.
2. Regular, scheduled supervised canoe restoration work sessions utilizing high school students, college students and adult volunteers.
3. Regular, scheduled, supervised school visits.
4. Regular, scheduled staff and board meetings.
5. Regular, scheduled fundraising events and community meetings.
6. Regular, scheduled sails utilizing boat harbor ramp, etc. according with DOBOR regulations.

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.

RECOMMENDATION: That the Board:

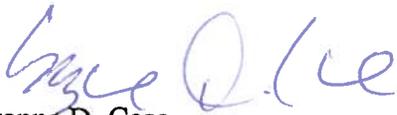
1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is, therefore, exempt from the preparation of an environmental assessment.
2. Authorize the issuance of a ten-year lease to E Ala Voyaging Academy covering the subject area for the purposes 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 lease form, as may be amended from time to time;
  - b. Review and approval by the Department of the Attorney General;
  - c. The Permittee shall provide liability insurance in an amount to be determined by the department that names the State of Hawaii as an additional insured; and
  - d. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Edward R. Underwood  
Administrator

APPROVED FOR SUBMITTAL:



Suzanne D. Case  
Chairperson

Attachment: Exhibit A



HALE

Exhibit A