

## EDB Committee

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**From:** Scott Fisher <scott@hilt.org>  
**Sent:** Wednesday, February 13, 2019 5:56 PM  
**To:** EDB Committee  
**Subject:** EDB-182  
**Attachments:** 5th Revision of Ke`anae Kepler Grant to the County of Maui (1).docx

Aloha mai Kakou,

Please find attached below a request to the Maui County Economic Development and Budget Committee in the amount of \$110,000 in order to protect approximately 6 acres of lo'i kalo on the Ke'anae Peninsula. The Hawaiian Islands Land Trust is pursuing this funding in order to purchase a conservation easement from the landowners, Dr. Bill and Luellen Kepler. I look forward to providing testimony on this matter on Thursday, February 14th.

Mahalo

Scott Fisher

**Scott Fisher, Ph.D.**

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Our Mission: To protect the lands that sustain us for current and future generations.



## **Grant Proposal To: Maui County**

**Grant Application For:** Kepler Ke`anae Lo`i Easement.

**Fiscal Year Ending:** 6-30-2019;

**Date of Request:** 02-14-2018;

**Granting Agency:** County of Maui, Department of Finance  
200 South High St. Wailuku, HI 96793.

### **Applicant**

1. **Legal Name of Organization:** Hawaiian Islands Land Trust.  
Contact name: Scott Fisher, Associate Executive Director of Conservation. Phone: (808) 244-5263; scott@hilt.org
2. **Address: Mailing** (local): P.O. Box 965, Wailuku, HI 96793  
**Office:** 126 Queen St. Honolulu HI 96813.
3. **Taxpayer Type:** Corporation: Non-profit Charitable 501 (c) (3).
4. **Tax ID Number:** 99-0353223;
5. **Amount of Request of County Funds:** \$110,000.
6. **Has the Applicant Applied for/received any other funds from the County of Maui this Fiscal Year?** No.

Authorized Signature:

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Scott G. Fisher, Associate Executive Director of Conservation

### **Request Summary:**

The Hawaiian Islands Land Trust request a **Grant of \$110,000 (one hundred ten thousand dollars)** from the Maui County FY 2016 Open Space, Natural Resources, Cultural Resources and Scenic Views Preservation funds to be used for the purchase of a perpetual conservation easement over approximately 6 acres of ancient kalo lo'i at Ke'anae, currently owned by Dr. William and Lu Ellen Kepler. The total fair market purchase price for the conservation easement, per the latest appraisal, is \$490,000. The Kepler family will donate \$70,000 to the Hawaiian Islands Land Trust to ensure this easement is perpetually protected. The discounted purchase price for the conservation easement is \$420,000. HILT has secured preliminary funding approval for this project in the amount of \$210,000 from the Legacy Land Conservation Fund, through the Department of Land and Natural Resource, as well as \$100,000 from a private foundation. The funds we are requesting will conserve this land in perpetuity.

The Kepler's Ke'anae property will be protected through a perpetual conservation easement. This easement will exclude the building envelope of the Kepler's existing house site. This easement will ensure that this property will always be available for agricultural production, and the intent of the Kepler family is to encourage kalo production. The property includes the small sacred lo'i originally belonging to the chief Ke'anae, from which it is reported that the entire ahupua'a took its name (Elspeth Sterling, 1998, *Sites of Maui*, pp. 111).

### **Property Description**

The subject property ("Property"), TMKs 2-1-1—03: 041 and 2-1-1-03: 065, is located at the southeastern (mauka) side of Ke'anae Place on the Ke'anae Peninsula (see Figure 1). The site consists of two parcels. Ke'anae place cuts through the property, splitting it into two pieces: a 6.12 acre lot mauka of the roadway (Parcel 041) and an oceanfront remnant parcel of approximately 0.18 acre on the northerly, makai side of the roadway (Parcel 065). Combined, the sites total 6.3 acres. A 0.3 acre building envelope will be delineated where the primary farm dwelling is located, and the easement will allow an additional accessory farm building (e.g. barn) to be placed within the 0.3 acres, as allowed by county ordinance.

There are 36 actively farmed lo'i kalo on the Property, permanently supplied with water from Polaukuku stream through a series of irrigation channels ('auwai). This is the largest number of lo'i under single ownership on the Ke'anae Peninsula.

### **Conservation Purposes**

The conservation purposes for this property are specified in the Conservation Easement. Although the main purpose is to ensure the permanent protection of these culturally significant

lands for agricultural production (with the intent to maintain it in kalo), the related conservation benefits include:

- Preserving unique agricultural lands;
- Preservation of historic and culturally important land areas;
- Protection of significant habitat and ecosystems, including buffer zones; and
- Conserving land for the purpose of reducing erosion, floods and runoff.

## **Justification and Prioritization**

The Ke`anae Peninsula is synonymous with kalo production on the island of Maui. As noted in the exceptional article by Paul Wood in Hawaiian Airline's Hana Hou Magazine in 2006, Ke`anae is part of the Ko`olau district, which remains one of the greatest kalo growing regions on Maui and perhaps, because it has been farmed in the same way by the same families for generations, among the most important locations for the continued commitment to traditional Hawaiian methods of farming in Hawai'i.

The County of Maui contracted an extensive cultural study of the region in 1995. This report, Kalo Kanu o Ka `Aina: A Cultural Landscape Study of Ke`anae and Wailuanui, Island of Maui, (Group 70, July 1995) concluded with a strong list of recommendations for this region with a focus on "retaining the cultural identity of the region and promoting economic activities which are environmentally benign and compatible with the cultural sensitivities of the area." Among the specific recommendations (pp. 142-144) were:

- "State and county agencies should explore protective management measures such as covenants, easements and other planning tools for exceptional open space resources and viewsheds." And
- "The perpetuation of taro cultivation in Ke`anae and Wailuanui as a viable economic activity is critical for the future maintenance of the cultural landscape" (emphasis added). "For this to happen, there must be continued incentives for taro growing and community support which encourages maintenance of the water sources and `auwai on which the cultivation depends."

The establishment of a permanent Conservation Easement on the property described will ensure that these lands will always be available for agricultural production.

## **Brief Overview of Long-Term Management Plans**

The lands to be protected by this permanent conservation easement are owned, and will be managed by William and LuEllen Kepler, their heirs and assigns. The purpose of this permanent easement is to assure these lands are always available for agricultural production. Some of the lo'i are farmed by the owners, while others are farmed by neighbors. The Ke`anae community works together to ensure maintenance of the water sources and `auwai, including an active role in the recent contested case hearings to restore water flows into a number of east Maui streams.

The landowners have worked closely with the USDA Natural Resources Conservation Service to develop a conservation land use plan for the project area that promotes best management practices while minimizing any potential erosion of these unique soils.

The role of the Hawaiian Islands Land Trust is to hold the perpetual conservation easement and to assure that the current owners and all future owners abide by the conditions and restrictions in the Conservation Easement. HILT is not responsible for the day-to-day management of the land, as that is the responsibility of the landowner.

### **Appraisal by Disinterested Appraiser Dated Not More Than One Year from Date of Proposal.**

An appraisal of the subject property by ACM Consultants, was produced on January 25, 2012 and established the conservation easement value at \$490,000. The Kepler family will conduct a final appraisal once all of the funds needed to close this project are secure.

### **Permanent Stewardship of the Conservation Easement**

Hawaiian Islands Land Trust (HILT) will hold the permanent conservation easement on the property that will limit its use to agriculture. HILT will be responsible for assuring the easement terms are always adhered to through regular monitoring and enforcement if necessary. No subdivision on the land is allowed and the land cannot be converted to non-agricultural uses.

HILT is a 501 (c) (3) charitable nonprofit organization founded in 2011 from the merger of four land trusts across the state (including the Maui Coastal Land Trust, founded in 2001). As of January, 2015, HILT holds nearly 15,000 acres of conservation lands on Maui and Moloka'i under protection (with a statewide total of over 17,500 acres).

HILT is one of only 285 land trusts (of more than 1700 in the United States) who have earned accreditation through the Land Trust Accreditation Commission, an independent program of the National Land Trust Alliance. Accreditation recognizes land conservation organizations that meet national standards for excellence, uphold the public trust and ensure that conservation efforts are permanent.

### **Description of Efforts to Obtain Matching Funds from Non-County Sources for Acquisition and Management.**

#### **Budget**

Maui County Open Space Fund ( <i>this proposal</i> )	\$110,000
Kepler Family Stewardship Endowment Donation	\$70,000
Legacy Land Conservation Fund (DLNR)	\$210,000
Private Foundation	\$100,000

**Total Easement Value: \$490,000 (Plus Closing Costs)**

