

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

March 13, 2015

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

PSF No.: 14OD-167

OAHU

Issuance of Direct Lease of Building Space to United States of America, Department of the Army for Nursery, Storage, and Staging Area Purposes, Kaena, Waialua, Oahu, TMK (1) 6-8-001:Portion of 004

APPLICANT:

United States of America, Department of the Army

LEGAL REFERENCE:

Section 171-95, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Kaena, Waialua, Oahu, identified by Tax Map Key: (1) 6-8-001:Portion of 004, as shown on the attached map labeled **Exhibit A**.

SPACE AREA and RENT:

Description(Exhibits B1-B3)	Area (square feet)	Annual Rent (\$)
Lower Building	1,448	13,032
Lower Building (shared use)	1,160	5,220
Upper Building	810	7,290
Greenhouse	3,150	11,340
Total:	6,568	36,882

ZONING:

State Land Use District: Conservation
City and County of Honolulu LUO: P-1

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:

Entire parcel is encumbered by Governor's Proclamation dated December 31, 1918 setting aside to the Division of Forestry and Wildlife for Mokuleia Forest Reserve purposes.

CHARACTER OF USE:

Nursery, storage, and staging area purposes.

LEASE TERM:

Five (5) years

COMMENCEMENT DATE:

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

METHOD OF PAYMENT:

Semi-annual payment, in arrears. Pursuant to the Financial Management Regulation, the federal government can only pay the rent in arrears.

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", as included in **Exhibit C**.

DCCA VERIFICATION:

Government agency, not applicable.

APPLICANT REQUIREMENTS:

Not applicable

REMARKS:

The subject parcel is within the Mokuleia Forest Reserve and was formerly utilized as a NIKE missile tracking facility. Currently, the Division of Forestry and Wildlife of the Department, ("DOFAW") is the agency managing the subject parcel.

Department of Army ("Army"), through its Oahu Army Natural Resources Program, has been using portions of the buildings and storage spaces as noted above for their conservation work. While most of the spaces are exclusively used by the Army, the rest of it will be shared primarily with DOFAW. DOFAW recognizes the Army's activities at the site are consistent with the proper management of the forest reserve. Nevertheless, both agencies agree that a lease agreement to document the respective obligations, including payment of rent, is appropriate.

DOFAW procured the services of an independent appraiser to determine the rent for the proposed leasing. Army decided not to take up the 400-square foot storage area in the lease, and DOFAW has no objection. As a result, the areas and rent are tabulated above.

Army will prepare the lease document which will be forwarded to the Department of the Attorney General for review and approval subject to the approval by the Board, if granted. Staff brings the request to the Board seeking authorization to enter the lease with the Army.

For Board's information, Land Division ("LD") has agreed to manage the lease/permit on behalf of DOFAW subject to a memorandum including conditions stipulating the allocation of a portion of the revenue to LD, while the rest remains with the forest stewardship fund. This arrangement has been used in a couple of cases on Oahu. LD and DOFAW are expecting a similar arrangement on the subject request, upon its approval and final consummation.

Office of Conservation and Coastal Lands has no objections/comments regarding the request. The Department of Health, Commission of Water Resource Management, Department of Planning and Permitting, Board of Water Supply, and Office of Hawaiian Affairs have not responded to the request for comment before the suspense date.

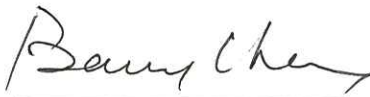
State Historic Preservation Division determines that the proposed leasing does not affect any historic properties.

Upon approval of the subject request, the Army will prepare the lease document which will be forwarded to the Department of the Attorney General for review and approval. Staff will continue to work the parties involved toward the consummation of the requested lease.

RECOMMENDATION: That the Board:

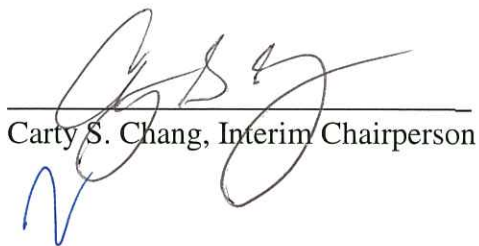
1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a direct lease to United States of America, Department of the Army covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and 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,

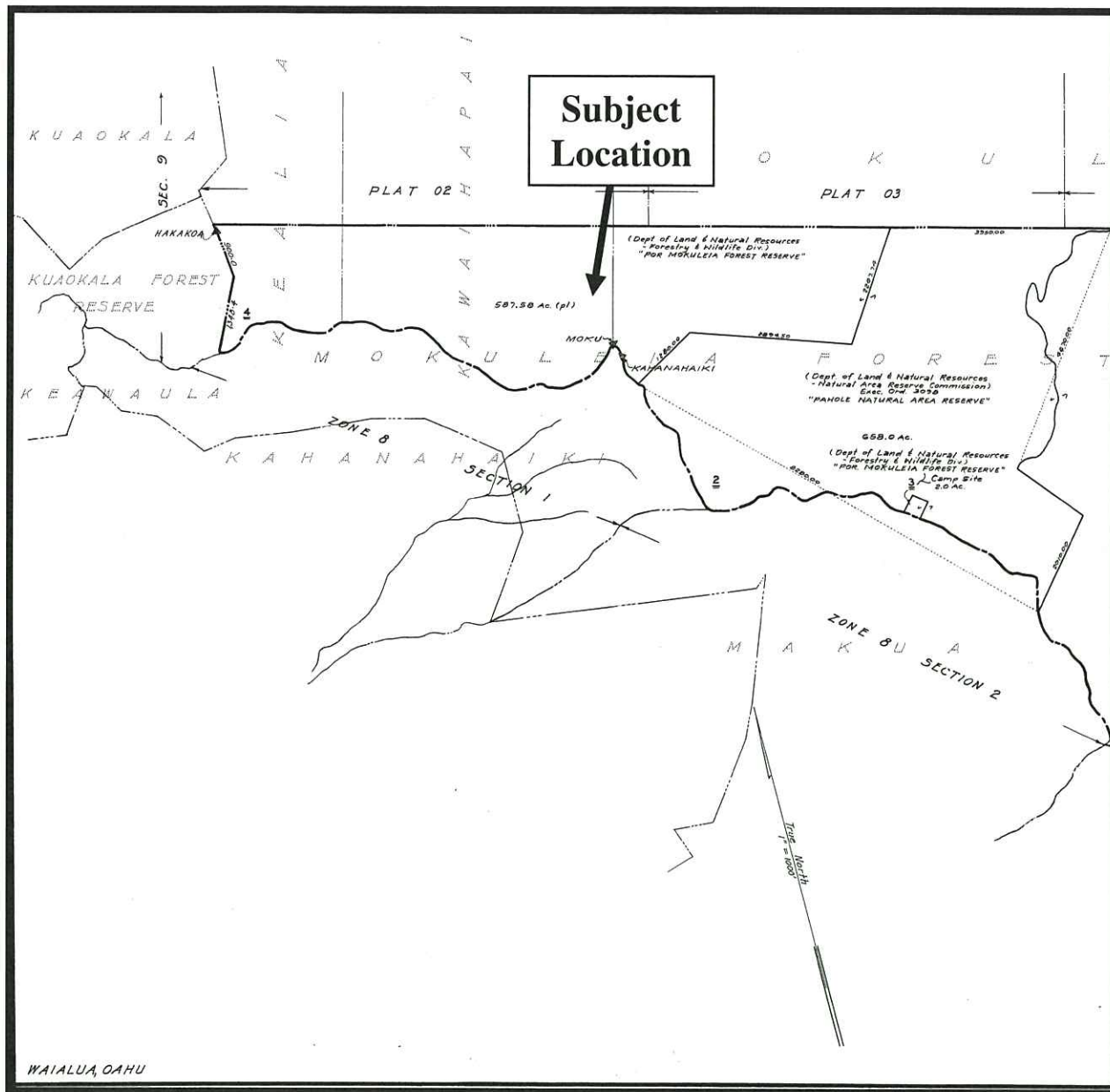


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:



Carty S. Chang, Interim Chairperson



TMK (1) 6-8-001:portion of 004

EXHIBIT A

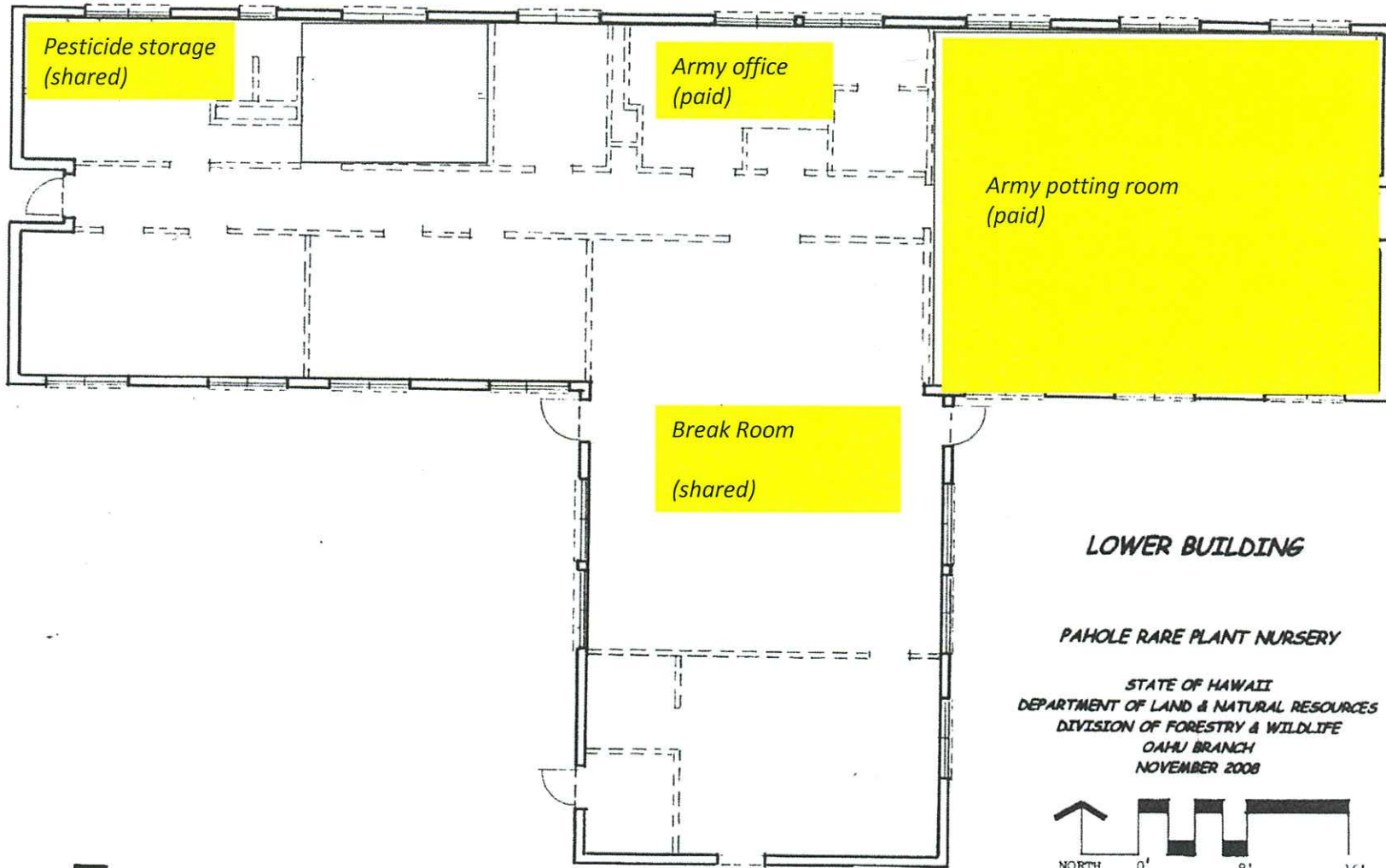
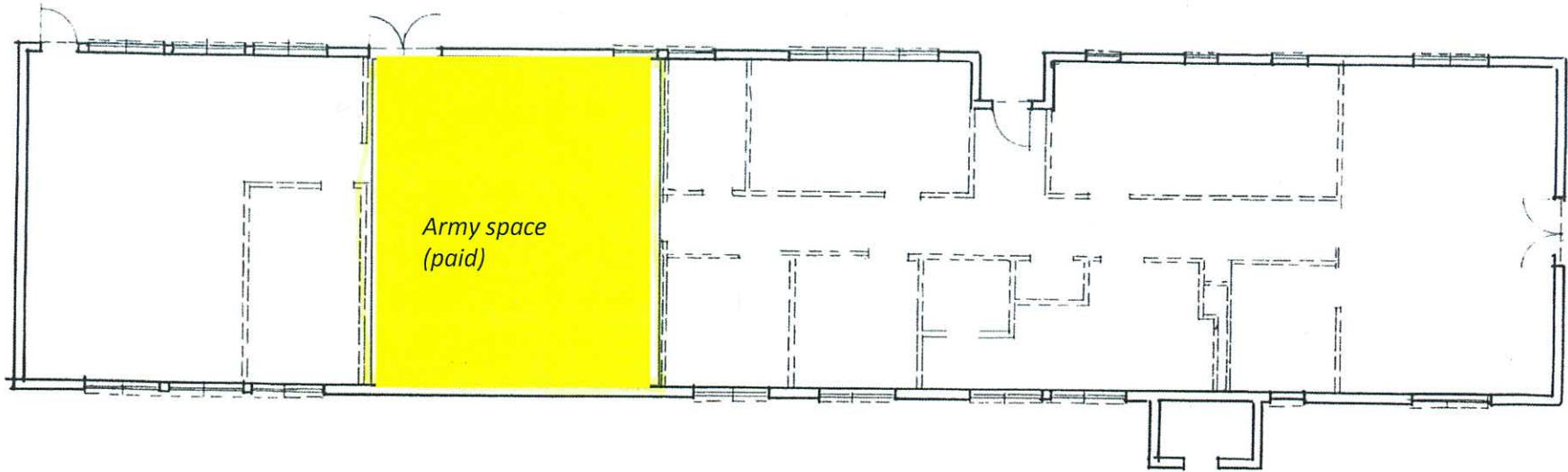


EXHIBIT "31"



UPPER BUILDING

PAHOLE RARE PLANT NURSERY

STATE OF HAWAII
DEPARTMENT OF LAND & NATURAL RESOURCES
DIVISION OF FORESTRY & WILDLIFE
OAHU BRANCH
NOVEMBER 2008



EXHIBIT "B2"

SITE PLAN
(SKETCH)

PAHOLE RARE PLANT NURSERY

STATE OF HAWAII
DEPARTMENT OF LAND & NATURAL RESOURCES
DIVISION OF FORESTRY & WILDLIFE
OAHU BRANCH
NOVEMBER 2008

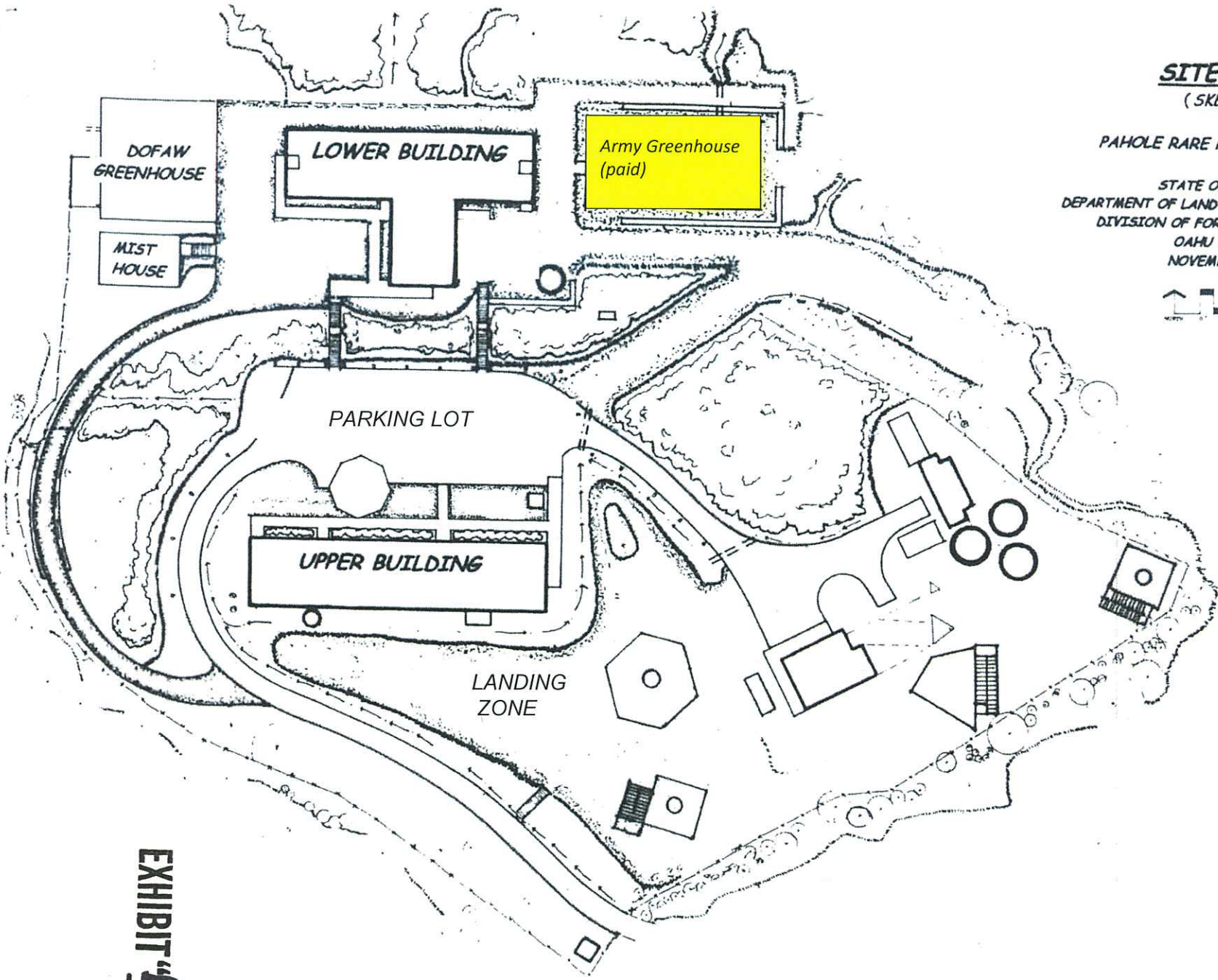


EXHIBIT "B3"

EXEMPTION NOTIFICATION

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

Project Title: Issuance of Direct Lease of Building Space

Project / Reference No.: PSF 14OD-167

Project Location: Mokuleia, Waialua, Oahu, TMK (1) 6-8-001:portion of 004.

Project Description: Issuance of lease for nursery, storage and staging purposes.


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

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1) and (4), 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 request is to document the utilization of the space by the applicant for house keeping purposes. The applicant is not planning to have any new improvement to the subject area. As such, staff believes that the request would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

Consulted Parties: Agencies as noted in the submittal.

Recommendation: It is recommended that the Board find that 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.



Carty S. Chang, Interim Chairperson
Date FEB 27 2015

EXHIBIT C