

STATE OF HAWAI'I  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Forestry and Wildlife  
Honolulu, Hawai'i 96813

January 9, 2015

Chairperson and Members  
Board of Land and Natural Resources  
State of Hawai'i  
Honolulu, Hawai'i

Land Board Members:

**SUBJECT:** ISSUANCE OF SPECIAL USE PERMIT NO. FW-2015-H-01 TO  
PALANI RANCH COMPANY, INC., KAILUA-KONA, NORTH  
KONA, HAWAI'I, TMK (3)-7-4-002: PORTION OF 007.

AND

REQUEST APPROVAL OF DECLARATION OF EXEMPTION FROM  
CHAPTER 343, HAWAI'I REVISED STATUTES, ENVIRONMENTAL  
ASSESSMENT REQUIREMENT FOR THE PROJECT.

**SUMMARY:**

The Division of Forestry and Wildlife (DOFAW) requests approval to renew a Special Use Permit (SUP) to Palani Ranch Company, Inc. (PRC), covering Tax Map Key (3) 7-4-002: por. 007 (Exhibit A) for pasture purposes. The Division also requests the Board of Land and Natural Resources (Board) declare that, after considering the potential effects of the proposed dispositions provided by Chapter 343, Hawai'i Revised Statutes (HRS), and Chapter 11-200, Hawai'i Administrative Rules (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.

**BACKGROUND:**

The subject parcels comprise portions of lands set-aside to DOFAW as an addition to Honua'ula Forest Reserve through Governor's Executive Order No. 4166 dated July 20, 2006. Among a variety of actions, the Board previously authorized the Division to employ livestock grazing for the purposes of wildfire prevention on portions of these public lands at its May 26, 2006, meeting (Item D-2). Since then the Board has approved the renewal of this permit annually, with the last renewal being approved at its meeting on February 14, 2014 (Item C-1), at which the

Board authorized the issuance of one-year revocable permits to PRC covering the subject area for pasture purposes under specified terms and conditions.

DISCUSSION:

Palani Ranch Company, Inc. seeks continued grazing access to the previously permitted areas, which includes paddocks Kealakehe 2 and Kealakehe 3 which are comprised of 487 acres more or less, for an annual rent of \$1305.00. The Division supports this interest as continued control of fire fuel loads will provide beneficial protection for portions of the grazed area until active ecosystem management work is initiated. All terms of the SUP will remain unchanged from those last approved by the Board on February 14, 2014. The renewed month-to-month permit would be valid for one (1) year.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

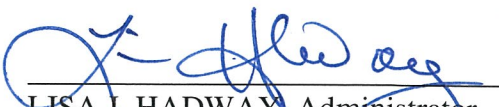
In accordance with “Exemption List for the Division of Forestry and Wildlife of the Department of Land and Natural Resources, reviewed and concurred upon by the Environmental Council on June 12, 2008,” the proposed activities are exempt from the preparation of an environmental assessment. Specifically, the proposed activities fall under Exemption Class No. 1, “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 Exemption Class No. 4, that states, “Minor alteration in the conditions of land, water, or vegetation.”

RECOMMENDATION:

That the Board:

1. Declare that, after considering the potential effects of the proposed dispositions provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will likely have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the renewal of a Special Use Permit to Palani Ranch Company, Inc., covering paddocks Kealakehe 2 and Kealakehe 3 which is comprised of 487 acres more or less (Exhibit A), for pasture and wildfire prevention purposes, which is further subject to the following:
  - a. Review and approval by the Department of the Attorney General; and
  - b. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully submitted,

  
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LISA J. HADWAY, Administrator  
Division of Forestry and Wildlife

APPROVED FOR SUBMITTAL:


  
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WILLIAM J. AILA, JR., Chairperson  
Board of Land and Natural Resources

Exhibit A: Parcels, paddocks and road information - Honuaula Forest Reserve and adjacent lands.

