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

September 26, 2014  

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

HAWAII  

Enforcement Action Regarding Violations on Unencumbered Public Lands, Unauthorized Land Clearing, Construction of Housing Structures and Removal of Ohia Timber by The Village Green Society/Hawaii’s Volcano Circus, Kehena, Puna, Hawaii; TMK (3) 1-2-009:015 portion.  

PURPOSE:  

Enforcement action regarding violation of Hawaii Revised Statutes and Hawaii Administrative Rules relating to unencumbered public lands, unauthorized land clearing, construction of housing structures and removal of ohia timber by The Village Green Society Ltd./Hawaii’s Volcano Circus Ltd. and/or agents acting on their behalf occurring on State unencumbered lands adjacent to the Kalapana Seaview Estates Subdivision, further identified by tax map key (3) 1-2-009:015 and shown as Exhibit A.  

LEGAL REFERENCE:  

Section 171-6, Hawaii Revised Statutes (HRS), as amended  

BACKGROUND:  

In May 1997 Mr. Graham Ellis, on behalf of the Hawaii’s Volcano Circus (HVC), a Hawaii non-profit corporation, contacted the Hawaii District Land Office (HDLO) to inquire about leasing unencumbered State land identified by TMK: (3) 1-2-009: 015 (Parcel 15) for educational and recreational purposes. HVC prepared and published its Final Environmental Assessment for the proposed use of State lands in the Environmental Reporter in October 1998 with a Finding of
no Significant Impact. HVC submitted its application materials to HDLO in November 1998. A memo dated December 29, 1998 transmitted a draft Land Board submittal for the proposed lease to HVC. For reasons that are not clear from the file, the request for a lease was never taken to the Board.

In 2010, HVC submitted another request for a direct lease of same parcel of State land but for a revised use. However, during the intervening years, HVC or persons acting on their behalf constructed several unpermitted structures on Parcel 15. Site inspections conducted in February and October 2010 showed these small bungalow-type structures were built along footpaths extending from property owned by The Village Green Society Ltd. (VGS), a Hawaii nonprofit corporation whose purpose is to hold title to land, collect income therefrom and turn over funds to the HVC. The roadways and foot trails within the VGS parcel, designated as Tax Map Key: (3) 1-2-009:034 (Parcel 34), loop through the abutting portion of Parcel 15, and terminate again in the VGS parcel 34. Based on materials HVC submitted to the County Planning Department in conjunction with their Special Permit Application, it appears that other structures were built in the setback area and/or encroach onto Parcel 15. At the time of the inspection, HDLO staff advised Mr. Ellis that the structures would need to be removed, and that VGS being the adjacent landowner, would be required to apply for a right-of-entry from the State before conducting any demolition activity.

On November 18, 2010, a right-of-entry authorized VGS to enter onto the adjacent unencumbered State lands for the purpose of removing all illegal structures. The right-of-entry provided VGS until December 31, 2010 to remove the buildings and structures. In January 2011, Mr. Ellis informed staff that the structures had been removed. During the subsequent inspection on January 18, 2011, Mr. Ellis pointed out several locations where structures had been removed and assured staff that all the structures on State land were gone.

In April 2014, an investigation of continued encroachment onto State lands was initiated by the Division of Conservation and Resource Enforcement (DOCare) East Hawaii District Branch as a result of complaints of continued possible encroachment on State land adjacent to the VGS property within the Kalapana Sea View Estates Subdivision.

A more comprehensive site inspection of the property was conducted on May 19, 2014 by DOCare and Land Division staff. This inspection confirms the report of continued unauthorized activities by the VGS/HVC. The inspection revealed at least eight (8) housing structures within the unencumbered State land (Map and Photos attached as Exhibit B). The investigation report from DOCare indicated that the housing units were being rented out by Mr. Ellis. In addition to the housing structures, a large area of Ohia forest was cleared out for a makeshift corral. A redacted copy of DOCare’s report is attached as Exhibit C.

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1 A revised draft Environmental Assessment was submitted. However, it contained material from the previous DEA and was determined to be outdated. The draft EA sent back to the applicant for revision.
Section 13-221-28(d), Hawaii Administrative Rules (HAR), states: "No person shall destroy, dig, remove, or possess any tree, shrub or other plant, except for noxious weeds, as defined in Chapter 4-6B, HAR, within the premises." The cutting and removal of ohia timber within the State property is considered a violation of this administrative rule.

Further, Section 13-221-46\(^2\) prohibits commercial activities on State land without authorization. The alleged renting out of the housing structures is considered a violation of this administrative rule.

As a result of the initial inspection revealing the existence of unauthorized structures on State land and the ensuing right-of-entry for their removal, along with the subsequent inspection showing not only these structures still present, but possible additional structures, there appears to be a blatant disregard for compliance with State laws and regulations by the Hawaii's Volcano Circus and Mr. Graham Ellis. As such, staff is recommending the Board issue fines in the amount of five thousand dollars ($5,000) as allowed under §171-6 of the Hawaii Revised Statutes for each structure, roadway and the corral area on or encroaching onto State land. Also, staff is recommending the Board require HVC to reimburse the department for administrative costs and expenses incurred as allowed under §171-6(15), HRS.

In addition, staff is recommending the removal of all unauthorized structures and restoration of all State lands including structure sights, paths, roadways and corrals.

**RECOMMENDATION:**

That the Board:

1. Find the Village Green Society/Hawaii's Volcano Circus (VGS/HVC) violated Sections 13-221-28(d) and 13-228-46, Hawaii Administrative Rules;

2. Issue fines to VGS/HVC in the amount of FIFTY THOUSAND DOLLARS ($50,000.00), ($5,000 for each of the eight unauthorized structures, the corral and roadway within the State unencumbered lands) pursuant to HRS § 171-6(15)(A);

3. Find VGS/HVC liable for administrative costs and expenses in the amount of $3,743.00 incurred by the department pursuant to HRS § 171-6(15)(D);

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\(^2\) §13-221-46 HAR  *Business operations.* "No person shall solicit any business except in accordance with a permit, contract, license, lease, concession, or other written agreement with the Board or its authorized representative".
4. Require VGS/HVC to remove any and all structures on State property and restore the land to the satisfaction of the department within 90 days from the date of this Board action; and

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

Respectfully Submitted,

Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:

William J. Aila, Jr., Chairperson
ASSIGNMENT ARRIVAL. 04-28-14, 0700 Hrs: I received a complaint of possible encroachment on State Land South of the Kalapana Sea View Estates S/D on unencumbered Land parcel TMK: 3-1-2-009 015. I arrived at the Kalapana Sea View estates S/D at 0830 Hrs.

I met with the reporting parties who stated that many illegal things are going on at the SPACE community, aka "Bellyacres" or Village Green Society. It was further related that there are several what is referred to as "Jungalows" (Shacks in the Jungle) placed on State unencumbered lands to which the owner/proprietor identified as Graham ELLIS was supposedly renting them out for five hundred dollars a month.

MASTER REPORT: This report is the HA 14-519/LAND: Possible Encroachment is the master report to connect up report HA 14-520/LAND: Prohibited Activities. Please refer to the master report for all investigative purposes in conjunction with this investigation.

DISPOSITION. I recommend that this case remain continuing pending further investigation.
EXHIBIT LIST

I. Inspection report submitted by Kevin MOORE then Hawaii Branch Manager of the Hawaii district Land division dated 10-21-10.


IV. Photographic Record (34 pictures) of the onsite inspection of the VGS and adjacent State unencumbered land parcel dated 05-19-14.

V. Photographic Record (16 aerial pictures)

VI. GPS Imagery with GPS coordinates and description.

VII. Hawaii County Planning Department Field Survey of the VGS property dated May 8th, 2010.

VIII. Hand drawn map by Kevin SULGIT depicting Illegal cabins on State land.
STATE OF HAWAII
INVESTIGATION REPORT

Copy

1. REPORT NUMBER
   HA 14-520

2. INVESTIGATOR
   J HOLLEY

3. SUBJECT
   JOHN P. HOLLEY

4. LOCATION
   35 Holomua Street, Hilo, Hawaii

5. COMPLAINT (State Name & Phone)
   Kalapana Sea View Estates, Puna, TMK: 3-1-2 009 034

6. SEX (M/F)
   M

7. RACE
   R

8. AGE
   64

9. DOB
   04-28-14

10. OCCUPATION
    CREO III

11. ADDRESS
    35 Holomua Street, Hilo, Hawaii

12. DATE/TIME OCCURRED
    04-28-14

13. SIGNED REPORTED
    Via Telephone

14. LOCATION OF OFFENSE OR TYPE OF PREMISES
    Via Telephone

15. LOCATION OF PREMISES
    Kalapana Sea View Estates, Puna, TMK: 3-1-2 009 034

16. VEHICLE INVOLVED
   None

17. BOAT INVOLVED
   None

18. REGISTERED OWNER
   None

19. WITNESS
    Cheryl "Savine" SULTAN
    John DUBOIS
    Graham ELLIS

20. COMPLAINT (State Name & Phone)
    35 Holomua Street, Hilo, Hawaii

21. INVESTIGATION
   1. Insert synopsis of the crime or incident.
   2. Summarize facts and events of the crime or incident.
   3. Identify persons from whom statements taken and who told them.
   4. Identify additional suspects and witnesses.
   5. Identify additional investigators.
   6. Use opposite side for continuation of report, if necessary.

Synopsis

ASSIGNMENT ARRIVAL: 04-28-14: 0700 Hrs: I received a complaint of possible encroachment on State Land South of the Kalapana Sea View Estates.

I met with a reporting party who stated that many illegal things are going on at the STreet community, aka "Belly exercises" or Village green. It was further related that there are several files referred to as "Jungle" (Bungalow in the Jungle) placed on State unoccupied lands to which the owner/proprietor identified as Graham ELLIS was supposedly renting them out for five hundred dollars a month. Ohio Tree theft was also a concern.

CONNECT UP REPORT: This report is the HA 14-520/LAND. Prohibited Activities is the connect up report to master up report HA 14-519/LAND.

Possible encroachment. Please refer to the master report for all investigative purposes in conjunction with this investigation.

DISPOSITION: I recommend that this case be closed record only.

CLOSED RECORD ONLY
ASSIGNMENT/ARRIVAL

04-28-14: 0700 Hrs: I received a complaint of possible encroachment on State Land South of the Kalapana Sea View Estates S/D on unencumbered Land parcel TMK: 3-1-2-009 015. I arrived at the Kalapana Sea View estates S/D at 0830 Hrs.

REPORTING PARTIES STATEMENTS

04-28-14: 0830 Hrs: I met with the reporting parties:

Cheryl "Sativa" SULTAN
Pahoa, Hawaii, 96778
Res: (808)  

John DUBOIS
Kalapana Seaview Estates
Kehena, Hawaii
Cell: (808)  

Roxanne "R. J." HAMPTON
Pahoa, Hawaii, 96778
Res: (808)  

SULTAN then stated that many illegal things are going on at the SPACE community, aka "Bellyacres" or Village green Society. It was further related that there are several what is referred to as "Jungalows" (Shacks in the Jungle) placed on State unencumbered lands to which the owner/proprietor identified as Graham ELLIS was supposedly renting them out for five hundred dollars a month.

DUBOIS further related that they had concerts there bringing in many people who would park on the adjoining streets creating traffic hazards. DUBOIS further related that they had encroached on the unencumbered State Land parcel and had cut numerous Ohia trees from State Land to build their buildings. DUBOIS then related that he knows the person who had worked for and whom had cut most of those trees. I then asked if DUBOIS could make contact with that person and to have him call me.
The scene of this incident can be described as 59.6 acre unencumbered State land parcel identified as TMK: 3 1 2 009:015 which is south of the suspects 10.352 acre parcel identified as TMK: 3 1 2 009:034 and owned by the Village Green Society (VGS) Land Trust.

To gain access to the land locked State Land Parcel one would have to access it through the VGS property, better known as “Belly acres” or “SPACE. To access this parcel drive on route 137 to the Kalapana Seaview Estates entrance, driving Mauka on Mapuana Avenue and making a left on West Pahakupele Loop will bring you to the driveway of the VGS turning left and parking at the administration building.

**PRIOR INSPECTION**

10-15-10: 0800 Hrs: Kevin MOORE then Hawaii Branch Manager of the Hawaii District Land Division requested my assistance with inspecting the aforementioned properties for a similar encroachment issue reported by resident of the Kalapana Seaview estates subdivision.

At that time the inspection was documented under an incident report dated 10-15-10 which was generated by the Land Division and subsequently submitted on 10-21-10. The incident report and pending results will be obtained via proper channels.

During that inspection there were numerous structures that not only did not meet the Hawaii County building codes but were constructed on or bordering the State Land parcel with the VGS parcel. (For further information please refer to Exhibit I, Incident report dated 10-21-10, Exhibit II The Issuance of Right of Entry to disassemble the structure and Exhibit III Response from VGS by Graham ELLIS claiming no responsibility to the construction of these structures.)

**PERSONS CONTACTED**

04-29-14: 0930 Hrs: I contacted Gordon HEIT, Hawaii Branch Manager of the Hawaii district Land division in regards to this reported incident. I recommended that we do two types of inspections. One to be an aerial inspection via helicopter and the other a walk through inspection documenting the GPS coordinates and photographing all illegalities observed.

04-29-14: 1015 Hrs: I contacted Jeff DARROW of the Hawaii County Planning Department in regards to this incident. DARROW related that he was working on the special use
permit for the same VGS property and was interested to participate in the inspections of the suspect property.

PERSONS INTERVIEWED

05-16-14: 1330 Hrs: I met with a:

Kevin SULGIT
DOB: 9
Kalapana Sea View Estates
Kehena, Hawaii 96778
President of the Kalapana Sea View Estates
Community Association
Res: (808)

at the MacKenzie State Park in Malama Ki, Hawaii. SULGIT stated that he was employed at the Belly Acres (VGS) as a handyman from 2001 through 2003 and then again from 2007 through 2010.

SULGIT stated that when a neighbor Chris WILLIS (Ex military) had told him of the encroachment and other violations on or by the inhabitants of the VGS he had words with ELLIS. ELLIS responded with words to the effect of the Heck with the State and County we do what we need to do and if we get caught we just beg for mercy. SULGIT then got laid off at the VGS in 2010 following a long discussion about the permitting process with Graham ELLIS.

In that time SULGIT stated that he was tasked with cutting down some of the Ohia trees south of Graham ELLIS's residence. Thinking this was part of the VGS property. His instructions were to clear the trees all the way out to the berm or to the 1955 lava flow. SULGIT stated that there were persons before and after him that also cut trees on both the VGS and State parcels. Logs were cut to 10' and 20' lengths and stored where the horse corral is located today.

SULGIT related that those post and many more were cut and utilized for their administration/classroom building built in 2007 to which he had assisted in the construction. Some of the Ohia trees not used in the construction still sit within what is referred to as the horse corral.
PERSONS INTERVIEWED—cont'd.....

He further related that once the area was free of trees ELLIS hired someone to pull the roots out and then set them on fire; this area is where the horse corral is today. According to SULGIT the horses have been removed as ELLIS had heard that the heat was on.

SULGIT, when shown an aerial image of the two adjoining parcels detailed where the "Jungalowa" were located and further pointed out where the roads on the VGS parcel crossed onto State land. SULGIT further related that the ELLIS told him that the property line was supposedly 15' South of the ELLIS residence on the Southwest corner of the VGS parcel. (Please refer to Exhibit #VIII to reference the hand drawn map).

SITE INSPECTION

05-19-14: 1000 Hrs: Gordon HEIT, Hawaii Branch Manager of the Hawaii District Land Division and I did a site inspection of the VGS and State adjoining parcel in question. After parking at the administration we were met by Graham ELLIS introduced ourselves and explained that we were there to inspect the boundary areas between the VGS and State parcels.

(For further information please refer to Exhibits IV (Photo Record), V (Aerial Photographic Record), and VI (GIS Imagery with GPS Coordinates) to assist in the narration of this site inspection).

ELLIS showed us the location of where he believed the southeast boundary pin was located however no pin or marker could be found. From there we walked on an unimproved dirt road east to the end of Pu'ulea Street. The road appeared to border State land and the last parcel on Pu'ulea Street.

ELLIS then began to show us where he wanted to lease the State parcel for the VGS additional parking. In all appearances I felt this was an attempt to stray us from the boundary inspection. I then related to him that we are not walking out onto the lava flow for no reason.

We then traversed west along the southern boundary on an unimproved dirt road which waned in and out of State land. We then hit a trail on the left side of the road (Ref. exhibit IV photo #3). According to SULGIT this was the first trailhead. I then photographed and documented the GPS coordinates, as I was doing this ELLIS and HEIT proceeded ahead.
SITE INSPECTION-cont’d....

Again ELLIS took HEIT onto the 1955 lava flow while I lagged behind. I then proceeded on the trail leading to the Southeast and came upon an unpermitted structure on State land (Ref: exhibit IV photo #4). While walking back to the fork in the trail I met up with ELLIS and HEIT.

I then showed HEIT the structure, I then stated to ELLIS not to steer us away from the illegal structures as he was apparently attempting to do. We then traversed down the trail and found another illegal structure on State land. This structure was red in color (Ref: exhibit IV photo #6).

We then came back to the trail head and traversed further West (Mauka), on the way by the shop area there were numerous Ohia Tree logs which had recently been skinned (Ref: exhibit IV photo #8) These were the same size trees used in the construction of most of the illegal structures on the VGS and State land parcels. Their origin is still unknown.

We traversed past the shop area and then came upon trail head #2. (Ref: exhibit IV photo #9). Walking the trail we then came upon another illegal structure on the State parcel (Ref: exhibit IV photo #10). Continuing along the trail we came upon another illegal structure (Ref: exhibit IV photo #11).

Traversing deep into the State parcel we found the biggest illegal structure which was green in color, had water catchment system, a gas water heater and a second story loft. The structure was also occupied at the time as can be seen in the photo (Ref: exhibit IV photo #12 & #13).

Traversing north we came upon another illegal structure which can be described as a wooden shingled structure on the side’s structure (Ref: exhibit IV photo #14). We then came back to the dirt road and traversed Mauka. We then came upon trailhead #3 going into the State parcel (Ref: exhibit IV photo #15) where we observed an Ohia tree which had been recently cut and left on the side of the entry road into the State parcel (Ref: exhibit IV photo #16 & #18).

Traversing further in on the road we came upon an illegal structure beige in color with pink steps (Ref: exhibit IV photo #17). Traversing north we came upon a partially built cabin structure bordering the two parcels (Ref: exhibit IV photo #19 & #20).

Then traversing Mauka along the dirt road was a red two story structure also bordering the two parcels (Ref: exhibit IV photo #21) and a single story white and brown residence.
SITE INSPECTION—cont’d....

We traversed to the ELLIS residence on the Southwest corner of the VGA parcel. There we observed several structures which appear to be wholly or partially on the State parcel (Ref: exhibit IV photo #23 & #24).

ELLIS then found the Southwest boundary pin (Ref: exhibit IV photo #25). We then observed what appeared to be a horse corral on the State parcel south of the ELLIS residence (Ref: exhibit IV photo #26) please note the cut Ohia trees in the middle of the corral (Ref: exhibit IV photo #27).

Within the State parcel and illegal horse corral was a chicken coop (Ref: exhibit IV photo #28) and a horse shelter (Ref: exhibit IV photo #30). From the base of the 1955 lava flow I counted 44 paces to the corral gate which is approximately 132’ by approximately 80’ wide of cleared State Ohia forest (Ref: exhibit IV photo #31).

By the corral gate to the east bordering the two parcels was a marijuana grow which ELLIS produced three valid marijuana permits. Although I do believe they were on State land I could not beyond a reasonable doubt confirm this at that time road (Ref: exhibit IV photo #35 & #36). That concluded our inspection at 1145 Hrs.

AERIAL PHOTOGRAPHICS

05-29-14: 1100 Hrs: I took a series of (16) sixteen aerial photographs of the VGS and State parcels. Please refer to the Photographic Record submitted under this Master report HA 14-519 as Exhibit V.

EXHIBIT LIST

I. Inspection report submitted by Kevin MOORE then Hawaii Branch Manager of the Hawaii District Land division dated 10-21-10.


IV. Photographic Record (34 pictures) of the onsite inspection of the VGS and adjacent State unencumbered land parcel dated 05-19-14.
V. Photographic Record (16 aerial pictures)

VI. GPS Imagery with GPS coordinates and description.

VII. Hawaii County Planning Department Field Survey of the VGS property dated May 8th, 2010.

VIII. Hand drawn map by Kevin SULGIT depicting Illegal cabins on State land.

INVESTIGATION

My investigation reveals that in 2010 after receiving a complaint of illegal structures on the State land bordering the VGS parcel. From a Kalapana Sea View Estates resident a site inspection was warranted.

On October 15, 2010 Kevin MOORE then Hawaii Branch Manager of the Hawaii District Land Division and I did a site inspection of the VGS and adjacent State Land Parcel assisted by Graham ELLIS. The findings were submitted to the Land Board and the recommendation to issue a right of entry to clean up the illegal structures and face possible subsequent fines.

On April 28th, 2014 another complaint was lodged by Kalapana Sea View Estates residents so another site inspection was warranted. On May 19th, 2014 Gordon HEIT Hawaii Branch Manager of the Hawaii District Land Division and I did another in debt site inspection.

We found eight illegal structures on the State parcel, numerous dirt roads which wane in and out of the State parcel, illegally cut roads and walking trails, sunning platforms, a horse corral, a chicken coop and a marijuana patch. It also appeared that some of the structures where on the boundary or not set back far enough.

The horse corral was once a pristine Ohia forest with large Ohia Trees, these logs according to interviews were cut down and utilized throughout the years as posts for most of the structures on the VGS parcel. This is obvious by the S.P.A.C.E. administration/classroom building which has well over than thirty posts of 10" or more which came from the horse corral area. (Ref: exhibit IV photo #1)
INVESTIGATION-cont’d…..

After reviewing all the documents submitted with this investigation it is apparent that the request by the State Land Board after the inspection dated October 15, 2010 had gone unheeded. After the inspection dated May 19th, 2014 we had found more than the previous inspection dated October 15, 2010.

Additional interviews with SULGIT indicate that Graham ELLIS was aware of the Jugalows and had constructed some and maintained them. Further that ELLIS rented them out for $400.00 dollars a month on a consistent basis from 2006 until present. This is contrary to the letter written by Graham ELLIS dated 11-18-10 and submitted as Exhibit III.

Just the preponderance of conducting a commercial real estate business on State land without permits from the State, then to mandate the VGS to remove them and be deceived is heinous in itself. The underlying factor is the arrogance and deceit that the VGS and Graham ELLIS live by. Without swift and serious penalties their conduct will continue.

RECOMMENDATIONS

The State needs to establish a definite boundary line and have it marked. The illegal structures removed and roads need to be placed on the VGS parcel. All possible permits and or leases should be placed on a moratorium status pending the completion of these mandates. Civil penalties should also be enforced due to the lack of compliance from the VGS after receiving the Right of Entry permit and only removing two structures from the State parcel.

DISPOSITION

I recommend that this investigation be referred to the Land Division Hawaii District for their review and final disposition.

ROUTE A COPY OF THIS REPORT TO:
GORDON HEIT/HAWAII BRANCH MANAGER LAND DIVISION/DLNR
JEFF DARROW HAWAII COUNTY PLANNING DEPARTMENT/COH

INV REFERRED
APPROVED
(SUPERVISOR JAMES WELLER)
DATE: 06-07-14

John P. HOLLEY
04-28-14
LAND MANAGEMENT:
POSSIBLE ENCROACMENT

1410 Hrs.

Page 8 of 8 Pages
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VIII. Hand drawn map by Kevin SULOIT depicting Illegal cabins on State land.
INSPECTION REPORT FOR VACANT PROPERTY

TAX MAP KEY: 3rd/1-2-09;15

LOCATION: Kalapana Seaview Estates, Kehena, Puna, Hawaii

Inspection date: Thursday, October 15, 2010  Inspection time: 8:00 a.m.

1. Explain the physical condition including any improvements (ie grass overgrown, williwili trees, abandon vehicles, clogged concrete lined ditch, broken chain link fence, etc.)

   Vacant State parcel is adjacent to the Kalapana Seaview Estates subdivision. This inspection is the result of a complaint from a resident of the subdivision regarding unauthorized structures and unauthorized use of State lands. The site inspection revealed several housing structures in addition to two wooden viewing platforms, roadways and an improved footpath through the unencumbered land. The road is along the boundary of the State land and private land and leads to the several structures. The footpath leads to the two viewing platforms well onto the State land. The owners of the adjacent property are aware of the unauthorized structures and are willing to remove them as a means of remediation. They have subsequently made a request for long-term use of the property.

   

2. Is maintenance is required? (ie cut grass, tree removal, install government signs, etc.)

   It is recommended that the owners of the adjacent private property (Village Green Society, Inc.) be issued a right-of-entry to remove all unauthorized structures on the unencumbered State land. It is also recommended that the DLNR consider the possibility of fines for the unauthorized use of State lands in conjunction with any request for long-term leasing of said lands.

   

3. Completed by: Gordon Heit

   Date: 10/21/10

   Reviewed by:
Mr. Graham Ellis  
The Village Green Society Ltd. 
RR2 Box 4524  
Pahoa, Hawaii 96778  

Subject: Issuance of Right-of-Entry onto Unencumbered State Lands for Purposes of Removing all unauthorized Structures; Kehena, Puna, Hawaii, Tax Map Key (3) 1-2-08:16

Dear Mr. Ellis:

In a letter to District Land Agent Kevin Moore dated September 18, 2010, you stated you are aware that several structures constructed by your various organizations are encroaching and well within State unencumbered lands without authorization. A follow-up inspection conducted by Hawaii District staff confirmed the encroachment of these structures. In your letter you stated that you have commenced removal of some of the structures and were told not to proceed without the necessary right-of-entry permit in place. This right-of-entry authorizes you to proceed with the removal of all structures on the above-described unencumbered State lands.

Pursuant to the authority granted me by the Board of Land and Natural Resources at its meeting of September 28, 2001 (Item D-4), The Village Green Society Ltd., hereafter referred to as VGS, its consultants and/or persons acting for or on its behalf, is hereby granted a right-of-entry permit onto portions of State property, in the area indicated on the attached maps, subject to the following terms and conditions:

1. This right-of-entry is for the hours between 7:30 a.m. to 6:00 p.m., and effective upon our receipt of (i) a copy of this letter countersigned by a duly authorized agent of VGS, and (ii) an acceptable certificate of liability insurance. The termination date of this right-of-entry shall be December 31, 2010, but may be extended upon timely request at the Chairperson’s discretion;

2. VGS, its consultants, contractors and/or persons acting for or on its behalf shall comply with all laws, statutes, ordinances, rules, and regulations of the Federal, State and County of Hawaii governments affecting the right-of-entry area;

3. VGS, its consultants, contractors and/or persons acting for or on its behalf shall procure, at their own cost and expense, and maintain during the entire period of this right-of-entry, from an insurance company or companies licensed to do business in the State of Hawaii, a policy or policies of comprehensive public liability insurance, in an amount acceptable to the Department ($500,000 per incident/$1,000,000 aggregate) insuring the State of Hawaii against all claims for personal injury, death, and property damage; that
said policy shall cover the entire right-of-entry area, including all improvements and
grounds and all roadways or sidewalks on or adjacent to the said right-of-entry area in
the control or use by its consultants, contractors and/or persons acting for or on its
behalf. VGS, its consultants, contractor and/or persons acting for or on its behalf furnish
the Department with a certificate(s) showing the policy(s) to be initially in force, keep
certificate(s) on deposit during the entire permit period and furnish a like certificate(s)
upon each renewal of the policy(s). The procuring of this policy shall not release or
relieve VGS, its consultants, contractors and/or persons acting for or on its behalf of its
responsibility under this right-of-entry as set forth herein or limit the amount of its liability
under this right-of-entry;

4. VGS, its consultants, contractors and/or persons acting for or on its behalf shall
indemnify, defend, and hold the State of Hawaii, Department of Land and Natural
Resources harmless from and against any claim or demand for loss, liability, or damage,
including claims for bodily injury, wrongful death, or property damage, arising out of or
resulting from: (1) any act or omission on the part of VGS, its consultants, contractors
and/or persons acting for or on its behalf relating to the use, occupancy, maintenance, or
enjoyment of the right-of-entry area or premises by VGS, its consultants, contractors
and/or persons acting for or on its behalf; (2) any failure on the part of VGS, its
consultants, contractors and/or persons acting for or on its behalf to maintain the right-
of-entry area or premises and areas adjacent thereto in the use or control of VGS, its
consultants, contractors and/or persons acting for or on its behalf, and including any
accident, fire or nuisance, growing out of or caused by any failure on the part of VGS, its
consultants, contractors and/or persons acting for or on its behalf to maintain the area or
premises in a safe condition; and (3) from and against all actions, suits, damages, and
claims by whomever brought or made by reason of the non-observance or non-
performance of any of the terms, covenants, and conditions of this right-of-entry or the
rules, regulations, ordinances, and laws of the federal, state, municipal or county
governments by VGS, its consultants, contractors and/or persons acting for or on its
behalf.

5. VGS, its consultants, contractors and/or persons acting for or on its behalf shall not
cause or permit the escape, disposal or release of any hazardous materials except as
permitted by law. VGS, its consultants, contractors and/or persons acting for or on its
behalf shall not allow the storage or use of such materials in any manner not sanctioned
by law or by the highest standards prevailing in the industry for the storage and use of
such materials, nor allow to be brought onto the right-of-entry area or premises any such
materials except to use in the ordinary course of business of VGS, its consultants,
contractors and/or persons acting for or on its behalf, and then only after written notice is
given to the State of Hawaii, Department of Land and Natural Resources of the identity
of such materials and upon the Department's consent which consent may be withheld at
the Department's sole and absolute discretion. If any lender or governmental agency
shall ever require testing to ascertain whether or not there has been any release of
hazardous materials by VGS, its consultants, contractors and/or persons acting for or on
its behalf, then VGS, its consultants, contractors and/or persons acting for or on its
behalf shall be responsible for the cost thereof. In addition, VGS, its consultants,
contractors and/or persons acting for or on its behalf shall execute affidavits,
representations and the like from time to time at the Department's request concerning
the best knowledge and belief of VGS, its consultants, contractors and/or persons acting
for or on its behalf regarding the presence of hazardous materials on the right-of-entry
area or premises placed or released by VGS, its consultants, contractors and/or persons
acting for or on its behalf;
6. VGS, its consultants, contractors and/or persons acting for or on its behalf, agrees to indemnify, defend and hold the State of Hawaii, Department of Land and Natural Resources harmless, from any damages and claims resulting from the release of hazardous materials on the right-of-entry area occurring while VGS, its consultants, contractors and/or persons acting for or on its behalf is/are in possession, or elsewhere if caused by VGS, its consultants, contractors and/or persons acting for or on its behalf. These covenants shall survive the expiration or earlier termination of this right-of-entry.

For purposes of this right-of-entry, "hazardous material" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or by-law, whether existing as of the date hereof, previously enforced, or subsequently enacted.

7. VGS, its consultants, contractors and/or persons acting for or on its behalf in the exercise of this right-of-entry, shall be responsible for all expenses, costs and/or fees associated with the work;

8. VGS, its consultants, contractors and/or persons acting for or on its behalf shall use appropriate precautions and measures to minimize inconveniences to surrounding residents, landowners and the public in general;

9. At all times herein, VGS, its consultants, contractors and/or persons acting for or on its behalf shall keep the right-of-entry area or premises in a strictly clean, sanitary and orderly condition;

10. All equipment shall be placed within the right-of-entry area or premises described on the attached maps;

11. VGS, its consultants, contractors and/or persons acting for or on its behalf shall exercise due care to prevent fires. No open burning of any type shall be permitted on the right-of-entry area and/or the surrounding State lands;

12. VGS, its consultants, contractors and/or persons acting for or on its behalf shall supply to Land Division a name and local telephone number of the contact person who can be reached at any time;

13. In the event any unanticipated sites, historic properties, burial sites as defined in section 8E-2, Hawaii Revised Statutes, or remains such as bone or charcoal deposits, rock or coral alignments, pavings or walls are encountered, VGS, its consultants, contractors and/or persons acting for or on its behalf in the exercise of this right-of-entry shall stop work and contact the State Historic Preservation Division in Kapolei at (808) 692-8015 immediately;

14. VGS, its consultants, contractors and/or persons acting for or on its behalf shall remove and properly dispose all of its equipment, materials and rubbish from the right-of-entry area upon conclusion of the work;

15. VGS, its consultants, contractors and/or persons acting for or on its behalf, is aware that there are no public restroom facilities available at the subject location and should make appropriate arrangements as required;
16. All disputes or questions arising under this right-of-entry shall be referred to the Chairperson of the Board of Land and Natural Resources for a determination and resolution of the dispute or question. The Chairperson's decision shall be final and binding on the parties herein. This right-of-entry is revocable and terminable at any time for any reason in the sole and absolute discretion of the Chairperson.

17. This right-of-entry or any rights hereunder shall not be sold, assigned, conveyed, leased, let, mortgaged or otherwise transferred or disposed;

18. The Department of Land and Natural Resources, Land Division, reserves the right to impose additional terms and conditions, if deemed necessary while this right-of-entry is in force.

We reserve the right to impose fines or other penalties against the persons who placed the structures on State land without authorization.

Pursuant to the Land Board's delegation of authority to me to issue rights-of-entry, I am authorized to waive rent for rights-of-entry where no entity involved intends to profit monetarily from its use. As your project meets this requirement, I hereby waive the rent.

Should you concur with the foregoing terms and conditions, please have an authorized agent of VGS acknowledge and return a signed copy of this letter to the Hawaii District Land Office, at 75 Aupuni Street, Room 204, Hilo, Hawaii 96720

If you have any questions, please feel free to call our Hawaii District Land Office at (808) 974-6203.

Sincerely,

[Signature]
Laura H. Thielens
Chairperson

WE CONCUR:

The Village Green Society Ltd.

By: [Signature]
Its: Board Secretary

Date: 11/15/2010

xc Central File
District File
DOCARE-East Hawaii
Village Green Society Ltd
A Hawaii non profit corporation

Gordon Heit
Land Agent
DLNR
75 Aupuni St Rm 204
Hilo, Hi 96720

November 18th 2010

Dear Gordon,

Please find enclosed the signed original of the Issuance of Right-of-Entry received today. We assume we may now proceed with removal of the subject structures immediately since we have already provided you with a copy of the required certificate of liability insurance.

You referred in your letter to our application dated September 18th 2010 requesting to lease this parcel. I would like to correct your first sentence where it is claimed that I stated that I constructed these structures. I did not build or instruct to be built any of the subject structures. I was also not Chairman of the Village Green Society at the time they were built. As a present Board member of VGS and President of Hawaii’s Volcano Circus I am however charged with the responsibility to address this matter so that Hawaii’s Volcano Circus may proceed with the lease of TMK (3) 1-2-09:15.

I greatly appreciate your assistance in this process and look forward to communicating with you in the near future to proceed with the lease application.

Sincerely yours,

Graham Ellis
VGS Board Secretary
**Photo Description**

<table>
<thead>
<tr>
<th>PHOTO #</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>A-1</td>
<td>Depicts an aerial view of the main structures of the Village Green Society (SPACE)</td>
</tr>
<tr>
<td>A-2</td>
<td>Depicts an aerial view of the State parcel and illegal structure as noted in Photo # 4 &amp; #5.</td>
</tr>
<tr>
<td>A-3</td>
<td>Depicts an aerial view of the State parcel and illegal structure as noted in Photo # 12 &amp; #13.</td>
</tr>
<tr>
<td>A-4</td>
<td>Depicts an aerial view of the State parcel and illegal structures on the State Parcel.</td>
</tr>
<tr>
<td>A-5</td>
<td>Depicts an aerial view of the State parcel and illegal structure on the State Parcel, note the plastic chairs on the platform.</td>
</tr>
<tr>
<td>A-6</td>
<td>Depicts a close up aerial view of the State parcel and illegal structures on the State Parcel as depicted in Photo #31.</td>
</tr>
<tr>
<td>A-7</td>
<td>Depicts an aerial view of the State parcel and illegal structures on the State Parcel NW corner, as depicted in Photo #31.</td>
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<tr>
<td>A-8</td>
<td>Depicts an aerial view of the State parcel and illegal structures on the State Parcel NW corner, as depicted in Photo #31.</td>
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STATE OF HAWAII
DLNR/DOCARE

Exhibit # 5  
PHOTOGRAPHIC RECORD  
Report # HA 14-519

Page 2 of 2 Pages

DATE/TIME:  
05-29-14/1100

PHOTOGRAPHER:  
John P. HOLLEY

NUMBER OF PHOTOS TAKEN:  
(16) sixteen

CAMERA USED:  
Fuji Digital Camera M/N HS10 24-720 mm zoom

WEATHER:  
Sunny  
DAYxxxxx  NIGHT

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<thead>
<tr>
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<td>A-14</td>
<td>Depicts an aerial view of the State parcel and illegal structures on the State Parcel</td>
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<tr>
<td>A-15</td>
<td>Depicts an aerial view of the State parcel and illegal structures on the State Parcel</td>
</tr>
<tr>
<td>A-16</td>
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</tbody>
</table>

OFFICER: John P. HOLLEY  
BADGE NO. #120  
DATE/TIME 06-02-14/1300

SUPERVISOR: APPROVAL  
SUPERVISOR JAMES WELLER CREO IV  
DATE/TIME 6/10/14 4:00 PM

Form HB106
General Notes:

1. Corner markers and street monuments shown as found were accepted. Corner markers shown as set were established based upon found corner markers within the adjoining subdivisions. The measured dimensions (M) are within acceptable tolerances to record dimensions (R) for this type of land.

2. Building front, side and rear setback lines per County of Hawaii Planning Department.

3. Survey performed at the request of Eric Marantz.

4. Field surveys performed from April 27, 2010 to May 4, 2010.


6. Building uses provided by client.

Improvement Notes:

1. Shed is 8.72 feet into side setback area.

2. Catchment tank is 10.77 feet into side setback area.

3. House corner is 12.13 feet into side setback area. House eave is 19.98 feet into side setback area. Lanai corner is 16.42 feet into side setback area. Catchment tank is 37.66 feet over property line.

4. House corner is 8.51 feet over property line. House eave is 9.92 feet over property line. Catchment tank is 9.21 feet into side setback area.

5. Shower corner is 8.43 feet into side setback area. Roof eave is 4.43 feet into side setback area.

6. Storage tent is 8.95 feet into side setback area.

7. Catchment tank is 26.59 feet over property line. Sauna is 22.95 feet over property line.

8. Animal corral is 98.42 feet over property line.

9. Shelter is 0.64 feet into the right of way of West Pohakupele Loop.

10. Concrete driveway 17.11 feet into Homestead Road right of way and 9.38 feet into adjoining lot, TMK 1-2-009: 025.

11. Dirt driveway crosses into adjoining lots as shown.