

**AGENDA
FOR THE MEETING OF THE
BOARD OF LAND AND NATURAL RESOURCES**

DATE: FRIDAY, FEBRUARY 13, 1998
TIME: 9:00 A.M.
**PLACE: KALANIMOKU BUILDING
LAND BOARD CONFERENCE ROOM 132
1151 PUNCHBOWL STREET
HONOLULU, HAWAII**

NOTE: All materials listed on this agenda are available for review in the DLNR Chairperson's Office.

Acting Chairperson Chris Yuen called the meeting of the Board of Land and Natural Resources to order at 9:29 A.M. The following were in attendance:

Members: Chris Yuen
Willie Kennison
Colbert Matsumoto
Lynn McCrory
Michael D. Wilson

Staff: Dean Uchida

Others: Dawn Chang Peter Garcia
Dr. Terry Allen Clarence Medeiros
Greg Kam Norman Miyata
Ceasar Portugal Jim Brown
Henry Curtis Mary Steiner
Kat Brady Nicki Hines
Diane Anderson

MINUTES OF BOARD BRIEFING OF JANUARY 16, 1998.

Unanimously approved as submitted. (Matsumoto/McCrory).

ITEM D-4 REQUEST FOR DIRECT SALE OF GOVERNMENT REMNANT ABANDONED DITCH RIGHT OF WAY, DITCH #21, TO TERRY R. ALLEN AND MARILYN J. ALLEN, POR. OF KALAHEO HOMESTEADS, 2ND SERIES, KOLOA, KAUAI, TMK: 2-3-9

Dean Uchida, Acting Land Division Administrator explained to the Board that this is an abandoned ditch right-of-way in Koloa, Kauai. He referred to Exhibit B and pointed out the location of the parcel. Uchida said the State is trying to sell the ditch to the abutting property owner as a remnant. He said this would relieve the State of maintenance and liability problems. The staff recommendation is that the Board authorize the direct sale of the remnant land subject to terms and conditions.

Greg Kam, a planner representing Dr. Terry Allen said the ditch has been out of service for 30 or more years and is not part of a functioning system nor is there a prospect of it being reconstituted into a functioning system.

Unanimously approved as submitted. (McCrorry/Kennison).

ITEM D-5 GRANT OF PERPETUAL NON-EXCLUSIVE DRAINAGE EASEMENT AFFECTING PORTION OF STATE-OWNED LANDS, POR. OF KAPAA AND KULA LOTS, KAWAIHAU, KAUAI, TMK: 4-5-15: POR. 20 AND ISSUANCE OF CONSTRUCTION RIGHT-OF-ENTRY TO THE COUNTY OF KAUAI

Uchida said staff recommendation is that the Board authorize the issuance of a perpetual non-exclusive drainage easement, authorizing immediate construction right-of-entry to the County of Kauai, and to authorize staff appraiser to look at the existing lease as to whether an adjustment of the rent is necessary. He said concerns by the Engineering Branch of the Land Division were included as conditions that if there were any future problems with the system, that the County would be responsible.

Cesar Portugal, Kauai County Engineer concurred with the staff's recommendation.

Unanimously approved as submitted. (McCrorry/Kennison).

ITEM D-11 REQUEST FOR AMENDMENT TO THE LAND BOARD'S ACTION OF JULY 12, 1996, UNDER AGENDA ITEM D-17, CONCERNING THE CONSENT TO THE ASSIGNMENT OF GENERAL LEASE NO. S-5355, WAIMANALO, KOOLAUPOKO, OAHU, TMK: 1ST/4-1-18: 51

Uchida briefed the Board and said the lessees originally requested their assignment be assigned to their Corporation but subsequently, found that the Corporation would be held by another party. The staff appraiser found that there was no sandwich

profit involved. He said the new buyer fell behind in the rent payment so what was brought before the Board at the last meeting was a default proceeding.

The staff recommendation is that the Board amend its action of July 12, 1996, and add conditions that the Board confirm that there is no premium due for this assignment to the State, and that the consent documents be executed after all outstanding rent and financial obligations are paid within 90 days, otherwise the lease be terminated. Uchida stated that the applicant had to leave but that she concurred with the staff recommendation.

There was brief discussion regarding the tenant being held responsible for the duration that they occupied the property. Member Colbert Matsumoto said the termination should be as of the date that the State regain possession of the property, otherwise there are other provisions of the lease that require compliance on the part of the lessee. Uchida said the recommendation of the termination date could be amended so that the termination date be 90 days from today's action.

Unanimously approved with amendments that if the financial obligations are not met within 90 days of the Board's action, the lease will terminate effective 90 days from today or May 14, 1998. (Matsumoto/Kennison).

ITEM D-9 TIME EXTENSION REQUEST - CONSERVATION DISTRICT USE
PERMIT OA-257 FOR A CAMP AND RECREATIONAL USE (CAMP
ERDMAN) AT MOKULEIA, OAHU, TMK: 6-9-4: 3 & 4

Uchida said in 1994, the Board approved the master plan for the Conservation District Use Application (CDUA) for Camp Erdman's redevelopment. The time extension request is due to the City and County building codes which required many improvements, other infrastructure repairs and upgrades which brought the cost of the project up to \$1.2 million. The extension is needed to give YMCA more time to raise the necessary funds to comply with the infrastructure requirement.

The staff recommendation is that the Board approve the request for the extension of five (5) years subject to terms and conditions.

Henry Curtis, Executive Director of Life of the Land said the change in YMCA'S first application and the current request for an extension should have been brought before the task force formulated at the request of DLNR. He said since the request for an extension covers an issue which is within the purview of the task force, it should be applicable for the Land Board to ask the Kaena Task Force for their input. Curtis said there is a 20 year old Kaena Conceptual Plan which calls for the creation of camping grounds and opening up Kaena Point to tourists. He said it entails the road ending at Camp Erdman, putting in a large

parking lot next to Camp Erdman and a camping ground controlled by a private entity. Curtis felt that it would impact Camp Erdman.

Jim Brown, Executive Director for Camp Erdman said their service is primarily for education and that it is in line with the Kaena Point Task Force. There was discussion about the length of the extension request. Member Matsumoto felt that five (5) years was an inordinate amount of time for the extension period and felt that the YMCA should either be committed to doing it or not, Member Lynn McCrory concurred.

Unanimously approved to defer action until the Kaena Point Task Force has had a chance to review this. (Matsumoto/Kennison).

Acting Chairperson Chris Yuen called for a short recess and reconvened the meeting.

ITEM D-13 REQUEST LAND BOARD APPROVAL TO REVIEW THE RENTAL STRUCTURE OF LEASE RENTS OF THE LEASEHOLDS OF THE PERMIT TO LEASE CONVERSIONS ON THE ISLAND OF OAHU AS ISSUED UNDER ACT 237 OF THE 1988 LEGISLATURE, OAHU, HAWAII

Uchida said there were several concerns from the lessees and representatives from the Office of Hawaiian Affairs (OHA) regarding how the rents were determined and at the Chairperson's request, this matter is being brought before the Board to authorize the staff appraiser to review the rents under Act 237, Session Laws of Hawaii 1988 (SLH 1988) Member Matsumoto asked why costs had to be incurred by the State to review all of the leases and felt that it should be on case-by-case basis where the lessee would show where the amount are excessive.

Clarence Medeiros said the lease amounts were above their heads and noted that there was a substantial difference between his lease rent and his neighbor's. Member Matsumoto's suggestion to Medeiros was to gather information on his lease for the staff to review.

Nicki Hines said the properties that are involved with Act 237 SLH 1988 are remnant lands and that when the appraisals were done, they were based on fee simple properties surrounding the area. She asked the Board to consider the adjustments for the rentals. Hines concurred with Member Matsumoto's suggestion.

Acting Chairperson Yuen suggested that a group of tenants engage an appraiser to look at their leases at the same time. Hines said she would begin to organize the group.

Chairperson Michael Wilson took over as the Chair.

Unanimously approved to defer item. (Matsumoto/Kennison).

ITEM D-3 APPROVAL OF A LAND EXCHANGE BY AND BETWEEN THE STATE OF HAWAII BY ITS BOARD OF LAND AND NATURAL RESOURCES AND THE DEPARTMENT OF HAWAIIAN HOME LANDS BY ITS HAWAIIAN HOMES COMMISSION, STATE OF HAWAII, AT HUMUULA, NORTH HILO, HAWAII AND LALAMILO, SOUTH KOHALA, HAWAII

Uchida said the parcel in question is owned by Department of Hawaiian Home Lands (DHHL) and as part of the settlement, the agreement was to do a land exchange on a value-to-value basis. The value of the State lands is at \$4,600 per acre and for DHHL, \$500 per acre. The staff recommendation is that the Board approve the land exchange subject to terms and conditions.

Unanimously approved as submitted. (Yuen/McCrory).

ITEM D-14 DEPARTMENT OF HAWAIIAN HOME LANDS (DHHL) REQUEST FOR A RIGHT-OF-ENTRY FOR RESEARCH AND EVALUATION PURPOSES, KALAWAHINE, HONOLULU, OAHU, TMK: 2-4-34: 8

Uchida said DHHL is planning a housing subdivision on its land with their adjoining lands. He said the 4.5 acres is part of a proposed transfer that will be brought to the Board at the next meeting. Uchida said the 4.5 acres is encumbered by the Board of Water Supply (BWS) but that they [BWS] have agreed to relinquish the site. The staff recommendation is that the Land Board grant a right-of-entry to DHHL in order to enter upon the State lands subject to terms and conditions.

Unanimously approved as submitted. (Kennison/McCrory).

ITEM D-12 REQUEST BOARD APPROVAL FOR THE DIRECT ISSUANCE OF PERPETUAL NON-EXCLUSIVE EASEMENTS TO HAWAIIAN ELECTRIC COMPANY FOR OVERHEAD ELECTRICAL TRANSMISSION PURPOSES AND ISSUANCE OF A TEMPORARY RIGHT-OF-ENTRY FOR A STAGING AREA AT WAIALEE AND PAHIPAHIALUA, PUPUKEA AND PAUMALU, KOOLAULO, OAHU, TMK: 1ST/5-9-06: 26 (PORTION) AND 1ST/5-8-02: 02

Uchida said this is a follow up to the (CDUA) that was approved by the Board in August 1996. The staff recommendation is that the Board authorize the direct issuance of a perpetual, non-exclusive easement for overhead electrical transmission purposes to the Hawaiian Electric Company (HECO) subject to terms and conditions.

Henry Curtis, Executive Director of Life of the Land, said this plan is part of a plan to put high voltage lines at the beginning of Kamehameha Highway in Haleiwa. The Life of the Land's concerns were the overhead lines which they felt were in

violation of the Haleiwa Special Design District and the potential impact to the area around Weed Circle.

There was discussion about whether the Neighborhood Board considered the request for the easement. Kat Brady did not think it was ever on the Neighborhood Board's agenda.

There was discussion about the easements that were involved. Uchida explained that Easement 2 is in the conservation district for which the CDUA was approved and Easement 3 with the overhead lines is in the agriculture district, which was not part of the CDUA process.

Diane Anderson, North Shore Outdoor Circle, displayed a map of the area and stated that she would like HECO to explain their plans. She said she had discussions with two members of the Neighborhood Board and they did not seem to realize the visual impact. Chairperson Wilson suggested that the Neighborhood Board put this item on their agenda for discussion and that a HECO representative be invited to the next meeting.

Unanimously approved to defer item. (Matsumoto/Kennison).

ITEM D-1 AMENDMENT TO PRIOR ACTION OF DECEMBER 13, 1996 (AGENDA ITEM D-2) ISSUANCE OF A REVOCABLE PERMIT TO KAPOLEI GOLF COURSE FOR PARKING LOT PURPOSES ON GOVERNMENT LAND SITUATED AT HONOULIULI, EWA, OAHU, TMK: 9-1-016: 25

Uchida said in a prior Board action a revocable permit (RP) was issued to Kapolei Golf Course and later it was discovered that the proper permittee should be Kapolei People's Inc., DBA: Kapolei Golf Course. The staff requests that the Board amend its prior action to reflect the correct name of the Corporation.

Unanimously approved as submitted. (Matsumoto/Kennison).

There was a discussion on whether the Chairperson should be delegated with the authority to change the name of a permittee when it is a matter of an error and not an actual change in the identity. Member Matsumoto's concern was that the proper identity of the applicant should be disclosed to all of the Board members and preferred that the Board continue to review these types of cases.

ITEM D-2 REQUEST BOARD APPROVAL FOR THE DIRECT ISSUANCE OF A AFTER-THE-FACT PERPETUAL NON-EXCLUSIVE EASEMENT TO THE BOARD OF WATER SUPPLY, CITY AND COUNTY OF HONOLULU, FOR FIRE HYDRANT AND CONNECTING WATERLINE PURPOSES IN CONJUNCTION WITH THE DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES (DAGS) JOB NO. 12-16-7023 AT THE WAIIAU

ELEMENTARY SCHOOL, WAI'AU, OAHU, TMK: 1ST/9-8-50: 71
(PORTIONS)

Uchida said staff recommendation is that the Board authorize the direct issuance of a perpetual, non-exclusive easement to the Board of Water Supply for fire hydrant and connecting waterline purposes subject to terms and conditions.

Unanimously approved as submitted. (Matsumoto/Kennison).

ITEM D-6 SALE OF TEN LEASES AT PUBLIC AUCTION FOR INTENSIVE
AGRICULTURE PURPOSES ON HAWAII

Uchida said the staff has been working on cleaning up backlog of Revocable Permits (RP) to get these properties on the market. He said the staff recommendation is that the Board rescind its prior action of September 1985, May 1985, and May 1996 and to authorize the sale of leases at public auction covering the subject areas for intensive agriculture purposes subject to terms and conditions. He said there are 10 leases comprised of 16 parcels, totaling approximately 1,700 acres, and mostly made up of sugar lands.

Unanimously approved as submitted. (Yuen/McCrory).

ITEM D-7 REQUEST TO AMEND BOARD ACTION OF SEPTEMBER 27, 1996,
AGENDA ITEM D-29, INVOLVING CANCELLATION OF EXECUTIVE
ORDER NO. 794, ISSUANCE OF EXECUTIVE ORDER TO THE
DEPARTMENT OF EDUCATION FOR THE EXPANSION OF IAO
INTERMEDIATE SCHOOL AND OTHER USES, AND IMMEDIATE RIGHT
OF ENTRY FOR SITE CONTROL PURPOSES AT TMK: 3-4-09: 04,
SITUATE AT A PORTION OF WAILUKU TOWN, WAILUKU, MAUI

Uchida said when the prior action was taken by the Board under advisement by the Department of the Attorney General, a written disclosure should have been sent to the Department of Education regarding the hazardous waste situation on the property. The staff is requesting to amend the Board action of September 1996 to include in condition C.6., That the Department of Education accepts the transfer of the Wailuku Armory site in an as is condition, C.7. That prior to use of any area in the subject Armory, the Department of Education shall implement an abatement program to address any hazardous materials found within the building, and condition C.8. That the Department of Education shall be wholly responsible for any abatement costs to cure the building of hazardous materials.

Unanimously approved as submitted. (Kennison/Yuen).

ITEM D-8 TIME EXTENSION REQUEST - CONSERVATION DISTRICT USE
PERMIT HA-2748 FOR THE CONSTRUCTION OF A SINGLE FAMILY
RESIDENCE AT LAUPAHOEHOE, HAWAII, TMK: 3-6-2: 04

Uchida said the applicant is requesting for a time extension because funding for the construction was going to be based on the sale of one of their properties and that they had problems selling the property. The staff recommendation is that the Board approve this request for a two year time extension (February 24, 2000) to complete the residence subject to terms and conditions.

Unanimously approved as submitted. (Yuen/Matsumoto).

ITEM D-10 AUTHORIZATION FOR PUBLIC AUCTION SALE OF INTENSIVE
AGRICULTURAL LEASE COVERING GOVERNMENT LAND SITUATE AT
WAIMANALO, KOOLAUPOKO, OAHU, TMK: 1ST/4-1-08: 10

Uchida said staff recommendation is that the Board authorize for public auction the sale of intensive agricultural lease subject to terms and conditions.

Unanimously approved as submitted. (Matsumoto/Kennison).

ITEM K-1 ISSUANCE OF REVOCABLE PERMIT, NEAR PIER 36, HONOLULU
HARBOR, OAHU (DON'S MAKIKI, INC.) (TMK: 1-5-34:21P)

Peter Garcia, representative of the Department of Transportation (DOT) said the purpose of this permit is for storage of tractor and trailer equipment.

Unanimously approved as submitted. (Matsumoto/Kennison).

ITEM K-2 ISSUANCE OF REVOCABLE PERMIT, KAWAIHAE HARBOR, ISLAND
OF HAWAII (HAWAII METAL RECYCLING COMPANY) (TMK: 6-1-
03:51P)

Garcia said staff recommendation is that the Board approve the issuance of the permit subject to terms and conditions.

Unanimously approved as submitted. (Yuen/McCrory).

ITEM K-3 CONSENT TO ASSIGNMENT OF LEASE NO. DOT-A-94-7, HONOLULU INTERNATIONAL AIRPORT, OAHU (AMERICAN INTERNATIONAL AIRWAYS, INC./AMERICAN INTERNATIONAL AIRWAYS, INC., A FULLY OWNED SUBSIDIARY OF KITTY HAWK, INC.) (TMK: 1-1-03:1P)

Garcia said staff recommendation is that the Board approve the Consent to Assignment of State Lease.

Unanimously approved as submitted. (Matsumoto/Kennison).

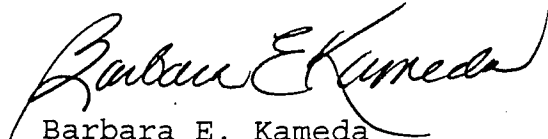
ITEM K-4 LEASES TO THE FEDERAL AVIATION ADMINISTRATION TO ESTABLISH AN INSTRUMENT LANDING SYSTEM AT LANAI AIRPORT, LANAI (FAA) (TMK: 2ND DIVISION - 4-9-02)

Garcia said staff recommendation is that the Board approve the granting of the leases.


Unanimously approved as submitted. (Kennison/Matsumoto).

The meeting was adjourned at 11:25 A.M.

Transcribed by:


Barbara E. Kameda

APPROVED FOR SUBMITTAL:



MICHAEL D. WILSON
Chairperson
Board of Land & Natural Resources

bk3598

