

State of Hawai'i
Department of Land and Natural Resources
Division of State Parks
Honolulu, Hawai'i

December 14, 2012

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

Statewide

Subject: Request for Approval to Continue Twenty-Four (24) Revocable Permits for Use of State Parks Lands on the Islands of Kaua'i, O'ahu, Maui, and Hawai'i for the following: Kaua'i: Na Pali Kayak Inc., Kayak Kaua'i, Rick Haviland, (Na Pali Coast State Wilderness Park for commercial kayak landings), Clancy Greff, Na Pali Sea Tours, Inc., Lady Ann Cruises Inc., (Na Pali State Wilderness Park inflatable boat landings), Wailua Marina Restaurant (Wailua River State Park restaurant), The Lodge at Koke'e (Koke'e State Park lodging accommodations/retail and restaurant use), Ka Imi Naauao o Hawai'i Nei, Hawai'i United Methodist, Kaua'i Christian Fellowship, Camp Hale Koa Association, (Waimea Canyon State Park non-profit recreation-residences/camps), Hawai'i Conference Foundation (Koke'e State Park non-profit camp), Sukhothai Corp. (Waimea Canyon State Park mobile food vendor), O'ahu: Rick Ralston (Pu'u 'Ualaka'a State Wayside residential use), Curtis K. Hong (Diamond Head State Monument food and beverage vending), Pepsi Bottling Group (Diamond Head State Monument beverage vending), Jose Gaceta (Ahupua'a O Kahana State Park, pasture use), Erlinda Molina Villanueva (Ahupua'a O Kahana State Park, agricultural use), Mary Teves/Roy Teves, Joan Cash, Wesley Cash, (Kawainui Marsh State Park Reserve, Breeding and Raising of Horses and Cattle), Sand Island Off-Highway Vehicle Association, Inc., (Sand Island State Recreation Area, Off-Road Vehicle Use), Maui: Maui Ice and Soda Works, Ltd. (Wai'anapanapa State Park beverage vending), Island Inspirations, LLP (Makena State Park food service vending), Hawai'i: SMCA, Inc. (Hapuna Beach SRA food and beverage vending)

Statute: Sections 171-13 and -55, HRS, as amended.

Chapter 343 Environmental Assessment

See Exemption Notification attached hereto as Exhibit B.

Background:

The Division of State Parks (State Parks) annually requests Board approval to continue its existing month-to-month revocable permits (RPs) in December of each year. Pursuant to §171-55, HRS, the Board may allow revocable permits to continue on a month-to-month basis for additional one-year periods.

ITEM E-1

State Parks requests the continuation of RPs originally approved by the Board at various meetings held as far back as 1988. The purpose of seeking the Board's approval of the RP's in December of each year is to synchronize the terms of all revocable permits to a calendar year period. Some of these RP's are intended to be transitional in that they will eventually be replaced by concession agreements or long-term general leases. All revocable permits under consideration by this submittal are listed in Exhibit "A".

On July 27, 2012, the Board approved the request for the sale and independent award of eight concession or mobile concession agreements by means of sealed bid auction. Due to staffing limitations, these solicitations are still in progress and of the eight concessions the Board approved, seven operate under existing RP's with one entirely new concession. If approved, the revocable permits subject to concession bid, would remain in place until such time as the contracts are awarded pursuant to the bidding process which is planned for completion in 2013.

Discussion

Kaua'i

Kaua'i RPs include inflatable boat and kayak landing permits for commercial guided tours at Nu'alolo Kai and Miloli'i in the Nāpali Coast State Wilderness Park. At the Wailua River State Park in Marina Building B, a full service restaurant serves visitors to the marina area as well as the Fern Grotto.

In Kōke'e and Waimea Canyon State Parks, there are five permits for the nonprofit use of recreation-residence and camp facilities. The Board previously approved the issuance of long term leases for five non profit organizations. One of those organizations has relinquished its tenancy and the Board authorized the issuance of a new RP to the Camp Hale Koa Association in 2010 in its place. As staff time is available, State Parks will complete the long term leases for the four remaining non profit organizations. Finally, there is one mobile food vendor at the Waimea Canyon Lookout.

O'ahu

At Pu'u 'Ualaka'a State Wayside, a revocable permit was issued to Mr. Rick Ralston in 1987 for the use of the residence known as the "Nutridge House". On December 9, 2011, the Board approved the continuation of Mr. Ralston's revocable permit with the provisions that fair market rents are paid and that a current revocable permit be used. In addition, the Board delegated to the Chairperson, the authority to negotiate 'in kind' agreements for services provided to the park. The appraisal process is pending and staff expects it to be complete in January 2013.

On the Windward side of 'Oahu, two, relatively small agricultural and pasture revocable RP's at Ahupua'a O Kahana State Park are issued to family members of those holding residential leases in the park and reflect a continuation of traditional practices. With respect to Kawainui Marsh State Park Reserve, the current use of the property under the Teves/Cash RP is not compatible with the State Park reserve and is inconsistent with requirements of the Land and Water Conservation Fund used to purchase the property.

Therefore, State Parks requests the Board approve a continuation of the existing RP issued to Permittees Teves and Cash for a period of six months to allow for the permittee to remove their property and to restore the land to its previous condition under terms acceptable to the Chairperson.

Maui

In Wai'anapanapa State Park, Maui Ice and Soda Works operates beverage vending machines. In Makena State Park, Island Inspirations, LLC operates as mobile food vendor.

Hawai'i

At Hāpuna Beach State Recreation Area, a restaurant concession serves visitors taking advantage of surfing, hiking and sunbathing along one of the few white sandy beaches along the Kohala coast.

Recommendations: That the Board:

1. Declare that after considering the potential effects of the proposed dispositions as provided by Chapter 343, HRS, and Chapter 11-200, HAR, the continuation of these revocable permits will have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Authorize the continuation of the revocable permits listed in Exhibit "A" pursuant to the terms above and as which, by this reference, are incorporated herein, on a month-to-month basis for a one-year period (except for the Teves/Cash revocable permit No. SRP6843);
3. Authorize the continuation of revocable permit No. SRP6843 issued to Mary Teves, Roy Teves, Joan Cash and Wesley Cash for a period of six (6) months, ending June 30, 2013 and delegate to the Chairperson, the authority to negotiate the conditions of said revocable permit; and,
4. Approve such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.

Respectfully submitted,



DANIEL S. QUINN
State Parks Administrator

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Chairperson

EXHIBIT "A"
DIVISION OF STATE PARKS REVOCABLE PERMITS
Revocable Permits Approved by the Land Board and Subject to Renewal

RP #	Name of Permittees	Park	TMK	Character of Use	Permit Area (acres)	Current Rent (base or percentage)
SP0044	Na Pali Kayak, Inc	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP0045	Kayak Kauai	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP0046	Rick Haviland, dba Outfitters Kauai	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP0004	Clancy Greff dba Na Pali Zodiac and A Na Pali Eco Adventures, Inc.	Nāpali Coast SWP (Nu 'alolo Kai), Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP0005	Na Pali Sea Tours, Inc.	Nāpali Coast SWP (Nu 'alolo Kai), Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP8701	Lady Ann Cruises, Inc.	Nāpali Coast SWP (Nu 'alolo Kai), Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever higher
SP0001	Wailua Marina Restaurant	Wailua River SP (Marina), Kaua'i	(4) 3-9-04:9	Full Service Restaurant	1058 sq ft	\$2,332.80 per month or 5-10% of which ever is higher
SP0039	The Lodge at Kōke'e LLC	Kōke'e SP, Kaua'i	(4) 1-04-01: Por. of 13, Lots A, C, D, E, & F	Lodging/Retail/Re staurant/Resident Mgr. Residence	2.8 ac	4% of gross profits
SP0189	Ka Imi Naauao o Hawaii Nei	Waimea Canyon SP, Kaua'i	(4) 1-4-002:20	Nonprofit Camp	1.0 ac.	\$41.67 monthly
SP0191	Hawai'i Conference Foundation, United Church of Christ	Kōke'e SP, Kaua'i	(4) 1-4-004:027 a, b	Nonprofit Camp	.50 ac.	\$41.67 monthly
SP0192	Hawaii United Methodist	Waimea Canyon SP, Kaua'i	(4) 1-4-002:024	Nonprofit Camp	3.05 ac	\$41.67 monthly
SP0193	Kauai Christian Fellowship	Waimea Canyon SP, Kaua'i	(4) 1-4-002:041	Nonprofit Camp	.99 ac	\$41.67 monthly
SP0402	Camp Hale Koa Association	Waimea Canyon SP, Kauai	(4) 1-4-002:0055	Nonprofit Camp	4.06 ac	\$41.67 monthly
SP0052	Sukhothai Corp	Waimea Canyon Lookout	(4) 1-4-001:por.	Mobile Concession		\$2,500 per month
SRP6610	Rick Ralston	Pu'u 'Ualaka 'a State Wayside	(1) 2-5-019:004	Residential Use	20,620 sq ft	\$604.00 per month ¹

¹ Rental rate is subject to adjustment by pending appraisal.

EXHIBIT "A" (CONTINUED)
 DIVISION OF STATE PARKS REVOCABLE PERMITS

Revocable Permits Approved by the Land Board and Subject to Renewal

RP #	Name of Permittees	Park	TMK	Character of Use	Permit Area (acres)	Current Rent (base or percentage)
SP0047	Paradise Shrimp & Burger (Curtis K. Hong)	Diamond Head SM	(1) 3-1-042:006	Food and Beverage Concession	N/A	\$7,200 per month
SP-0041	Pepsi Bottling Group	Diamond Head SM	(1) 3-1-042:006	Concession	N/A	\$520 per month or 45.5% Drinks, 30% Gatorade of gross receipts, whichever is greater
SP0043	Gaceta, Jose	Kahana SP	(1) 5-2-02: por. 1	Pasture	4.8 acres	\$13.00 per month
SP0058	Erlinda Molina Villanueva	Kahana SP	(1) 5-2-02: por. 1	Agriculture	6.0 acres	\$90 per month
SP-0022	Maui Soda & Ice Works, Ltd.	Wai'anapanapa	(2) 1-3-005:009	Concession		\$100 per month or 35% of gross monthly receipts, whichever is greater
SP-0050	Island Inspirations LLP	Makena SP	(2) 2-1-006:053	Food and Beverage Concession		\$800 per month
SRP0070	Sand Island Off-Highway Vehicle Association, Inc.	Sand Island State Recreation Area	(1) 1-5-041:006 (por)	Off road vehicle use	30 acres	Gratis
SRP6843	Joan/Wesley Cash, et al	Kawainui Marsh State Park Reserve	(1) 4-2-013:010 (por)	Breeding/raising horses/cattle	17 acres	\$13.00 per month
SP-0056	SMCA, Inc.	Hāpuna Beach SRA	(3) 6-6-002:35	Food and Beverage Concession	375 sq ft (building) 15,000 sq ft (land area)	\$1200 per month or 8% of gross, whichever is higher

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EXHIBIT “B” Exemption Notification

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF STATE PARKS
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER P. KAIANA
FIRST DEPUTY DIRECTOR

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

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

EXEMPTION NOTIFICATION

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

Project Title:

Approval to Continue Twenty-Two (24) Revocable Permits for Use of State Parks Lands on the Islands of Kaua'i, O'ahu, Maui, and Hawai'i for the following: Kaua'i: Na Pali Kayak Inc., Kayak Kaua'i, Rick Haviland, (Na Pali Coast State Wilderness Park for commercial kayak landings), Clancy Greff, Na Pali Sea Tours, Inc., Lady Ann Cruises Inc., (Na Pali State Wilderness Park inflatable boat landings), Wailua Marina Restaurant (Wailua River State Park restaurant), The Lodge at Koke'e (Koke'e State Park lodging accommodations/retail and restaurant use), Ka Imi Naauao o Hawai'i Nei, Hawai'i United Methodist, Kaua'i Christian Fellowship, Camp Hale Koa Association, (Waimea Canyon State Park non-profit recreation-residences/camps), Hawai'i Conference Foundation (Koke'e State Park non-profit camp), Sukhothai Corp. (Waimea Canyon State Park mobile food vendor), O'ahu: Rick Ralston (Pu'u 'Ualaka'a State Wayside residential use), Curtis K. Hong (Diamond Head State Monument food and beverage vending), Pepsi Bottling Group (Diamond Head State Monument beverage vending), Jose Gaceta (Ahupua'a O Kahana State Park, pasture use), Erlinda Molina Villanueva (Ahupua'a O Kahana State Park, agricultural use), Mary Teves/Roy Teves, Joan Cash, Wesley Cash, (Kawainui Marsh State Park Reserve, Breeding and Raising of Horses and Cattle), Sand Island Off-Highway Vehicle Association, Inc., (Sand Island State Recreation Area, Off-Road Vehicle Use), Maui: Maui Ice and Soda Works, Ltd. (Wai'anapanapa State Park beverage vending), Island Inspirations, LLP (Makena State Park food service vending), Hawai'i: SMCA, Inc. (Hapuna Beach SRA food and beverage vending)

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Continuation of Revocable Permits 2013
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Project / Reference No.: N/A

Project Location: Statewide

Project Description: Annual Continuation of State Parks Revocable Permits for 2013

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

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8(a)(1), the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 which exempts, **“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”**.

Each of the revocable permits listed in the submittal are for existing uses previously authorized by the Board.

Consulted Parties: DLNR - Division of Forestry and Wildlife

Recommendation: It is recommended that the Board find that this action will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.



 William J. Aila Jr., Chairperson 