March 23, 2012

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

PSF No: 07MD-138  
Maui

Rescind Prior Board Action of November 12, 2010, (Agenda Item D-5) for Issuance of a Revocable Permit to Molokai Canoe Club, Kaunanakai, Molokai, Maui, Tax Map Key:  
(2) 5-3-001:Por. 002

BACKGROUND:

The Land Board at its November 12, 2010 meeting, under agenda item D-5 (attached as Exhibit "1"), authorized a revocable permit to the Molokai Canoe Club for canoe club activities and storage purposes. During the Maui Land Division’s process for this permit, it was discovered that the club was not in good standing with the State of Hawaii, Department of Commerce and Consumer Affairs (DCCA), Business Registration Division. The club was asked to provide a Certificate of Good Standing with the DCCA and verification of their non-profit status with the Internal Revenue Service. None of the requested information has been received.

REMARKS:

On June 30, 2011 a quitclaim deed LOD S-29002 was executed, transferring ownership of the requested lands situated at Tax Map Key:  
(2) 5-3-001:002 to the Department of Hawaiian Home Lands (DHHL). The DHHL had been made aware (prior to this deed) that the Molokai Canoe Club was requesting a month-to-month revocable permit. It was anticipated that the permit would incept prior to the execution of LOD S-29002.

The DHHL has been notified by correspondence dated February 27, 2012 of Molokai Canoe Club’s unresolved issues. The pending permit file information has been transferred to DHHL for any further action. Advisement has also been provided that the Land Board approval of November 12, 2010 will be rescinded.
RECOMMENDATION: That the Board:

1. Rescind the prior Board action of November 12, 2010, under item D-5.

Respectfully Submitted,

Larry Pacheco
Land Agent

APPROVED FOR SUBMITTAL:

William J. Alla, Jr., Chairperson
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

November 12, 2010

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

PST No.: 07MD-138
Molokai

Issuance of Revocable Permit to Molokai Canoe Club,
Kaunakakai, Molokai, Maui, Tax Map Key: (2) 5-3-001:002 por.

APPLICANT:

Molokai Canoe Club, a Domestic Nonprofit Corporation, c/o Faye
Wallace, Club President, whose business and mailing address is 1
Kaunakakai, Hawaii, 96748.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands of Kaunakakai, Molokai, identified by
Tax Map Key: (2) 5-3-001:002 por., as shown on the attached map
labeled Exhibit (A) and topographical GIS photo labeled Exhibit (B).

AREA:

One (1) acre, more or less.

ZONING:

State Land Use District: Urban
County of Maui CZO: Interim

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:

The area is being utilized by the Molokai Canoe Club for club
activities and storage purposes.

CHARACTER OF USE:

Canoe club activities and storage purposes.
COMMENCEMENT DATE:

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

MONTHLY RENTAL:

To be determined by staff appraiser, subject to review and approval by the Chairperson.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1)(4) and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated December 4, 1991, the subject request 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" and Class No. 4, that states "Minor alteration in the conditions of land, water, or vegetation". Exhibit C.

AGENCY COMMENTS:

Requests for comments were submitted to the following agencies:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>County of Maui - Dept. of Parks &amp; Recreation</td>
<td>No response received</td>
</tr>
<tr>
<td>County of Maui - Planning</td>
<td>No response received</td>
</tr>
<tr>
<td>County of Maui - Public Works</td>
<td>Concern regarding adequacy of off street parking.</td>
</tr>
<tr>
<td>Office of Hawaiian Affairs</td>
<td>Supports proposed use of the subject ceded lands.</td>
</tr>
<tr>
<td>Office of the Attorney General</td>
<td>No response received</td>
</tr>
<tr>
<td>Department of Transportation - Harbors Division</td>
<td>No response received</td>
</tr>
<tr>
<td>Department of Business, Economic Development &amp; Tourism</td>
<td>No response received</td>
</tr>
<tr>
<td>Department of Hawaiian Home Lands</td>
<td>Agrees with the issuance of RF and compliance with all terms and conditions (Exhibit D).</td>
</tr>
</tbody>
</table>
REMARKS:

The subject parcel is currently unencumbered. A portion of the parcel was previously encumbered by Revocable Permit No. S-6023 (RPS-6023) issued to the Molokai Canoe Club for storage and club related activities.

On May 15, 1998 under agenda Item D-1, the Board authorized the cancellation of RPS-6023 pursuant to the agreement with the State Department of Business Economic Development and Tourism (DBEDT) to have the subject lands set aside to DBEDT for establishment of the proposed "Malama Cultural Center Project."

Although the permit was canceled, the Molokai Canoe Club remained on site pursuant to an anticipated lease agreement with DBEDT. However, DBEDT did not implement the proposed project and lands remained under the jurisdiction of the State DLNR. As a result the Molokai Canoe Club has continued to maintain, and manage their activities from that location in a state of "limbo."

The Molokai Canoe Club has been in existence for more than twenty years. The club has provided an opportunity for the Molokai community to participate in the cultural tradition of canoe paddling. It is also active with youth organizations such as the Maui Interscholastic League. The intent of this permit is to reauthorize ongoing storage of equipment/supplies as well as events and activities that are sponsored by the Molokai Canoe Club and that continue to occur on site. Storage includes placement of ten or more outrigger canoes along the shoreline and storage of equipment amongst three (3) storage sheds.

Staff notes that the subject lands are being considered for transfer to the Department of Hawaiian Home Lands (DHHL) on October 28, 2010 (D-12). DHHL has no objection to the issuance of the subject permit.

The applicant shall provide for on-site parking for club related events and activities pursuant to State and County rules and regulations.

The Maui District Land Office has no other applications or request for the use of the subject location.

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.

The proposed activity has historically and routinely occurred and continues to occur on this and other beach areas across the State. Such activities have resulted in no known significant impacts, whether immediate or cumulative, to the natural, environmental and/or cultural resources in the area. As such staff believes that the proposed event use would involve negligible or no expansion or change in use of the subject area beyond that previously existing.
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 the Molokai Canoe Club covering the subject area for storage and canoe club related 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; and
   c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

[Signature]
Larry Pacheco
Land Agent

APPROVED FOR SUBMITTAL:

[Signature]
Laura H. Thielen, Chairperson
STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
LAND DIVISION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

October 28, 2010

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

Project Title: Molokai Canoe Club

Project / Reference No.: 07MD-138

Project Location: Molokai, Hawaii, TMK: (2) 5-3-001: Fortion of 002.

Project Description: Request for a Month to Month Revocable Permit
for Storage and other related canoe club purposes.

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

Exemption Class No. and Description: In accordance with Hawaii Administrative Rule
Section 11-200-8(a)(1)(4) and the Exemption List for the Department of Land and Natural
Resources approved by the Environmental Council and dated December 4, 1991, the
subject request 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" and Class No. 4, that
states "Minor alteration in the conditions of
land, water, or vegetation."

The proposed activity has historically and
routinely occurred and continues to occur on
this and other beach areas across the State.
Such activities have resulted in no known
significant impacts, whether immediate or

EXHIBIT "ë"
cumulative, to the natural, environmental and/or cultural resources in the area. As such staff believes that the proposed event use would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties:
County of Maui, Department of Public Works, Office of Hawaiian Affairs, Department of Hawaiian Home Lands

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

Laura Thielen, Chairperson

Date
October 19, 2010

To: Laura H. Thielen, Chairperson
Department of Land and Natural Resources

Attn: Larry Pacheco, Land Agent

From: Kaulana H.R. Park, Chairman

Subject: REQUEST FOR A MONTH-TO-MONTH REVOCABLE PERMIT TO THE
MOLOKAI CANOE CLUB FOR STORAGE AND OTHER RELATED CANOE
CLUB PURPOSES, TMK NO. (2)5-3-001:002 Por.,
KAUNAKAKAI, MOLOKAI

Mahalo for the opportunity to provide comments regarding the
subject request for a revocable permit.

DHHL confirms that this parcel is scheduled for Land Board
approval to transfer to DHHL. In the meantime, DHHL recommends
that DLNR staff bring the Molokai Canoe Club into compliance by
issuing a revocable permit and enforcing the terms of the
revocable permit before DHHL assumes control of the property.

I appreciate your cooperation in this matter. If you have any
questions, please call me or have your staff call Darrell
Yagodich, Planning Program Manager, at 620-9481.