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

June 28, 2013

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

PSF No.: 13HD-065
Hawaii

Cancellation of Revocable Permit No. S-7784, I. Kitagawa & Company, Ltd. and
Issuance of a New Revocable Permit to I. Kitagawa & Company, Ltd., Waiakea,
South Hilo, Hawaii, Tax Map Key: (3) 2-1-07: 50, 55 and 56.

APPLICANT:

I. Kitagawa & Company, Ltd., a Hawaii Corporation.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax
Map Key: (3) 2-1-07: 50, 55 and 56, as shown on the attached map labeled Exhibit A.

AREA:

19,659 square feet, more or less.

ZONING:

State Land Use District: Urban
County of Hawaii   CZO: Industrial
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:

Parcel 55 is currently encumbered under RP S-7784
Parcels 50 and 56 are vacant and unencumbered.

CHARACTER OF USE:

Commercial and/or industrial purposes.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

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

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exhibit B attached.

DCCA VERIFICATION:

Place of business registration confirmed: YES X NO __
Registered business name confirmed: YES X NO __
Applicant in good standing confirmed: YES X NO __

REMARKS:

At its meeting of June 24, 2005 under agenda item D-2, the Board consented to a month-to-month revocable permit to I. Kitagawa and Company, Ltd. for commercial/industrial purposes. The property is a portion of an abandoned railroad right-of-way adjacent to
Ocean View Drive in the Hilo Industrial area.

The County of Hawaii will begin construction improvements to the Kumau Street section adjacent to the applicant's property in conjunction with the expansion of the Hilo Harbor by the State Department of Transportation, Harbors Division. The applicant's employees, who have been using the street for parking, are now in need of an alternative location. The applicant is requesting use of portions of the abandoned railroad right-of-way on either side of their existing revocable permit to allow for additional parking.

The parcels are adjacent to property owned by the applicant. The request is for use of the State land for the purpose of temporary storage of motor vehicles being off-loaded from the adjacent harbor and for additional parking for employees.

The Applicant is currently using parcel 51 for similar purposes and requires additional parking area. With construction to begin on improvements to the adjacent Kamau Street, there will be no available street parking for their employees.

The issuance of a month-to-month permit in this location is more appropriate in this instance as the long-term development projections for the vicinity include the expansion of the Hilo Harbor facilities by the State Department of Transportation, Harbors Division. It is anticipated that all the State land in the area including the requested parcels will be incorporated into the harbor expansion development plan.

Currently, the county zoning for this property is industrial use. The County Planning Department has indicated that there are no restrictions for the intended use of the property although a minor SMA (special management area) permit will be required as the property is within the County SMA zone.

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.

Several Federal, State and County of Hawaii agencies were solicited for comments with no objection or comments on the proposed month-to-month revocable permit.

**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 cancellation of Revocable Permit No. S-7844 to I. Kitagawa & Company, Ltd., and issue a new revocable permit to I. Kitagawa and Company, Ltd. covering the subject area for commercial/industrial 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. The Applicant shall apply for a SMA (special management area) minor permit with the County of Hawaii, secure any required permit and comply with the conditions thereof;

   c. Review and approval by the Department of the Attorney General; and

   d. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

[Signature]

Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:

[Signature]

William J. Aila, Jr., Chairperson
TMK: 3RD/2-1-07: 50 & 56

EXHIBIT A
EXEMPTION NOTIFICATION

From the preparation of an environmental assessment under the authority of Chapter 343, HRS, and Chapter 11-200, HAR

Project Title: Request for Revocable Permit to I. Kitagawa & Company, Ltd., for Commercial/Industrial (parking) Purposes.

Project Number: PSF No. 13HD-065

Project Location: Waikea, South Hilo, Hawaii, Tax Map Key: (3) 2-1-07:50, 55 & 56

Project Description: In conjunction with the expansion of the Hilo Harbor by the Department of Transportation, Harbors Division, the County of Hawaii will begin construction improvements to the Kumau Street section adjacent to the applicant's property. The applicant's employees, who have been using the street for parking, are now in need of an alternative location. The applicant is requesting use of portions of the abandoned railroad right-of-way on either side of their existing revocable permit to allow for additional parking.

The requested parcel (2-1-07:50) was previously encumbered under RP S-3880 for parking and landscaping purposes. The permit was cancelled at the request of the Permittee. The applicant is currently utilizing parcel 55 for the same purpose. Parcel 56 is currently unencumbered. They wish to make use of all three parcels of State land for employee parking while the road improvement construction is occurring on Kumau Street.

Consulted Parties: None

EXHIBIT B
Exemption Class No.: In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment under the following:

Exemption Class No. 1, which 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."

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

William J. Aïk, Jr., Chairperson

[Signature]

Date

[01/12/13]