

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

February 26, 2016

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

PSF No.: 10KD-077

Kauai

Issue Revocable Permit to Dale Nagamine, for Intensive Agriculture – Taro and Other Wetland Crop Use; Hanapepe Rice and Kula Lots, Hanapepe, Waimea, Kauai; Tax Map Key: (4) 1-9-003:006

APPLICANT:

Dale Nagamine, single, Tenant in Severalty.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands of Waimea situated at Lots 12-A-1, 12-B, and 13-B (Comb.), Hanapepe Rice and Kula Lots, Hanapepe, Waimea, Kauai, identified by Tax Map Key: (4) 1-9-03:06, as shown on the attached map labeled Exhibit A.

AREA:

7.826 acres, more or less.

ZONING:

State Land Use District: Agriculture
County of Kauai CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

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

CURRENT USE STATUS:

Taro Cultivation

CHARACTER OF USE:

Intensive agriculture – taro and other wetland crop use and warehouse facility purposes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$140.00 per month as determined by staff valuation approved by the Chairperson. (See Exhibit H attached.)

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exemption Notification attached as Exhibit B.

DCCA VERIFICATION:

Applicant is sole proprietorship and, as such, is not required to register with DCCA.

APPLICATION REQUIREMENTS:

Applicant shall be required to:

- 1) Obtain written permission from Gay & Robinson to cross TMK: (4)1-9-003:008, which divides subject property.
- 2) Secure the written concurrence for Grant of Term Non-Exclusive Access Easement from McBryde Sugar Company to cross Parcel A, Parcel B and Parcel C (see Exhibit F).

REMARKS:

The subject State property is an irregularly shaped lot that has a 52-year-old structure, originally used as a residence, located on property. The structure is currently being utilized as storage for agriculture machinery and equipment. The subject property was originally leased to Kamejiro

Miyashiro under General Lease No. S-2652 in 1938 and later assigned to Shoichi Nagamine until lease expiration in 1953. Shoichi Nagamine was issued General Lease No. S-5482 through public auction in 1995. The lease was mutually cancelled the same year (1995), due to financial hardship experienced by the tenant. Shoichi Nagamine was issued Revocable Permit No. S-7045 for taro and other wetland crop cultivation, while staff made preparations to re-auction property.

Shoichi Nagamine passed away on February 12, 2001. In his last will and testament, Shoichi Nagamine bequeathed his estate to his son, Dale Nagamine. The Nagamine family believed that the occupancy and use of the property under the permit was part of the deceased permittee's residuary estate, thus Dale Nagamine continued use of the property for taro cultivation and other agricultural purposes and continued to pay the rent under the permit. Dale Nagamine has now submitted an application to use the property in his own name.

Applicant is current with rent and insurance and 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.

Comments were solicited from the agencies identified below with the results indicated.

State Agencies:

DOH	No Objections or Concerns
DLNR-Historic Preservation	No Response by Suspense Date
OHA	No Response by Suspense Date
DLNR – Water Resource Management	No Response by Suspense Date

County Agencies:

County Planning	No Response by Suspense Date
Public Works	No Objections

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 Revocable Permit to Dale Nagamine covering the subject area for Intensive Agriculture – Taro and Other Wetland Crop Use and Warehouse Facility 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 revocable permit

form, as may be amended from time to time;

- b. Review and approval by the Department of the Attorney General;
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State;
- d. The existing structure shall be used solely for warehouse purposes;
- e. Rights of access over and across Lot 13-B as described on C.S.F. No. Kauai File - Carton 20, (revised September, 1992 Lot 12-A-1, 12-B, and 13-B (combined), in favor of Lot 12-A-2, Lot 13-A, and Land Commission Award 6578, Ap. 1 to Paele;
- f. C.S.F. No. - Kauai File - Carton 20 map and description of (revised Sept.1992) Hanapepe Rice and Kula Lots, Lot 12-A-1, 12-B and 13-B combine, shall be an exhibit to the revocable permit document.

Respectfully Submitted,




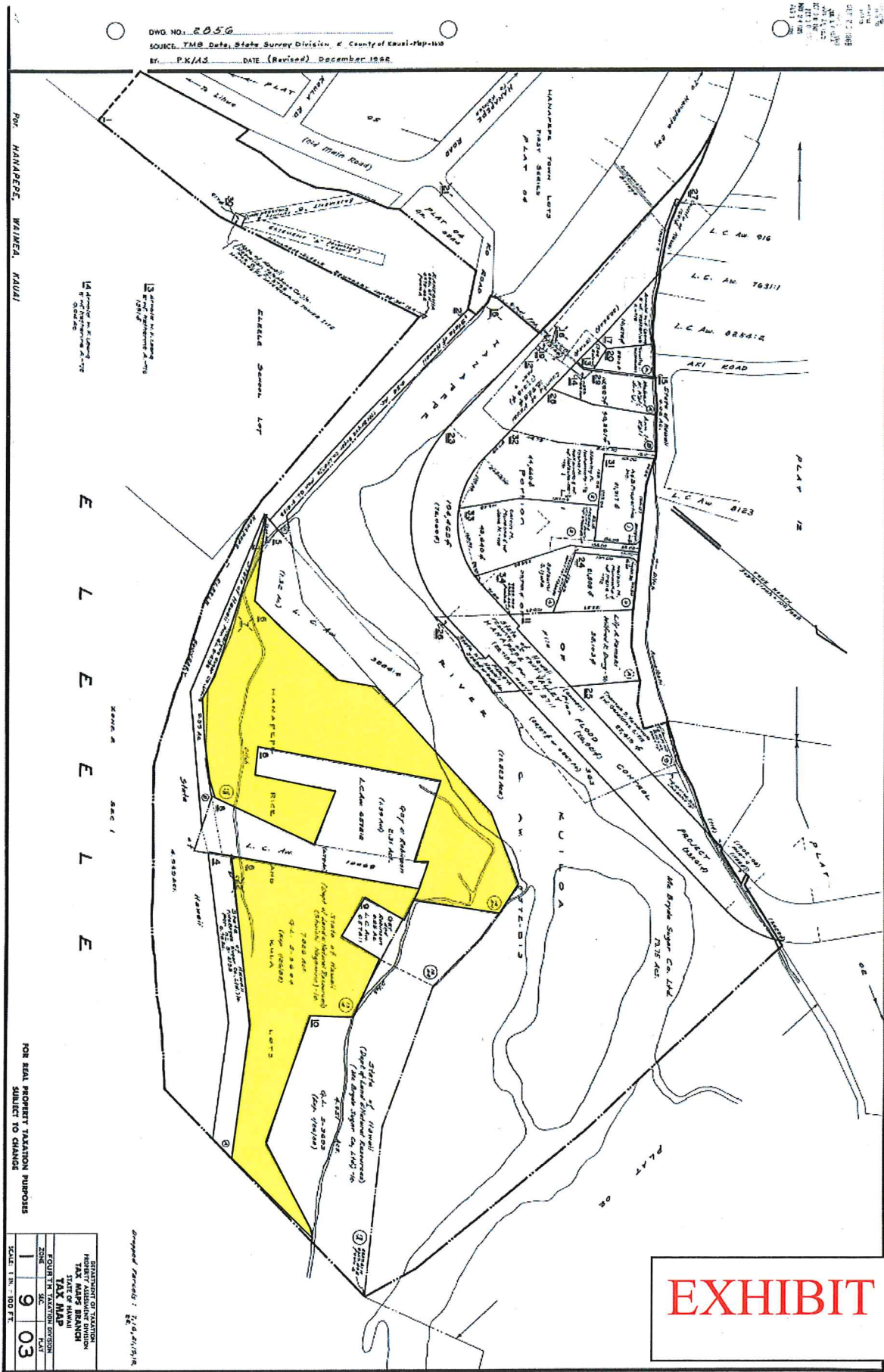
Armalin Richardson
Land Agent

APPROVED FOR SUBMITTAL:

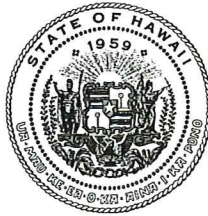


Suzanne D. Case, Chairperson





DAVID Y. IGE
GOVERNOR OF
HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

February 4, 2016

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON
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

EXHIBIT B

TO: Board of Land and Natural Resources

THROUGH: Suzanne Case, Chairperson

FROM: Armalin Richardson, Land Agent

DECLARATION OF EXEMPTION FROM THE PREPARATION OF AN ENVIRONMENTAL ASSESSMENT
UNDER THE AUTHORITY OF CHAPTER 343, HRS AND CHAPTER 11-200 HAR, FOR AFTER-THE-
FACT ISSUANCE OF REVOCABLE PERMIT TO DALE NAGAMINE, FOR INTENSIVE AGRICULTURE –
TARO AND OTHER WETLAND CROP PRODUCTION

The following permitted activities are found to be exempted from preparation of an environmental assessment under the authority of Chapter 343, HRS and Chapter 11-200, HAR:

Project Title:

After-the-Fact Issuance of Revocable Permit to Dale Nagamine for Intensive Agriculture – Taro and other Wetland Crop Production

PSF No: 10KD-077

Project Description:

The applicant of the proposed project will be utilizing the subject property primarily for cultivation of *Colocasia esculenta*, Bun Long taro. Once harvested, the produce will be transported to nearby processing facility for taro chips. A portion of the subject property is also used for papaya cultivation that are sold at local Farmer's Market. The applicant has reported using sustainable pesticide and chemical free farming methods. Approximately .5 acres of the subject property is occupied by a single family dwelling that is currently used for agricultural equipment storage. The subject property has been used for agricultural purposes for over ninety (90) years and has had minimal to no impact on existing environmental conditions.

Consulted Parties:

The permit application and draft Board submittal was sent out to the Department of Health, DLNR – Historic Preservation Division, DLNR- Water Resource Management, County of Kauai Planning and County of Kauai Public Works Department. The Department of Health reported no objections to the issuance of the permit. The County of Kauai Public Works reported no


comments on the project, and the remainder of consulted agencies did not submit any comments prior to the two-week period of consideration.

Exemption Determination:

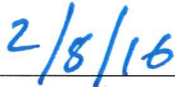
After reviewing HAR § 11-200-8, and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council on June 5, 2015, staff has concluded that the activities under this permit would have minimal or no significant effect on the environment and that issuance of the permit is categorically exempt from the requirement to prepare an environmental assessment based on the following analysis:

1. Pursuant to Exemption Class 1 No. 47 “Leases of state land involving negligible or no expansion or change of use beyond that previously existing”, it has been determined that the proposed use of taro cultivation has occurred on the subject property for over the past ninety (90) years and has not resulted in any known significant impacts, whether immediate or cumulative to natural, environmental and/or cultural resources in the area.
2. Pursuant to Exemption Class 4 No. 6 “Minor vegetation clearing and management, including mowing, pruning, trimming and application of federal and state approved herbicides in conformance with label instructions”, the applicant activities on the subject property will be limited to maintaining the current land use status and will not require any alterations beyond the minimal vegetation management activities associated with taro and other agricultural cultivation.
3. The applicant has been involved in taro cultivation and other agriculture related activities since 1971. The subject property, which was previously leased by the applicant’s father and his grandfather before him, has been used for growing taro, rice and other wetland crops since 1901, with no deleterious effects noted. With this in mind, significant cumulative impacts are not anticipated as a result of this activity.

Conclusion. Upon consideration of the permit to be approved by the Board of Land and Natural Resources, the potential effects of the above listed project as provided by Chapter 343, HRS and Chapter 11-200 HAR, have been determined to be of probable minimal or no significant effect on the environment and exempt from the preparation of an environmental assessment.



Suzanne D. Case
Chairperson
Board of Land and Natural Resources



Date

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

July 8, 2005

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

KAUAI

Cancellation of Revocable Permit No. S-7045, Shoichi Nagamine (deceased), Permittee, Hanapepe Rice & Kula Lots, Hanapepe, Waimea, Kauai, Tax Map Key: 4th/1-9-3:6

PURPOSE:

Cancellation of Revocable Permit No. S-7045, Shoichi Nagamine (deceased), Permittee.

LEGAL REFERENCE:

Section 171-55, Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands of Waimea situated at Lots 12-A-1, 12-B, & 13-B (Comb.), Hanapepe Rice & Kula Lots, Hanapepe, Waimea, Kauai, identified by Tax Map Key: 4th/1-9-3: 6, consisting of approximately 7.826 acres, as shown on the attached map labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

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

CHARACTER OF USE:

Intensive agriculture - taro and other wetland crop use and single-family residence purposes.

COMMENCEMENT DATE OF PERMIT:

August 31, 1995.

MONTHLY RENTAL:

\$115.00

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON
JUL - 8 2005

ITEM D-2

EXHIBIT "C"

REMARKS:

The subject State property was formerly encumbered by General Lease No. 1482, assigned to Kamejiro Miyashiro and expiring in 1938; General Lease No. 2652, assigned to Shoichi Nagamine and expiring in 1953; General Lease No. 2673 issued to McBryde Sugar Co. and expiring in 1954; Revocable Permit No. 1349, issued to McBryde Sugar Co. and cancelled in 1962; Revocable Permit No. 1350, issued to Shoichi Nagamine and cancelled in 1962; General Lease No. S-3694, issued to Shoichi Nagamine and extended term to 1992; General Lease No. S-5482, issued to Shoichi Nagamine, Shizuko Nagamine and Dale Nagamine and mutually cancelled in 1996; and Revocable Permit No. S-7045, issued to Shoichi Nagamine effective August 1995.

Mr. Shoichi Nagamine passed away on February 12, 2001. His last will and testament was submitted to staff in December 2003. In a review of the "Definitions" and "Residuary Estate" portions of the will, it is clear that since Revocable Permit No. S-7045 was not identified as a specific bequest, it would then be considered a part of Mr. Nagamine's "residuary estate". Any residuary estate went to son Dale Nagamine. Staff informed the Nagamine family Revocable Permit No. S-7045 could not be assigned, devised or otherwise transferred to any family member, and that the State would proceed with the public auction of a long-term lease.

The Board at its meeting of March 13, 1992, under agenda item F-10, authorized the public auction sale of a twenty (20) year lease for intensive agriculture purposes. At this time, the draft lease documents are ready in order for staff to hold a public auction in October 2005. There are three (3) qualified bona fide farmers interested in this property.

The State property is irregularly shaped and is comprised of 4.326 acres that are actively planted in taro. Approximately 3.0 acres are in wasteland. The existing single-family residence occupies approximately .5 acre and is over 42 years old. This residential structure is old, but still functions as a residential structure.

The cancellation of this revocable permit will allow staff to work with relatives of Mr. Shoichi Nagamine to harvest their crop and clean-up the State property before the public auction.

RECOMMENDATION: That the Board:

1. Authorize the cancellation of Revocable Permit No. S-7045.
2. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Chalene E. Under
for Michael L. Laureta
Kauai Land Agent

APPROVED FOR SUBMITTAL:

Peter T. Young
Peter T. Young, Chairperson

LINDA LINGLE
GOVERNOR OF HAWAII



PETER T. YOUNG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
DEPUTY DIRECTOR

DEAN NAKANO
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
LAND DIVISION

3060 Eiwa Street, Room 306
Lihue, Hawaii 96766
PHONE: (808) 274-3492
FAX: (808) 274-3438

January 30, 2007

Refer: RP S-7045

Mr. Dale Nagamine

Hanapepe, HI 96716

Subject: Revocable Permit S-7045 to Shoichi Nagamine (deceased),
Permitee, Hanapepe, Rice and Kula Lots, Hanapepe, Waimea,
Kauai, TMK: (4) 1-9-03: 06

Dear Mr. Nagamine:

The Land Board on October 27, 2006 approved the continuation of Revocable Permit S-7045 to Shoichi Nagamine on the month-to-month basis till December 31, 2007. Our records show that the Land Board on July 8, 2005 cancelled Revocable Permit S-7045 and in a letter dated July 13, 2005 from our office gave you sixty (60) days to move from the premises. Evidently we failed to follow up on the approved board action. Therefore, the revocable permit was continued.

The cancellation of the Revocable Permit was due to the death of Shoichi Nagamine and your ineligibility to qualify for a State Permit or Lease because of the forfeiture of General Lease S-4859 to Dale Nagamine effective May 28, 1999. We will be closing the account to Revocable Permit S-4859 to Shoichi Nagamine.

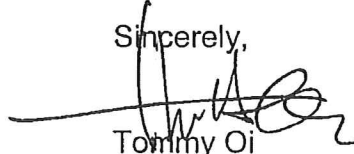
Because it has been more than five (5) years since the cancellation of your lease you may apply for a month to month revocable permit presently under Revocable Permit S-7045. Enclosed is an application to apply for a month-to-month permit if you are interested in continuing to farm this parcel.

Also, I would like to inform you that the Land Board approved the continuation of Revocable Permit S-7342 to Francis P. and Laura Mission. Please be aware of his rights of access and to manage and maintain his property and the irrigation system covered under his revocable permit.

EXHIBIT "D"

If you have any questions on this matter, please feel free to call me at 274-3491.
Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tommy Oi', written over a horizontal line.

Tommy Oi
Kauai District Land Agent

c/c: Central File
Land Board Member
France Mission

LINDA LINGLE
GOVERNOR OF HAWAII



LAURA H. THIELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

3060 Eiwa Street, Room 208
Lihue, Hawaii 96766
PHONE: (808) 274-3491
FAX: (808) 241-3535
April 21, 2010

Refer: RP S-7045

CERTIFIED MAIL

Mr. Dale Nagamine

Hanapepe, Hawaii 96716

Dear Mr. Nagamine:

Subject: Revocable Permit No. S-7045 to Shoichi Nagamine (deceased), Permittee, Hanapepe, Rice and Kula Lots, Hanapepe, Waimea, Kauai, Tax Map Key: (4) 1-9-03:06

Our records show that effective January 1, 2008, this Revocable Permit No. S-7045, the Land Board approved at its meeting on November 16, 2007, under item D-1, not to renew this permit.

Two (2) letters dated April 6, 2009 and July 30, 2009, we requested you to fill-out an application form if you were interested in remaining on the property. Our records show that you picked up a request of state lands application form.

We gave you a deadline of August 7, 2009 to submit an application therefore, we will start the process for you to vacate the property. A final inspection of the property will be done on May 3, 2010 at 1:00pm.

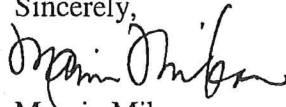
You have until May 2, 2010 to vacate the premises and to completely remove your personal property from the premises, including any improvements that you own and would like to remove. If you are not vacated by this date, we will commence eviction action, including confiscating any items remaining on the premises.

Furthermore, you are expected to leave the premises in a clean and orderly condition. If any clean-up is required upon final inspection of the premises, we will charge any amount owing against your security deposit. If the amount of your security deposit is inadequate to cover these costs, then the amount will be billed to you and, if unpaid, will be sent to a collection agency.

EXHIBIT " E "

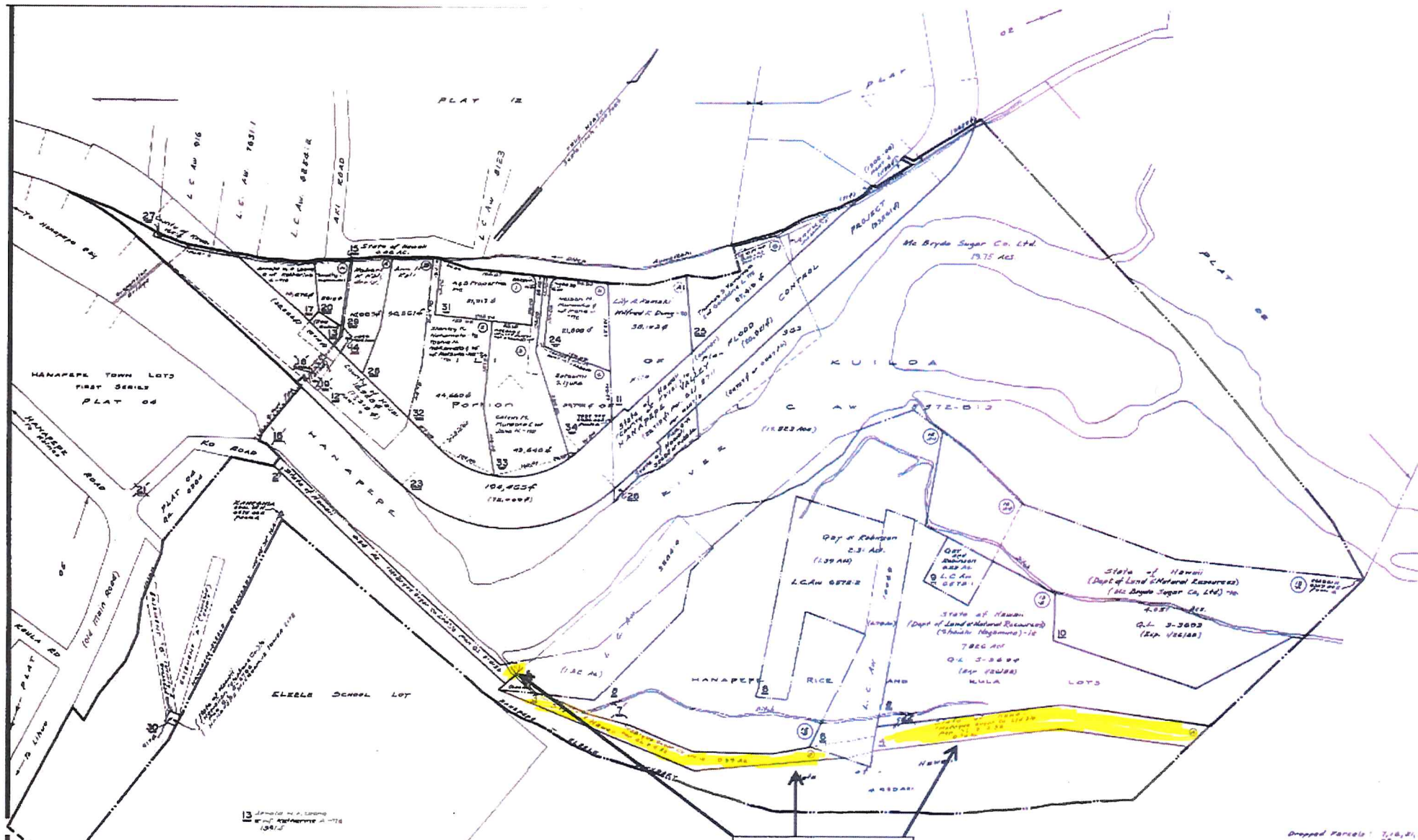
If you have any questions on this matter, feel free to call me at 274-3491. Thank You.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvin Mikasa". The signature is fluid and cursive, with the first name "Marvin" and last name "Mikasa" clearly distinguishable.

Marvin Mikasa
Land Agent

cc: Central Files
DOCARE
Fiscal Office



Parcels A, B and C

EXHIBIT F

Pdr. HANAPEPE, WAIMEA, KAUAI

Dropped Parcels: 7, 10, 21, 22

DEPARTMENT OF TAXATION		
PROPERTY ASSESSMENT DIVISION		
TAX MAPS BRANCH		
STATE OF HAWAII		
TAX MAP		
FOURTH TAXATION DIVISION		
ZONE	MC	PLA
1	9	0
SCALE: 1 IN. = 100 FT.		

FOR REAL PROPERTY TAXATION PURPOSES
SUBJECT TO CHANGE



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

December 18, 2015

NAGAMINE, SHOICHI

HANAPEPE, HI 96716

EXHIBIT "G"

Dear Permittee:

Subject: Revocable Permit No. S-7045

We are writing to notify you of the continuation of your Permit on a month-to-month basis for an additional year up to December 31, 2016.

On December 11, 2015, the Board of Land and Natural Resources (Board), under agenda item D-14, determined that there will be no immediate adjustment to your rent. The Board, however, reserved the right at any time to review and establish new rental charges for any revocable permit to reflect market conditions or the fair market rental for the rights and privileges granted by such revocable permit. Therefore, during the additional year up to December 31, 2016, please understand that your Permit rent is subject to review.

Please contact your District Land Office at 274-3491 if you have any questions.

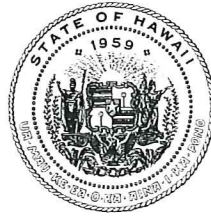
Sincerely,

A handwritten signature in black ink, appearing to read "Russell Y. Tsuji".

Russell Y. Tsuji
ADMINISTRATOR

cc: Central Files
District Files

DAVID Y. IGE
GOVERNOR OF
HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
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JEFFREY T. PEARSON
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AQUATIC RESOURCES
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BUREAU OF CONVEYANCES
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ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

November 12, 2015

EXHIBIT "H"

SUBJECT: In-House Valuation Recommendation – Revocable Permit for Intensive Agriculture

PSF No.: 10KD-077
Applicant: Dale Nagamine
Location: Hanapepe, Waimea, Kauai
Tax Map Key: (4) 1-9-03:06
Char. Of Use: Taro Cultivation

We have been requested to provide a monthly rent amount for the issuance of a revocable permit for intensive agriculture on the above-referenced property. This rent amount reflects Staff's recommendation to the Chair and approval is required for this permit to be drafted.

The subject property consists of approximately 7.826± acres in Hanapepe, Waimea (Kona), Kauai. Approximately 4.3 acres of the subject property is actively used for taro cultivation. The proximity to the Hanapepe River, make the subject property's best land use as taro and other wetland crop cultivation. The property has been used for this purpose, since it was initially leased in 1938.

Staff relied on information based on usable land acreage to harvestable yield ratio provided by Roy Yamakawa of the University of Hawaii at Manoa, College of Tropical Agriculture, in the determination of most appropriate rent for subject property. The average acre of taro crop land produces approximately three-hundred (300) bags of produce. The standard accepted unit of bulk measurement for taro is an 88 lb. bag. The current wholesale commodity pricing for farmers on Kauai, selling non-value added taro, to wholesalers and distributors is at average rate of .66/lb. Taro is a labor intensive crop that takes 15-months for harvest which results in considerable production costs. Modern sustainable agricultural methods and practices recommends fallowing land for period of 6-8 months to retain optimum soil fertility. Staff determined calculated rent is comparable to similar parcels at fair market value in area. Based on all of the aforementioned factors and data collected and analyzed by the University of Hawaii at Manoa Department of Agricultural and Resource Economics the following formula was used to calculate current rent under revocable permit for the subject property:

PM3152:55
DEC 2 '15

DLNR KDLO RCVD

GROSS REVENUE	Lbs/crop cycle	Price (¢/lb.)	Revenue (\$/acre)	% of gross
Typical yield per crop	23,000	66	\$13,382	100%
OPERATING COSTS				
A. Pre-harvest costs:	<u>Labor \$12/hr.</u>			% of gross
1. Land Preparation		4.9	1146.42	8.60%
2. Planting		1.7	411.75	3.10%
3. Fertilization		4.9	1148.1	8.60%
4. Pest Control		17.8	4097.85	30.60%
5. Irrigation		0.67	162	1.20%
6. Operating Interest		2	464.41	3.50%
<hr/>				
Total pre-harvest costs		31.97	7430.53	55.60%
B. Harvest Costs	<u>Labor@\$10/hr.</u>			
7. Harvesting, grading & packing		10.6	2467.41	18.40%
8. Shipping		1.08	237.01	1.80%
<hr/>				
Total harvest costs		11.68	2704.42	20.20%
<hr/>				
TOTAL OPERATING COSTS		55.33	12839.37	75.70%
GROSS MARGIN		10.67	10,678	24.30%

RENT CALCULATION :

$\$10,678 \times 4 \text{ ACRES} = \$42,712 \text{ PER CROP CYCLE (15 month)}$
 $\$42,712 / 15 \text{ months} = \$2,847.46 / \text{month}$
 $5\% \text{ (calculated rent) of } \$2,847 = \mathbf{\$142 / month}$

Therefore, as of the date of this document, the monthly rent recommendation for the subject property is **\$142.00** per month, based on minimum land lease calculation of 5%-9% return on cash crop agriculture lands. This amount equates to a \$27/ month increase over previous rent of \$115 / month calculated for previous Revocable Permit (RP-7045) rent calculation in 2005. Staff believes that this increase is a justifiable modification in accordance with current rate of inflation while considering rising production costs.

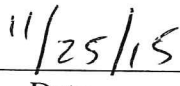
Special Assumptions and Limiting Conditions

- 1) This rental valuation estimate is for internal purposes only. This document does not take the place of an appraisal and does not constitute an appraisal that adheres to the Uniform Standards of Professional Appraisal Practices.
- 2) Currently, Land Division does not have a staff appraiser. As a result the subject property was not inspected by an appraiser.

Approved/Disapproved:



Suzanne D. Case, Chairperson



Date



cc: District File
Central File