

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
State Parks Division
Honolulu, Hawai'i 96813

December 13, 2024

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

O'ahu

SUBJECT: Request that the Board Authorize the Chairperson to Negotiate and Issue a Revocable Permit for the Management of the Banquet Hall and Ancillary Facilities with an Option to Manage, Maintain and Operate the Grounds to a Qualified Applicant at He'eia State Park, Kāne'ohe, O'ahu, Hawai'i, Tax Map Key No.: (1) 4-6-005:009 Portion,

And

Declare the Project Exempt from Requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules.

Background on the General Lease(s) of He'eia

There have been a series of short and long-term general leases issued for He'eia State Park ("He'eia") over the past 4 decades to serve the public purpose of outreach and education, while also supporting the physical management and maintenance of the public facilities and grounds at He'eia.

The State acquired what was previously known as Ulu Mau Village in 1977, and it was set aside to the Division of State Parks ("DSP"). In 1982, the Friends of He'eia State Park ("Friends"), a nonprofit 501(c)3 organization, leased facilities at the park under a series of agreements, starting with a one-year lease, progressing up to a ten (10) year lease with an extension of three (3) years, which expired in August 2007. In 2007, the Board of Land and Natural Resources ("Board") approved an extended one (1) year lease to the Friends and a Request for Qualifications/Request for Proposals ("RFQ"/ "RFP") for a Long-Term Lease for He'eia State Park ("He'eia"). At its meeting of August 22, 2008, the Board approved a month-to-month revocable permit up to 1 year to the Friends due to the time it took for the RFP process.

In May of 2010, The Department of Land and Naturel Resources ("DLNR") and Kama'aina Care Inc., (dba "Kama'aina Kids") entered General Lease SP0067 ("Lease") approved by the Board in 2007 and 2009, pursuant to RFP-001-08-DSP for the management,

maintenance, and the deployment of interpretive programs at He'eia. This relationship represented both an enhanced park experience through the various interpretive programs and activities made available to the public through Kama'aina Kids management tenure and was a significant cost savings for the DSP through outsourcing the entire management and utility costs of this park. This also has enabled the redeployment of limited DSP maintenance crews to other O'ahu State Parks and the rent submitted by Kama'aina Kids provided a modest increase in revenue for DSP operations.

The Lease, in Section 51 under "Current users" also specified other pre-existing uses were to remain onsite. The current uses include "the unrecorded Curatorship Agreement between the canoe building program issued to the Puakea Foundation ("Puakea") including any re--execution and reissuance of these particular documents" and confirms that the Lease is conditioned to include these pre-existing uses for its term. The He'eia State Park Master Plan includes the vision and theme of interpretation of the relationship of "man and the sea". Having an active canoe building and restoration program, in addition to canoe training and educational activities are vibrant and complimentary activities that exemplifies this relationship of Hawaiian culture to the sea. Robert ("Uncle Bobby") Puakea is considered one of Hawaii's master koa canoe builders and is sought after by canoe clubs throughout Hawaii for repairs and improvement to these significant and valuable koa canoes. Puakea has a 5-year Curatorship Agreement that now includes the expansion of paddling programs for technique training and paddling fitness. It is the intent of DSP to have Puakea remain on the premises.

Due to mounting and insurmountable fiscal challenges as detailed in the November 8, 2024, approved Board submittal, Item E1, Kama'aina Kids had requested the mutual cancelation of their general lease. During this interim process, DSP has determined that it is in the public's interest to explore other management opportunities. The Hawai'i Community Development Authority ("HCDA") and the Office of Hawaiian Affairs have expressed interest in the possible acquisition of He'eia for continued public purposes and programs. The nonprofit Kāko'o 'Ōiwi, who leases land mauka of He'eia from HCDA, did express interest in subsuming the management of the grounds and facilities. The Hawai'i National Estuarine Research Reserve System ("NERRS"), the only designation in Hawai'i, has also expressed interest in using a portion of He'eia as an education and research center.

There are a few other nonprofit organizations that have expressed interest in the operation and management of the banquet hall, but no specific entity has been vetted and determined the most suitable.

The parcel was acquired and developed for park use with federal Land and Water Conservation Funds administered by the National Park Service. ***A covenant that applies to the property that stipulates it is to be used for outdoor recreation and access in perpetuity.***

As time is of the essence due to January 31, 2025, lease termination by the current lessee, DSP seeks approval to solicit for an RP as this is a valuable public and cultural asset. State Parks has not maintained this park unit for over 14 years and staff have been reassigned to other O'ahu park units, so in the interim, DSP is obtaining cost estimates on a temporary contract for ground maintenance. DSP has never managed the banquet hall - this has always been outsourced to a third party. Independent gate and comfort station management is also being evaluated while the approval to solicit and negotiate for banquet hall management is being obtained.

The RP will allow State Parks to attempt to quickly solicit for a permittee to operate and manage the banquet hall AND ancillary facilities and possibly the grounds to minimize disruption to public access to this important community asset in 2025 for customary uses such as weddings, baby luau's, graduations, reunions, and other community events.

During the term of a potential RP, if awarded, DSP will continue to conduct outreach for a new managing long-term nonprofit, private sector partner or state entity to subsume management. Depending on this outcome, then DSP may solicit for proposals for a long-term disposition for management support at He'eia State Park.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with the Hawai'i Administrative Rules (HAR) § 11-200.1 and the Exemption List for the Department of Land and Natural Resources concurred by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an environmental assessment pursuant to General 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," Part 1, Item 4, "Operation, repair and maintenance, of existing structures and facilities, including baseyards, offices, cabins, sheds, and fencing," and Item 45. "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing." Attached as Exhibit A.

RECOMMENDATION:

That the Board: Authorize the Chairperson to do the following:

1. Declare that, after considering the potential effects of the proposed project as provided by Chapter 343, HRS, and Chapter 11-200.1, HAR, the 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 Chairperson to negotiate and issue a revocable permit for the management of the banquet hall with an option to manage the grounds and facilities to a qualified applicant, and;
3. Negotiate any terms and conditions that serve the best interest of the State, subject to the review and approval by the Department of the Attorney General.

Respectfully Submitted,



~~For~~ Curt Cottrell, Administrator
Division of State Parks

APPROVED FOR SUBMITTAL:



Dawn N.S. Chang, Chairperson
Board of Land & Natural Resources

Attachment: Exhibit A – Chapter 343, Exemption Notification

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1, HAR

Project Title:	Issuance of Revocable Permit at He'eia State Park
Project / Reference No.:	TBD
Project Location:	Kāne'ohe, O'ahu, Hawai'i, TMK no. (1)4-6-005:009 portion
Project Description:	Management of the Banquet Hall & Ancillary Facilities with an option to Manage, Maintain, and Operate the Grounds at He'eia State Park
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No(s):	In accordance with Hawai'i Administrative Rule Chapter 11-200.1 and the Exemption List for the Department of Land and Natural Resources reviewed and concurred by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an Environmental Assessment pursuant to: Exemption List, Exemption Class 1, Item 4: "Operation, repair and maintenance, of existing structures and facilities, including baseyards, offices, cabins, sheds, and fencing." Exemption List, Exemption Class 1, Item 45: "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing."
Cumulative Impact of Planned Successive Actions in Same Place, Over Time, Significant?	No, the requested location will be used for the same use as previously existing.
Action May Have Significant Impact on Particularly Sensitive Environment?	No.
Analysis:	The continuation of the management and operations of the banquet hall and facilities and grounds at He'eia State Park.
Consulted Parties:	None.
Declaration	The Board determines, through its judgment and experience, that the action will individually and cumulatively probably have minimal or no significant effects, and that the action is declared exempt from the preparation of an Environmental Assessment as Kama'aina Care, Inc. will submit an environmental assessment phase I upon exiting on January 31, 2025.

