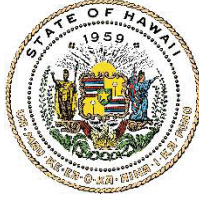
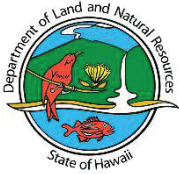


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



DEPT. COMM. NO. 117

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE
MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

December 13, 2024

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker
and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of Relating to the Legacy Land Conservation Fund and Legacy Land Conservation Program report as required by Section 173-5, Hawaii Revised Statutes (HRS), a copy of this report has been transmitted to the Legislative Reference Bureau and the report may be viewed electronically at <https://files.hawaii.gov/dlnr/reports-to-the-legislature/2025/FW25-Legacy-Land-Report-FY24.pdf>

Sincerely,

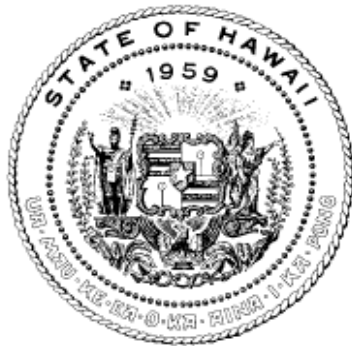
A handwritten signature in black ink, appearing to be "Dawn N.S. Chang".

DAWN N.S. CHANG
Chairperson

Enclosure

**REPORT TO THE THIRTY THIRD LEGISLATURE
STATE OF HAWAII
2025 REGULAR SESSION**

**RELATING TO THE LAND CONSERVATION FUND
AND
THE LEGACY LAND CONSERVATION PROGRAM**



Prepared by

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

In response to Section 173A-5, Hawaii Revised Statutes

Honolulu, Hawaii

December 2024

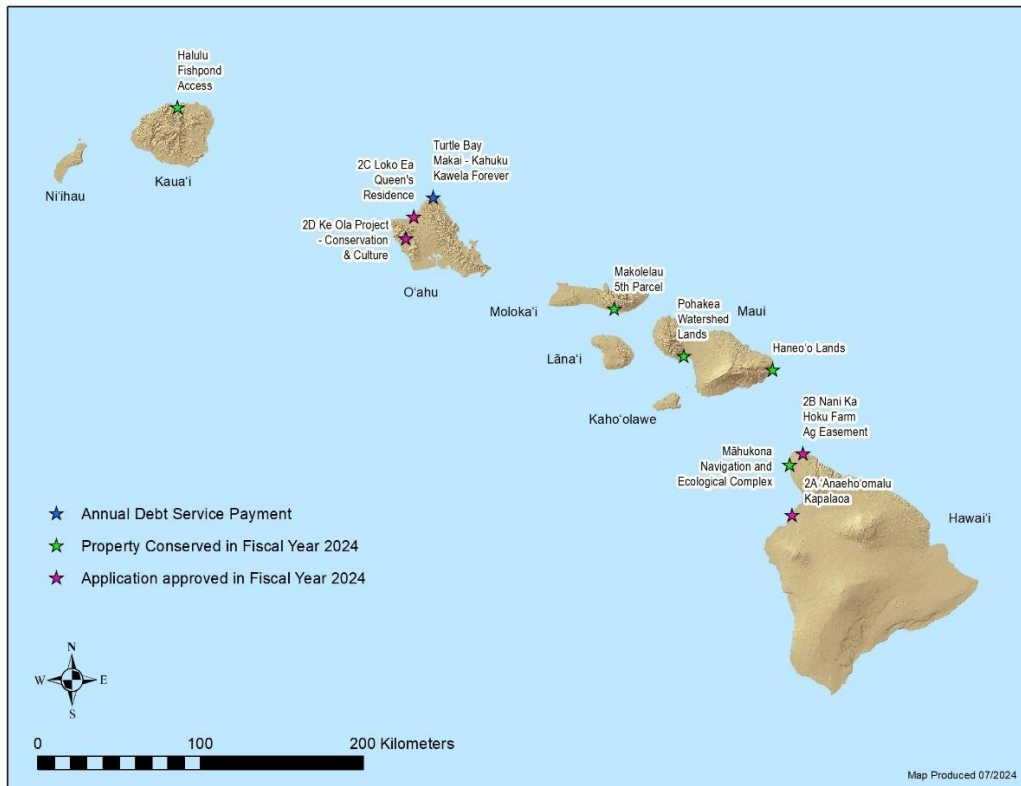
RELATING TO THE LAND CONSERVATION FUND
AND
THE LEGACY LAND CONSERVATION PROGRAM

OVERVIEW

In Fiscal Year 2024, the Legacy Land Conservation Program and its partners worked to preserve, protect, and enhance lands having value as a resource to the State (see definition, next page). Key accomplishments include five completed land purchases (two for the Department of Land and Natural Resources and three for nonprofit land conservation organizations, with a total State investment of \$3,445,493); four approved grant awards for land acquisition (totaling \$4,855,238); six approved grant awards for the operation, maintenance, and management of properties acquired previously by way of the Land Conservation Fund (totaling \$255,000); and a recurring payment of \$1.5 million for State debt service obligations at Turtle Bay (District of Ko‘olauloa, Island of O‘ahu). The map shown below and associated descriptions that begin on pages four and twelve of this report provide additional information about these properties.

Despite strong public support and favorable recommendations from subject matter and money committees, initiatives to increase annual conveyance tax revenue for the Land Conservation Fund did not advance during the Thirty-Second Legislative Session. As a result, the annual conveyance tax revenue for the Land Conservation Fund remains capped at an all-time low of \$5.1 million. When capped at this low level, income is inadequate for supporting government and nonprofit demand for grant funds and is far less than the current annual spending authorization.

Figure 1: Map of Fiscal Year 2024 Conservation Transactions – Legacy Land Conservation Program



PURPOSE

The 2005 Legislature established the Land Conservation Fund ("Fund") to provide permanent adequate funding for land conservation by dedicating proceeds from the real estate conveyance tax to the Fund. *See* [2005 Hawaii Session Laws Act 156](#), Section 1 at 387. Recognizing that despite "the value of Hawaii's natural resources to its economy, culture, and quality of life . . . an alarmingly small amount of money is invested each year to protect our natural capital base," Act 156 also includes findings that:

- The preservation, protection, and enhancement of the State's land, coastal areas, and natural resources are central to current and future residents and the state economy.
- [Article XI, Section 1](#) of the Constitution of the State of Hawaii establishes the State's duty to conserve and protect Hawaii's natural beauty.
- Adequate funding to conserve land for watershed protection, coastal preservation, flood prevention, parks, habitat protection, cultural preservation, agricultural production, and open space and scenic resources is necessary to ensure the protection of these lands and resources for future generations.

The Fund's enabling legislation—[Chapter 173A](#), Hawaii Revised Statutes ("HRS")—provides, in subsection 5(h), that the Fund shall be used for:

- (1) the acquisition of interests or rights in land having value as a resource to the State;
- (2) the payment of debt service on state financial instruments relating to the acquisition of interests or rights in land having value as a resource to the State;
- (3) annual administration costs for the Land Conservation Fund; and
- (4) costs related to the operation, maintenance, and management of lands acquired by the Land Conservation Fund.

Section 173A-2 explains that "'land having value as a resource to the State' includes land having natural, environmental, recreational, scenic, cultural, agricultural production, or historic value, and may also include park and trail systems that provide access to any such land." Subsection 173A-5(i) and Section 173A-9 establish a competitive land acquisition grant program open to state agencies, counties, and nonprofit land conservation organizations.

The Legacy Land Conservation Program conducts an extensive annual public process to review, vet, prioritize, and fund grant applications using the Land Conservation Fund. The process includes:

- application review, field visit reports, public testimony, and recommendations provided by the Legacy Land Conservation Commission, which the Legislature established in 2006 (*see* 2006 Hawaii Session Laws Act 254, Section 1 at 1088-1089);
- consultation with the President of the Senate and the Speaker of the House of Representatives (*see* Subsection 173A-5(i) and Section 173A-9, HRS);
- review, public testimony, and approval provided by the Board of Land and Natural Resources (*Id.*);
- review and recommendation by the Department of Budget and Finance; and

- review and approval by the Governor (*see* Section 173A-9, HRS).

PROGRAM HISTORY – LEGACY LAND CONSERVATION

The Department of Land and Natural Resources ("DLNR") administers and manages the Land Conservation Fund ("Fund") and the Legacy Land Conservation Program ("LLCP") in accordance with:

- [Chapter 173A](#), Hawaii Revised Statutes ("HRS"), Acquisition of Resource Value Land;
- [Chapter 13-140](#), Hawaii Administrative Rules, Legacy Land Conservation Program Rules; and
- other state and federal governing authorities, particularly:
 - [Chapter 171](#), HRS (Public Lands, Management and Disposition of);
 - [Chapter 198](#), HRS (Conservation Easements);
 - rules of a partnering federal land conservation program that would govern a transfer of a permanent conservation easement, *see* Section 173A-9, HRS.

In 2006, DLNR received approval from the Board of Land and Resources ("BLNR") and the Governor for the inaugural use of the Fund for acquiring land deemed valuable as a resource to the State, following terms specified by the legislature for expending its initial appropriation from the Fund. *See* 2005 Hawaii Session Laws Act 156, Section 9. Since that time, the LLCP processed 125 completed grant applications for land acquisition.

As of June 30, 2024, BLNR has approved 80 grant applications for funding, based on recommendations from the Legacy Land Conservation Commission, DLNR's Division of Forestry and Wildlife, and public testimony. Across multiple administrations, 77 of the 80 BLNR-approved applications received the Governor's approval, which resulted in releases of funding for the acquisition of 74 properties (three properties were funded through multiple applications). Among these 74 properties, LLCP and its partners have completed 49 acquisitions; nine acquisitions remain active; applicants discontinued 14 acquisitions; and BLNR terminated two acquisitions.

For additional information about the Legacy Land Conservation Program, please visit dlnr.hawaii.gov/ecosystems/llcp, or contact:

Legacy Land Conservation Program
Telephone: (808) 586-0921
Email: legacyland@hawaii.gov

ANNUAL REPORT

An annual report to the governor and the legislature is due "at least twenty days prior to the convening of each regular session" and "shall include:

- (A) A summary of all interests or rights in land acquired during the preceding fiscal year;
- (B) A summary of what value each newly acquired land has as a resource to the State;

- (C) Proposals for future land acquisitions, including a summary of the resource value that the land may possess;
- (D) A financial report for the preceding fiscal year; and
- (E) Objectives and budget projections for the following fiscal year."

Per subsection 173A-5(l), HRS, paragraph (3), a copy of each annual report to the legislature is available to the public upon request and online at:

- <https://dlnr.hawaii.gov/reports>, organized by reporting year, listed under the Division of Forestry and Wildlife
- <https://library.lrb.hawaii.gov/cgi-bin/koha/opac-detail.pl?biblionumber=34813>, organized as a complete series archived by the Legislative Reference Bureau

In response to a recommendation from the State Office of the Auditor (Report No. 19-01), the financial report for the preceding fiscal year reports transactions that transferred funds into and out of a DLNR trust account (this report, page 23).

(A) and (B) INTERESTS OR RIGHTS IN LAND ACQUIRED DURING THE PRECEDING FISCAL YEAR AND RESOURCE VALUE SUMMARY

During Fiscal Year 2024, the Land Conservation Fund contributed \$3,445,493 from previous fiscal years for five land acquisitions (see Resource Value Summaries, page 5 of this report) and transferred \$1,500,000 to the Turtle Bay Conservation Easement Special Fund as annual reimbursement for debt service on a state financial instrument relating to the acquisition of interests or rights in land having value as a resource to the State (see [Section 173A-13, Hawaii Revised Statutes](#)). State property interests at Turtle Bay, acquired in 2015, include 52+ acres of land (fee simple) at Kawela Bay—which the State leased back to Turtle Bay resort operators for 65 years—and a perpetual conservation easement covering 568+ acres, all fronted by about five miles of undeveloped shoreline. The Land Conservation Fund has contributed \$13.5 million in total for this endeavor, with \$18 million more in payments due over the next twelve years.



*Mai kahuku a i Ka'ena, Mai uka a i kai.
From Kahuku to Ka'ena, from the
uplands to the sea.*

Photo Credit – North Shore Community Land Trust

Figure 1 shows a map of the location of each property conserved during Fiscal Year 2024 and of each property approved for Fiscal Year 2024 grant funding.

Resource Value Summaries (Properties Conserved during Fiscal Year 2024)

Mahukona, District of Kohala, Island of Hawai‘i (LLCP 2022-01)



Photo Credit – Hawaiian Islands Land Trust

The lands of Mahukona, Kohala, Hawai‘i are a piko and power source for non-instrumental navigators throughout the Pacific. This is the core significance of these lands—the navigational importance and the resurgence and living cultural practice of non-instrumental navigation attributed to it. Spanning six ahupua‘a along the North Kohala coastline, including Māhukona, Hihiiu, and Kaoma from the south, and Kamano, Kou, and Kapa‘a Nui to the north, the "Māhukona Living Navigational and Cultural Complex" provides Hawai‘i a tremendous opportunity to protect the engrained and universal cultural and conservation values of the land in perpetuity.

Awardee/Owner: [Hawaiian Islands Land Trust](#) (fee title)
Conservation Easement Holder: County of Hawai‘i
Acreage: **642+**
Tax Map Key Numbers: (3) 5-7-002:011, :027, :036, :037
(3) 5-7-003:001, :002, :003, :007, :008, :010, :018
FY2022 Funding awarded: \$ 3,000,000 (full funding)
FY2022 Funding expended: \$ 1,154,495

Matching funds expended: \$12,024,607

- County of Hawai‘i [Public Access, Open Space, and Natural Resources Preservation Fund](#)
- U.S. Fish and Wildlife Service, [Recovery Land Acquisition Grant](#)
- other County and private funds

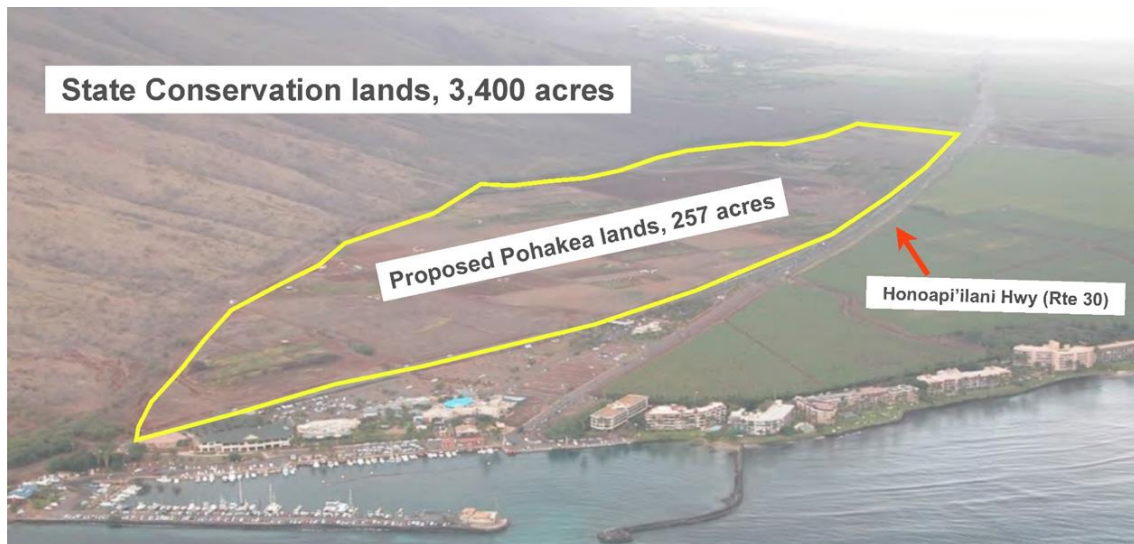
Conservation purpose: *See § 173A-5(g), HRS:*

- | | |
|--|---|
| (1) Watershed protection | (5) Recreational and public hunting areas |
| (2) Coastal areas, beaches, and ocean access | (7) Natural areas |
| (3) Habitat protection | (8) Agricultural production |
| (4) Cultural and historical sites | (9) Open spaces and scenic resources |

News Releases: [Office of Hawaiian Affairs](#)

Additional Information: [Report to the 2023 Legislative Session](#), pages 10-11

Pohakea Watershed Lands, District of Wailuku, Island of Maui (LLCP 2022-02)



Protecting the coastal plain from development has been a community priority for decades. The Pohakea Watershed Lands are in a scenic area at the base of the West Maui Mountains. The property is a keystone property for watershed protection, provides essential natural habitat and is critical for managing wildfires - a chronic threat in this area of Maui – and for mitigating erosion, soil runoff, and pollution of Ma‘alaea Bay and its nearshore coral reefs.

Awardee/Owner: [DLNR-Division of Forestry and Wildlife](#) (fee title)

Acreage: **256.903**

Tax Map Key Number: (2) 3-6-001:018

FY2022 Funding awarded: \$ 1,000,000 (full funding)

FY2022 Funding expended: **\$ 1,000,000**

Matching funds expended: \$7,316,570

- County of Maui [Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund](#)
- Seller (land value donation)
- Other private funds

Conservation purpose: *See § 173A-5(g), HRS:*

- | | |
|--|--------------------------------------|
| (1) Watershed protection | (6) Parks |
| (2) Coastal areas, beaches, and ocean access | (7) Natural areas |
| (3) Habitat protection | (8) Agricultural production |
| (4) Cultural and historical sites | (9) Open spaces and scenic resources |
| (5) Recreational and public hunting areas | |

News Releases: [State of Hawaii](#)
[The Trust for Public Land](#)

Additional Information: [Report to the 2023 Legislative Session](#), pages 12-13

Haneo‘o Lands, District of Hāna, Island of Maui (LLCP 2022-03)



Since its inception in 2018, Ke Ao Hali‘i has secured funds to purchase 117 acres at both ends of a 1.5 mile coastline. The Haneo‘o Lands—across the street from the coastal lands conserved—is a natural pasture along the Hana Highway and Haneo‘o Road. It includes sites used for Hawaiian cultural practices: burial grounds, historical sites, heiau and other archaeological sites, and agricultural cattle grazing. The sale of these parcels for private development potentially places all of these resources at risk.

Awardee/Owner: [Ke Ao Hali'i](#) (fee title)
Conservation Easement Holders: County of Maui + Hawaiian Islands Land Trust
Acreage: **8.58**
Tax Map Key Number: (2) 1-4-007:015
FY2022 Funding awarded: \$ 675,000 (partial funding)
FY2022 Funding expended: **\$ 247,500**

Matching funds expended: \$ 748,086

- County of Maui [Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund](#)

Conservation purpose: *See § 173A-5(g), HRS:*

- | | |
|--|--------------------------------------|
| (1) Watershed protection | (7) Natural areas |
| (2) Coastal areas, beaches, and ocean access | (8) Agricultural production |
| (3) Habitat protection | (9) Open spaces and scenic resources |
| (4) Cultural and historical sites | |

News Releases: [The Maui News](#) [The Ka'ū Calendar](#)
Additional Information: [Report to the 2023 Legislative Session](#), pages 14-15

Makolelau 5th Parcel, District of Kona, Island of Molokai (LLCP 2023-04)



This acquisition enhances long-term landscape-scale regeneration of native forests to reduce risks such as flooding and erosion to vital community assets along the south shore of Moloka'i.

Awardee/Owner: [DLNR-Division of Forestry and Wildlife](#) (fee title)
Acreage: **515.75**
Tax Map Key Number: (2) 5-5-001:015
FY2023 Funding awarded: \$ 593,458 (partial funding)
FY2023 Funding expended: **\$ 593,458**

Matching funds expended: \$ 37,892*

- State of Hawaii General Funds
- Private funds
- *Besides matching cash, [The Nature Conservancy](#) donated 529 adjacent acres to the State (four parcels) after using \$2.94 million in federal grant funds and private funds to purchase five parcels at Makolelau.

Conservation purpose: *See § 173A-5(g), HRS:*

- | | |
|--|--------------------------------------|
| (1) Watershed protection | (7) Natural areas |
| (2) Coastal areas, beaches, and ocean access | (8) Agricultural production |
| (3) Habitat protection | (9) Open spaces and scenic resources |
| (4) Cultural and historical sites | |

News Releases: [State of Hawaii](#) (The Nature Conservancy Acquires Five Parcels)
[The Maui News](#) (Fifth Parcel)

Additional Information: [Report to the 2024 Legislative Session](#), pages 15-17

Halulu Fishpond Access, District of Halele‘a, Island of Kaua‘i (LLCP 2019-05)



Halulu Fishpond Access is a small but critical component in Waipa Foundation fully realizing its long-standing vision and goal of nurturing a community-managed ahupua'a where folks can connect with the 'āina (that which feeds us - the land and resources) and learn about our local values and lifestyle through laulima (many hands working together). The parcel to be acquired includes part of the Halulu fishpond, which connects to Wai'oli Stream and Hanalei Bay that provide habitat to numerous native species, including many native fish and two species of endemic and indigenous Hawaiian gobies (o'opu) - the o'opu nopili (Sicyopterus stimpsoni) and o'opu nakea (Awaous guamensis).

Awardee/Owner: [The Waipa Foundation](#) (fee title)
 Conservation Easement Holder: County of Kaua'i
Acreage: **0.25**
 Tax Map Key Number: (4) 5-6-004:017
 FY2019 Funding awarded: \$ 50,000 (partial funding)
FY2019 Funding expended: \$ 50,000
FY2023 Funding expended: \$400,000 (CIP Appropriation)

Matching funds expended: \$1,081,449

- County of Kaua'i [Public Access, Open Space, Natural Resources Preservation Fund](#)
- Seller (land value donation)
- Other private funds

Conservation purpose: See § 173A-5(g), HRS:

- | | |
|--|--------------------------------------|
| (1) Watershed protection | (7) Natural areas |
| (2) Coastal areas, beaches, and ocean access | (8) Agricultural production |
| (3) Habitat protection | (9) Open spaces and scenic resources |
| (4) Cultural and historical sites | |

News Releases: [The Trust for Public Land](#)
 Additional Information: [Report to the 2020 Legislative Session](#), pages 13-14

(C) PROPOSALS FOR FUTURE LAND ACQUISITIONS, INCLUDING A SUMMARY OF THE RESOURCE VALUE THAT THE LAND MAY POSSESS

For the Fiscal Year 2024 application cycle, the Legacy Land Conservation Program ("LLCP") advertised the availability of approximately \$6.8 million in grant funding for the purchase of lands having value as a resource to the State ("resource value lands"). After LLCP received eight final applications from nonprofit land conservation organizations and state agencies, applicants withdrew three of these applications, leaving five applications requesting \$4,888,081 in total from the Land Conservation Fund. After conducting field visits and public meetings, the Legacy Land Conservation Commission ("Commission") recommended full funding for the four top-ranked applications, totaling \$4,855,238.

Full Funding
Applicant, Property

1. **Nā ‘Ōiwi O Pu‘uanahulu, Anaeho‘omalū Kapalaoa**
District of Kona, Island of Hawai‘i
LLCP 2024-01: **\$3,000,000** requested/awarded/encumbered
2. **Malama Loko Ea Foundation, Loko Ea Queen's Residence**
District of Waialua, Island of O‘ahu
LLCP 2024-02: **\$ 750,000** requested/awarded/encumbered
3. **Moku O Keawe Land Conservancy, Nani Kai Hoku Farm Agricultural Easement**
District of Kohala, Island of Hawai‘i
LLCP 2024-03: **\$ 499,000** requested/awarded/encumbered
4. **Pu‘uwai Ko Ola, Ke Ola Project – Conservation and Culture**
District of Wai‘anae, Island of O‘ahu
LLCP 2024-04: **\$ 606,238** requested/awarded/encumbered

DLNR consulted with the Senate President and the Speaker of the House of Representatives regarding the Commission's recommendations per Chapter 173A, HRS. Written responses from the legislators indicated no objections or other comments regarding the recommendations of the Commission, after which the Board of Land and Natural Resources ("BLNR"), and lastly, Governor Green approved the Commission's recommendations. DLNR then encumbered full funding for the four approved grants as available from the Fiscal Year 2024 budget allotment. Public records of BLNR approval are available online for May 10, 2024 ([Item C-8, Submittal](#), and [Minutes](#), pages 4-5) and May 24, 2024 ([Item C-1, Submittal](#) and [Minutes](#), page 7).

The map on page 2 of this report shows the location of each property approved for Fiscal Year 2024 grant funding.

Resource Value Summaries (Future Land Acquisitions) begin on the following page.

**‘Anaeho‘omalu Kapalaoa
District of Kona, Island of Hawai‘i (LLCP 2024-01)**



Ki‘i pōhaku (petroglyphs) located on the property / View from Keahualono Heiau looking makai
Photo credit – The Trust for Public Land

Awardee: [Nā ‘Ōiwi O Pu‘uanahulu](#)
Partner: The Trust for Public Land
Acreage: **27.38** (fee simple + conservation easement)
Tax Map Key Number: (3) 7-1-003:010
FY2023 Funding Requested: \$ 3,000,000
FY2023 Funding awarded: \$ **3,000,000** (full award)
Estimated Matching Funds: \$ 5,441,000 (from application, based on funding requested and estimated Total Project Costs)
65% of total project costs

- County of Hawai‘i [Public Access, Open Space, and Natural Resources Preservation Fund](#)
- Landowner; The Trust for Public Land; Hawaiian Islands Land Trust; in-kind services

Conservation Easement: County of Hawai‘i

Land Acquisition Priorities (Section 173A-2.6, HRS)

as self-identified in the approved application:

- (1)(A) exceptional value: Unique aesthetic resources
- (1)(B) exceptional value: Unique and valuable cultural or archaeological resources
- (1)(C) exceptional value: Habitats for threatened or endangered species of flora, fauna, or aquatic resources
- (2) imminent danger: of development
- (3) imminent danger: of being modified, changed, or used in a manner to diminish its value
- (4) critical habitats: for threatened or endangered species that are in imminent danger of harm or negative impact
- (5) danger: theft or destruction of cultural or archaeological sites or resources
- (6) unique and productive: agricultural lands

View from ‘Anaeho‘omalu Kapalaoa looking mauka to Mauna Loa and Hualālai



Photo credit - The Trust for Public Land

Protecting the ‘Anaeho‘omalu Kapalaoa parcel will preserve a vast cultural and natural landscape with 17 recorded cultural sites, including the Hi‘iaka Heiau (connected to Hi‘iakaika‘ale‘ī); cave and habitation complexes; petroglyph fields; mauka-makai and coastal trail networks; native coastal plants; pristine anchialine pools teeming with ‘ōpae ‘ula; a healthy coral reef and traditional fishing grounds offshore; and public access to the southern shoreline of ‘Anaeho‘omalu Bay.

**Loko Ea Queen's Residence
District of Waialua, Island of O‘ahu (LLCP 2024-02)**



Photo credit - The Trust for Public Land

Awardee:	<u>Malama Loko Ea Foundation</u>
Partner:	The Trust for Public Land
Acreage:	1.1 (fee simple + conservation easement)
Tax Map Key Number:	(1) 6-2-003:008 + road lot
FY2023 Funding requested:	\$ 750,000
FY2023 Funding awarded:	\$ 750,000 (full award)
Estimated Matching Funds:	\$ 652,000 (from application, based on funding requested and estimated Total Project Costs)
26.1% of Total Project Costs	

- [City & County of Honolulu Clean Water and Natural Lands Fund](#)
- Applicant; Landowner; The Trust for Public Land

Conservation Easement: City & County of Honolulu

Land Acquisition Priorities (Section 173A-2.6, HRS) as self-identified in approved application:

- (1)(A) exceptional value: Unique aesthetic resources
- (1)(B) exceptional value: Unique and valuable cultural or archaeological resources
- (1)(C) exceptional value: Habitats for threatened or endangered species of flora, fauna, or aquatic resources
- (2) imminent danger: of development
- (3) imminent danger: of being modified, changed, or used in a manner to diminish its value
- (4) critical habitats: for threatened or endangered species that are in imminent danger of harm or negative impact
- (5) danger: theft or destruction of cultural or archaeological sites or resources
- (6) unique and productive: agricultural lands

Loko Ea Fishpond with Loko Ea Queen's Residence in the background



Photo credits - The Trust for Public Land



Forbes, D. *The Diaries of Lili'uokalani of Hawai'i*. (2018)

Malama Loko Ea Foundation has stewarded and licensed Loko Ea Fishpond for 14 years. Protecting this property will finally provide legal access, allowing Malama Loko Ea Foundation to continue its fishpond restoration and its transformational 'āina based educational programs and to serve as a kīpuka for the community. Acquiring this property would ensure their permanent presence as kia'i (caretakers, guardians) of Loko Ea.



'Alae 'ula (makua and keiki) at Loko Ea Fishpond

Loko Ea Queen's Residence, one part of Queen Lili'uokalani's beloved Waialua residence and believed to be home to the Queen's Bath, sits on the bank of the renowned Loko Ea Fishpond in Hale'iwa, Kawaiiloa, Waialua, O'ahu. Loko Ea is part of the historic 'Uko'a-Loko Ea Wetland Fishpond Complex and is the third largest wetland on O'ahu.

The parcel will also buffer and protect Loko Ea, its 'auwai (irrigation ditch), 400-foot long kuapā (fishpond wall), seven mākāhā (sluice gates), preserving aquaculture for local food security, habitat for endangered and native wetland birds ('alae 'ula, 'alae ke'oke'o, ae'o 'auku'u), native marine life (āhole, 'ama'ama, 'o'opu, kākū, ulua 'aukea, 'ōpae 'oeha'a (Hawaiian river shrimp)), and native wetland vegetation, water quality of Loko Ea Stream, Waialua Bay, and providing nutrients to support Waialua's nearshore fishery.

**Nani Kai Hoku Farm
District of Kohala, Island of Hawai'i (LLCP 2024-03)**



Awardee:	<u>Moku O Keawe Land Conservancy</u>	
Acreeage:	20.1	(conservation easement)
Tax Map Key Number:	(3) 5-5-008:069	
FY2022 Funding requested:	\$499,000	
FY2022 Funding awarded:	\$499,000	(partial award)
Estimated Matching Funds:	\$2,935,000	(from application, based on funding requested and estimated Total Project Costs)
65.3% of Total Project Costs		

- U.S. Department of Agriculture, [Natural Resources Conservation Service](#)
- County of Hawai'i [Public Access, Open Space, and Natural Resources Preservation Fund](#)
- Landowner; The Trust for Public Land; Hawaiian Islands Land Trust; in-kind services

Land Acquisition Priorities (Section 173A-2.6, HRS)

as self-identified in the approved application:

- (1)(A) exceptional value: Unique aesthetic resources
- (1)(B) exceptional value: Unique and valuable cultural or archaeological resources
- (1)(C) exceptional value: Habitats for threatened or endangered species of flora, fauna, or aquatic resources
- (2) imminent danger: of development
- (3) imminent danger: of being modified, changed, or used in a manner to diminish its value
- (4) critical habitats: for threatened or endangered species that are in imminent danger of harm or negative impact
- (5) danger: theft or destruction of cultural or archaeological sites or resources
- (6) unique and productive: agricultural lands



The Nani Kai Hoku Farm Ag Easement ensures a very experienced and dedicated farmer is available locally to provide critical farming technical assistance and experience to the next generation of farmers and new landowners while preserving prime agricultural lands for food production. The primary threat to the property is the purchase of the land for another large estate or subdivision on prime farmland in North Kohala that would not contribute meaningfully to agriculture production, diminishing North Kohala's agricultural heritage as a breadbasket and opportunities for greater sustainability.

This agricultural easement ensures the continued protection of natural resources, watershed functions, and wildlife, and the restoration of ecological functions, many of which were disturbed and negatively impacted by the monocropping of sugar cane. The farm is classified as "Important Farmlands" per the State of Hawai'i designation of Agricultural Lands of Importance to the State of Hawai'i ("ALISH") and further classified as Prime Agricultural Lands, which have the soil quality, growing season, and moisture supply needed to produce sustained high yields of crops economically when treated and managed according to modern farming methods. Kohala Silty Clay is considered "Prime Farmland Soil." Nani Kai Hoku Farm has 100% Kohala Silty Clay soils.



Sweeping ocean and Maui views from everywhere on the farm

**Ke Ola Project – Culture and Conservation
District of Wai‘anae, Island of O‘ahu (LLCP 2024-04)**



Awardee:	Pu‘uwai Ko Ola
Acreage:	2.77 (fee simple + conservation easement)
Tax Map Key Number:	(1) 8-5-005:0050002
FY2023 Funding requested:	\$ 606,238
FY2023 Funding awarded:	\$ 606,238 (full award)
Estimated Matching Funds:	\$ 202,080 (from application, based on funding requested and estimated Total Project Costs)
25% of Total Project Costs	

Land Acquisition Priorities (Section 173A-2.6, HRS) as self-identified in approved application:

- (1)(A) exceptional value: Unique aesthetic resources
- (1)(B) exceptional value: Unique and valuable cultural or archaeological resources
- (1)(C) exceptional value: Habitats for threatened or endangered species of flora, fauna, or aquatic resources
- (3) imminent danger: of being modified, changed, or used in a manner to diminish its value
- (4) critical habitats: for threatened or endangered species that are in imminent danger of harm or negative impact
- (5) danger: theft or destruction of cultural or archaeological sites or resources

The land to be acquired is a very important and sacred piece of the entire Kaupuni Watershed. The property sits at the ascent of Oahu's highest mountain, surrounded by miles of protected government land, adjacent to a well-known community historical wall and pre-contact archaeological sites. It is near a heiau and is a former space used in the community for gatherings as families come to the land to celebrate lu‘au, imu, and festivities. The former property caretaker shared with us that the land was beloved by many Waianae-based ‘ohana and holds a sacred energy of the past. In the surrounding area, an identified pre-contact agricultural complex has been restored by Ka‘ala Farms and is now actively producing as our ancestors did for centuries. Additionally, there are three ancient heiau which are identified and in the fields of the historic ranchlands across from the property. There also is a historic ranch wall system in the area and significant archaeological sites within the Waianae Kai Forest Range.

GRANT ADMINISTRATION – LAND ACQUISITION

The DLNR Division of Forestry and Wildlife ("DOFAW")—with assistance from the DLNR Land Division, DLNR Administrative Services Office, and the Department of the Attorney General ("ATG")—administers approved grant awards following numerous legal requirements and program procedures. At the close of Fiscal Year 2024, funded grant awards for nine properties remained open, including:

- One land acquisition by a state agency (fee simple); and
- Eight land acquisitions by nonprofit land conservation organizations (six fee-simple and two conservation easements).

DLNR anticipates that awardees may be able to complete at least three of these open grants during the next fiscal year, covering one State land acquisition and two nonprofit land acquisitions. A land acquisition grant to a state agency remains open until the agency grantee completes or discontinues the conservation transaction. To complete a state agency transaction, the agency grantee works with DLNR Land Division staff to perform the buyer's due diligence according to "Standard BLNR Acquisition Procedures," subject to final approvals from the ATG and the Board of Land and Natural Resources ("BLNR"). DLNR administers a grant to a county or a nonprofit land conservation organization through a contractual grant agreement with an initial two-year performance period, which DLNR may choose to extend for additional one-year periods. To complete a county/nonprofit land acquisition, the grantee works with DLNR-DOFAW staff to perform the buyer's due diligence according to the "Checklist for Legacy Land Conservation Program (LLCP) Projects" (which is part of the grantee's contract with the State), subject to final approvals from the BLNR Chairperson, the ATG, and the DLNR-DOFAW Administrator.

For land acquisition grants, Chapter 173A, Hawaii Revised Statutes ("HRS"), establishes requirements for:

- a conservation easement, agricultural easement, deed restriction, or covenant that shall run with the land and be recorded with the land to ensure the long-term protection of land having value as a resource to the State and preserve the interests of the State (Section 173A-4);
- a county or a nonprofit grantee to provide matching funds of at least twenty-five percent of the total project costs (Section 173A-5);
- BLNR approval of a sale, lease, or other disposition of the acquired property (Section 173A-9); and
- sharing the proceeds of a sale, lease, or other disposition of the acquired property with the State (Section 173A-10).

In addition, Chapter 13-140, Hawaii Administrative Rules, authorizes DLNR to monitor the status of resource values protected under the terms of a grant agreement by requiring a grantee to submit documentation thereof and by conducting site visits to inspect the condition of the property and resources (Sections 140-32 and 140-33, respectively). Sections 140-55 and 140-56 provide remedies for a breach of a grant agreement or a deed restriction, respectively, and Section 140-57 sets forth BLNR's enforcement authority (*see also* Section 173-11, HRS, General Powers).

DISCONTINUED GRANTS AND OTHER APPROPRIATIONS

- LLCP 2013-02, Ulupō Heiau Buffer (discontinued)
Department of Land and Natural Resources, Division of State Parks, Awardee
 - See [Report to the 2014 Legislature](#), pages 3-4

In advance of the 2023 annual review of acquisitions pending for five years or more (see next section below), the Division of State Parks discontinued its \$1 million grant for acquiring Ulupō Heiau Buffer, O‘ahu (the oldest active grant in the Legacy Land Conservation Program portfolio), noting for the Division of Forestry and Wildlife that:

Although our divisions and Land Division are working diligently to complete this acquisition, it will likely take considerable additional time for the State (Buyer) and YMCA of Honolulu (Seller) to agree on a purchase price, sign a purchase and sale agreement, perform all required due diligence, and close a transaction The Division believes it can use the additional time consumed to raise funds from other sources that will replace the existing \$1 million grant award, including the Land and Water Conservation Fund, thereby freeing up additional funds that the Legacy Land Conservation Program can utilize for other high-priority land acquisitions.

Discontinuance of this grant resulted in the return of \$951,250 in unspent grant funds from a Department trust fund to the unencumbered cash balance of the Land Conservation Fund (see page 23 of this report).

- LLCP 2015-01, Kaluanono (discontinued)
The Waipa Foundation, Awardee
 - See [Report to the 2016 Legislature](#), pages 4-5

The Waipa Foundation, in a letter notifying the Division of Forestry and Wildlife to discontinue its grant for acquiring land at Kaluanono, Kaua‘i (the second-oldest active grant in the Legacy Land Conservation Program portfolio), explained that The Waipa Foundation "will approach this transaction hopefully through a partnership or long term lease from the landowner, and not as a purchase, therefore it will not require Legacy Land funds. I hope these funds can become available to another of the many amazing projects and programs your program supports." Discontinuance of this grant removed the encumbrance of \$398,250 (the full amount of the grant award) within the Land Conservation Fund.

ANNUAL REVIEW OF ACQUISITIONS PENDING FOR OVER FIVE YEARS

In response to a recommendation from the State Office of the Auditor (Report No. 19-01), the Legacy Land Conservation Program initiated a procedure to submit grants approved more than five years ago for annual review and possible action by the Board of Land and Natural Resources ("BLNR"). On June 28, 2024, under its agenda item C-2 ([Submittal](#) and [Minutes](#), page 4), BLNR reviewed, for the third time, a grant awarded to Hawaiian Islands Trust for LLCP 2017-03, Kepler Ke‘anae Lo‘i Conservation Easement (see [Report to the 2018 Legislature](#), pages 10-11), and reviewed for the first time a grant awarded to the Department of Land and Natural Resources ("DLNR") Division of Forestry and Wildlife for LLCP 2019-04, Kāne‘ohe Pali to Lo‘i (see [Report to the 2020 Legislature](#), page 12).

For the Kāne‘ohe Pali to Lo‘i acquisition, the Department acquisition team reported that transactional due diligence is in progress, with appraisal and environmental site assessment starting this summer [2024]. Board approval is targeted for October 2024 and closing before the end of the 2024 calendar year. The U.S. Forest Service and the U.S. Navy are providing additional funding. For the Kepler Ke‘anae Lo‘i Conservation Easement acquisition, Hawaiian Islands Land Trust indicated that:

- matching funds from public and private funding sources to cover the full project budget are secured [including crucial support from the U.S. Department of Agriculture, Natural Resources Conservation Service, Agricultural Conservation Easement Program-Agricultural Land Easement];
- drafting of the conservation easement is in its final phase;
- project partners expect to close the transaction this calendar year; and
- HILT strongly supports the desire of Ke‘anae and Wailua Nui ‘ohana to ensure lo‘i lands are preserved in perpetuity. As the waters were recently returned to the streams of East Maui and with approximately 150 acres of lo‘i complexes on the Ke‘anae peninsula and 300 acres of lo‘i complexes in Wailua Nui, HILT hopes the protection of the Kepler's Ke‘anae Lo‘i opens the door for future opportunities to ensure Ke‘anae and Wailua Nui remain in active lo‘i kalo cultivation for generations to come.

The Legacy Land Conservation Program noted its belief that each awardee, with support from partners, is working diligently to complete the transaction and will likely do so within a reasonable timeframe. BLNR deferred action on each grant award until the 2025 annual review.

(D) FINANCIAL REPORT FOR THE PRECEDING FISCAL YEAR

Estimated Status of the Land Conservation Fund for Fiscal Year 2024

A. Beginning cash balance (FY2017+FY2018+FY2019+FY2022+FY2023)	\$	16,241,726
FY2024 Revenue from:		
• Conveyance Tax	\$	5,100,000
• State Investment Pool	\$	579,569
• Revenue Sharing (for dispositions of conserved properties)	\$	21,226
• Return of Unspent State Agency Grant Funds from DLNR trust account	\$	951,250
B. Total FY2024 Revenue	\$	6,652,046
FY2024 Expenditures for:		
• Program Operations (Prior year land acquisition grants)	\$	(1,852,035)
• Program Operations (FY24 Turtle Bay debt service)	\$	(1,500,000)
• Program Operations (FY24 Payroll plus administrative costs)	\$	(279,564)
C. Total Expenditures in FY2024	\$	(3,631,599)
D. Outstanding encumbrances from prior years	\$	(5,966,542)
E. FY2024 outstanding encumbrances at year end	\$	(5,310,233)
F. Ending Cash Balance (A+B+C)	\$	19,262,173
G. Unencumbered Cash Balance (F+E+D)	\$	7,935,398

In Fiscal Year 2024 ("FY2024"), the financial health of the Land Conservation Fund remained impaired by the depressed cap on annual revenues distributed to the Fund from collections of real

property conveyance tax (*see* subsection 247-7(1), Hawaii Revised Statutes).¹ Conveyance tax distributions reached the Fund's \$5.1 million cap (as lowered from \$6.8 million by the 2020 Legislature) during January 2024 (the sixth month of the fiscal year), amounting to just 5.2 percent of total FY2024 conveyance tax collections.² The Fund also continues to suffer from the 2021 Legislature's transfer of \$15 million from the Fund to the general fund.³ Under its current spending authorizations and revenue cap, the Fund's cash reserves could become fully depleted by Fiscal Year 2027.

As shown in the table above, FY2024 external revenues for the Fund totaled \$5,700,796, including \$5,100,000 from conveyance tax; \$579,569 from participation in the State investment pool; and \$21,226 from revenue sharing for dispositions of interests in land previously acquired with grants from the Fund (lands also known as "conserved properties"). An additional \$951,250 was returned to the Fund in Fiscal Year 2024 from unspent funds for a discontinued State agency land acquisition.

Expenditures and encumbrances from the FY2024 Land Conservation Fund appropriation totaled \$7,089,797 (see table below). The Department of Land and Natural Resources ("DLNR") encumbered and expended \$6,355,238 of this total amount as grant awards and debt service obligations for acquiring interest or rights in lands having value as resource to the State.

Under subsection 173A-5(h), HRS, paragraph (3), annual administration costs for the Land Conservation Fund may not exceed five per cent of annual conveyance tax revenues from the previous year (a \$255,000 cap for FY2024). In FY2024, DLNR expended and encumbered \$219,505 for administration costs and \$260,054 for personnel costs (2.0 FTE). Administration costs included training and travel for the 2023 and 2024 National Land Conservation Conference (two staff) and online training for the 9th Symposium on Advanced Legal Topics in Land Conservation (two staff); staff travel for investigating grant applications and monitoring conserved

¹ For fiscal years 2007-2015, the Land Conservation Fund ("Fund") received a straight ten percent of total annual conveyance tax revenue (uncapped), averaging \$5.151 million per year. In 2015, the Legislature established maximum amounts for distributing conveyance tax revenue among certain non-general funds—including a \$6.8 million annual revenue cap for the Fund—with the intent to (1) make forecasts of general funds more reliable, (2) increase legislative oversight of the agencies and programs supported by the non-general funds, and (3) subject such an agency or program to competition for limited public funds if the agency or program wants more than the amount automatically distributed to its non-general funds ([Act 84](#), Section 3 and Section 1). Under this revised scheme, for fiscal years 2016-2020 the Fund received only 8.1% of total annual conveyance tax revenue, averaging \$6.62 million per year. The 2020 Legislature, in response to the COVID-19 pandemic emergency, tightened down the annual revenue cap \$6.8 million to \$5.1 million ([Act 9](#), Section 5 at page 62). Thereafter, for fiscal years 2021-2024, the Fund received the maximum \$5.1 million per year of annual conveyance tax revenue, amounting to merely 4.63% of total collections (see Department of Taxation [Annual Reports](#)). The Department believes that the \$5.1 million emergency cap was intended as a temporary measure that should now be repealed.

² For Fiscal Year 2024, data provided by the State Council on Revenues indicates that collections of State conveyance tax revenue totaled \$97,492,412 (a 5.85% increase from Fiscal Year 2023). Under the original Fund formula established by the 2005 Legislature (10 percent of total collections, uncapped), Fiscal Year 2024 distributions to Fund would have been over \$9.7 million instead of the capped amount of \$5.1 million.

³ The 2021 Legislature determined that this \$15 million amount was the minimum held "in excess of the requirements" of the Land Conservation Fund, and authorized the Director of Finance to transfer the full amount, "or so much thereof as may be necessary for fiscal year 2020-2021," to the general fund ([Act 87](#), Section 2, see table row 60).

properties (including Legacy Land Conservation Commission volunteers); program support services; subscription fees for the online grant application portal; and operating supplies.

FY2024 Grant awards (total expenditures and encumbrances)	
Land acquisition	4,855,238
Operation, Maintenance, and Management	255,000
FY2024 Debt service payment	1,500,000
FY2024 Personnel costs	
Salaries, benefits, assessments	260,054
FY2024 Administrative expenses⁴	
Commission and staff training and travel	14,288
Services, fees, and supplies	205,217
Total FY2024 funds expended/encumbered	7,089,797

Fiscal Year 2024 transactions that transferred funds into and out of a Department of Land and Natural Resources trust account (T-907)

During Fiscal Year 2024 DLNR transferred:

- \$1,000,000 out of T-907 into escrow for a DLNR land acquisition at Pohakea Watershed Lands, District of Wailuku, Island of Maui (see this report pages 6-7);
- \$ 593,458 out of T-907 into escrow for a DLNR land acquisition at Makolelau 5th Parcel, District of Kona, Island of Molokai (see this report pages 15-16); and
- \$ 951,250 out of T-907 into the Land Conservation Fund to return unspent funds for a discontinued DLNR land acquisition (see this report page 20).

(E) OBJECTIVES AND BUDGET PROJECTIONS FOR THE FOLLOWING FISCAL YEAR

Objectives

The highest priority for the Fiscal Year 2025 ("FY2025") Legacy Land Conservation Program ("LLCP") budget objectives is to restore revenue for the Land Conservation Fund to strengthen LLCP buying power as land prices and market competition continue to escalate. Although the 2024 legislature provided an FY2025 spending authorization of \$9,031,791, annual revenue from

⁴Department efforts to implement a recommendation from a 2019 legislative audit report, concerning overpayment of administrative fees, resulted in a memo from the Director of Finance to the Chairperson, dated July 26, 2019, noting that "Pursuant to Comptroller's Memorandum No. 97-26, entitled "Accounting for Revenue Refunds and Expenditure Reimbursements," expenditure for prior-year reimbursements may be reduced against current expenditures" and approving "the utilization of \$698,652 for CSA [Central Services Assessment] for the LCF [Land Conservation Fund] to be applied towards administrative expense assessment, as necessary, until that account is depleted." Pursuant to this approval, the Department did not expend FY2024 funds for Land Conservation Fund administrative expense assessment.

conveyance tax remains capped at \$5.1 million. As shown in the table below, during the past two legislative sessions (2023 and 2024), eleven measures for increasing Land Conservation Fund revenue did not reach chamber floors for final votes. Two of these measures were introduced by request from the Governor’s package and nine were introduced by various combinations of 33 legislators (Aiu, Aquino, Amato, Belatti, Chang, Chun, Garrett, Holt, Hussey-Burdick, Ganaden, Ichiyama, Ilagan, Inouye, Kapela, Keith-Agaran, Kidani, Kila, Kobayashi, Lamosao, Lowen, Marten, Martinez, Matayoshi, McKelvey, Morikawa, Perruso, Poepoe, Quinlan, San Buenaventura, Takenouchi, Tam, Todd, and Wakai).

Legislative measures introduced for increasing Land Conservation Fund revenue, 2023-2024

MEASURE	FATE
HB590	House Water and Land Committee did not hold a hearing (2023)
HB908 SD1	Did not emerge from 2023 conference committee
HB1211 HD1	House Finance Committee did not hold a hearing (carried over from 2023)
HB1592 HD1	Senate Water & Land Committee did not hold a hearing
HB2364 HD2	Senate Committees on Water & Land and Housing did not hold a hearing
HB2629 HD2	House Finance Committee did not hold a hearing
SB362 HD1	House Finance Committee did not hold a hearing
SB678	Senate Committees on Health and Human Services and Housing did not hold a hearing
SB1063	Senate Water & Land Committee did not hold a hearing
SB3005	Senate Committees on Water & Land and Housing did not hold a hearing
SB3053	Senate Committees on Water & Land and Housing did not hold a hearing

Key LLCP objectives for FY2025 are:

- (1) complete one prior-year grant for a state agency land acquisition (\$700,000 for 951+ acres at Kāneʻohe Pali to Loʻi, Oʻahu, LLCP 2019-04)
- (2) provide support for completing eight prior-year grants for land acquisitions by nonprofit land conservation organizations (\$10.82 million for 236+ acres, total);
- (3) coordinate the award, encumbrance, and expenditure of FY2025 grant funds towards the acquisition of lands having value as a resource to the State (approximately \$6.7 million available) and the operation, management, and maintenance of lands acquired by way of the Land Conservation Fund (up to \$255,000 total);
- (4) coordinate the solicitation of grant applications for Fiscal Year 2026 grant awards (approximately \$6.7 million available from pending biennium budget);
- (5) continue implementing selected recommendations from the 2019 performance audit of the Land Conservation Fund (State of Hawaiʻi Office of the Auditor, Report No. 19-01); and
- (6) continually improve program operations, including:
 - o establishing a project agreement the University of Hawaiʻi to enhance program capacity for monitoring conserved properties, data management, reporting, and communications;
 - o enhancing and expanding monitoring of properties conserved with grants from the Land Conservation Fund;
 - o training additional staff as backup for program operations and

- strengthening coordination with partnering programs for land acquisition to facilitate planning efforts, shorten acquisition timelines, avoid duplication of effort, and optimize conservation benefits.

Budget Projections

Existing collections data and the most recent estimates provided by the State Council on Revenues ([September 5, 2024](#)) suggest that the total amount of conveyance tax revenue collected annually in Fiscal Years 2025-2031 will range from 1.22% greater than Fiscal Year 2024 collections (in Fiscal Year 2027) to 5.58% greater than Fiscal Year 2024 collections (in Fiscal Year 2029), with an average annual increase of 4.39%. Therefore, the Department of Land and Natural Resources ("DLNR") anticipates that absent corrective legislation to remove the Land Conservation Fund revenue cap, only \$5.1 million of annual conveyance tax revenue will continue to flow to the Land Conservation Fund for the next seven years; interest on total cash balance will accumulate following state investment returns; and revenue sharing from dispositions of conserved properties will continue to provide at least \$21,226 per year in additional revenue. If a state agency discontinues an existing grant (total current value \$700,000), then those grant funds will return to the Land Conservation Fund and be added to its unencumbered cash balance.

Given the ongoing escalation of property values and land acquisition costs and the steady flow of applications for worthy uses of the Land Conservation Fund, DLNR recommends three legislative measures for strengthening Legacy Land Conservation Program buying power to help this critical and popular program better perform its mission and meet public demand:

- (1) Amend Section 247-7(1), Hawaii Revised Statutes, to restore the annual distribution of conveyance tax revenue to the Land Conservation Fund to ten percent of collections, uncapped, as initially legislated in 2005;
- (2) Establish a recurring annual transfer of \$1.5 million from the general fund to the Land Conservation Fund to (a) offset ongoing use of special funds for payment of Turtle Bay debt service; (b) replenish the Land Conservation Fund to compensate for ten years of losses incurred under previous revenue caps and for a one-time \$15 million transfer from the Land Conservation Fund to the general fund; and (c) implement equitable sharing with the general fund of a future surplus in the Turtle Bay Conservation Easement Special Fund; and
- (3) Establish a Legacy Land Conservation Trust Fund—funded with transfers of certain operating funds from the Land Conservation Fund and unused cash from the Department trust fund for land acquisition—for which Legacy Land Conservation Program expenditures of grant funds for land acquisition will be exempt from appropriation or allotment.

CONCLUSION

During FY 2024, the LLCP enabled the Land Conservation Fund to contribute \$3,445,493 from previous fiscal years to pay for two land acquisitions by a state agency and three land acquisitions by nonprofit land conservation organizations. The FY2024 Land Conservation Fund provided \$1,500,000 to pay debt service on one state financial instrument relating to the acquisition of interests or rights in land having value as a resource to the State (Turtle Bay, Island of O‘ahu) and \$255,000 for six newly approved grant awards for the operation, maintenance, and management of lands acquired previously by way of the Land Conservation Fund. The LLCP encumbered \$4,855,238 in FY2024 funds for four newly approved grants for future land acquisitions valued at \$11,313,568 (total estimated project costs) that are slated to conserve over 47 acres on the island of Hawai‘i (two grants) and nearly four acres on the island of O‘ahu (two grants). The LLCP also administered existing grant awards, contracts, and state financial accounts that would provide \$6,666,542 from previous fiscal years for five pending land acquisitions valued at \$16,279,159 (estimated total project costs) and conserving over 1,133 additional acres (total area) across the islands of Maui (Kepler Ke‘anae Lo‘i), O‘ahu (Kāne‘ohe Pali to Lo‘i, Pālāwai, and Makali‘i), and Kaua‘i (Kamealoha Kuleana).



LLCP 2022-01, Mahukona Navigation and Ecological Complex (see this report, pages 5-6)

‘Ohana from the area still engages in cultural protocol and ceremony here. This particular ceremony was marking Ke Ala Polohiwa a Kāne, or summer solstice.