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

February 12, 2016

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

OAHU

Issuance of Right-of-Entry Permit to Avalon Health Realty- Kaneohe, LLC to
Conduct Environmental Studies on Lands Encumbered by Executive Order 3504,
Hawaii State Hospital, Kaneohe, Koolaupoko, Oahu; TMK (1) 4-5-023:002.

APPLICANT:

Avalon Health Realty-Kaneohe, LLC
255 E. 400 S
Salt Lake City, Utah 84111

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands of Department of Health (DOH), Adult Mental Health Division
(AMHD), Hawaii State Hospital situated at Kaneohe, Koolaupoko, Oahu identified by Tax
Map Key: (1) 4-5-023:002, as shown on the attached map labeled Exhibit A.

AREA:

4.8 acres, more or less.

ZONING:

State Land Use District: General Agricultural
City & County of Honolulu LUO: AG-2

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:

Encumbered by Governor's Executive Order No. 3504 to the DOH for State Hospital Site
purposes.

CHARACTER OF USE:

Long term care facility purposes.

TERM OF RIGHT-OF-ENTRY:

Twelve (12) months, commencing from the date determined by the Director of Health.

CONSIDERATION:

Gratis.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The subject request is exempt from the preparation of an environmental assessment pursuant
to Hawaii Administrative Rules § 11-200-8(A)(5) that exempts the class of actions described
as "basic data collection, research, experimental management and resource evaluation
activities which do not result in a serious or major disturbance to an environmental resource."

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:

The State of Hawaii, DOH, AMHD and Avalon Health Realty-Kaneohe, LLC have
negotiated and have substantially agreed to terms for a lease and development agreement.
Prior to execution of this agreement, the lessee, Avalon Health Realty-Kaneohe, LLC needs
to access the area to determine if the lot can be built on and developed as agreed through
these agreements. Their right-of-entry will allow Avalon Health Realty-Kaneohe, LLC to
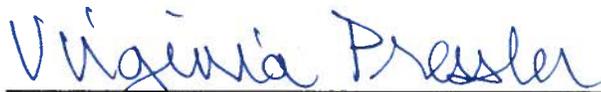conduct due diligence in connection with a development agreement with the DOH.

The requested area is currently encumbered by the DOH through Governor's Executive Order - 3504. The DOH has no objections to the subject request. DOH did not solicit comments from other governmental agencies.

DOH has no objections to the request and also recommends that the DOH Director be authorized to extend the term of the right-of-entry permit for good cause, in the event that this project is delayed due to administrative, legal, weather or any unexpected circumstances.

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 right-of-entry permit from DOH to Avalon Health Realty – Kaneohe, LLC 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. The standard terms and conditions of the most current right-of-entry 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 DOH Director to best serve the interests of the State.

Respectfully Submitted,

Virginia Pressler, M.D.
Director of Health

APPROVED FOR SUBMITTAL:

Suzanne Case, Chairperson

TMK (1) 4-5-023:002

EXHIBIT "A"