

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96813

May 13, 2016

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

Hawaii

Issuance of a Revocable Permit to Horizons Pacific Inc., dba Big Island Divers, to operate a ticket booth and concession that includes maritime related activities, concierge services, providing general island information, maps, restaurant guides, charter and tour information, cruise ship itineraries, trolley and bus schedules, affordable beach rental gear (mask/snorkel/fins, umbrellas, towels), and sales of sunscreen, cold refreshments and snacks. Located at Kailua-Kona, Island of Hawaii, Tax Map Key: (3) 7-5-006:039

APPLICANT:

Horizons Pacific Inc. dba Big Island Divers.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of the State of Hawaii situated at Kailua-Kona, Island of Hawaii identified by Tax Map Key: (3) 7-5-006:039, Exhibit A, and the attached map labeled Exhibit B.

AREA:

The approximate square footage of the space is 11'5" x 5'5"= 63.25 sf. kiosk. In addition to placing lockers in the back of the building for the storage of back packs and other personal items.

ZONING:

State Land Use District: Urban
County of Hawaii CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act.

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES NO

CURRENT USE STATUS:

Vacant

CHARACTER OF USE:

Occupancy and use the Premises for the following specified purposes: Maritime related activities, including concierge service, providing general island information, maps, restaurant guides, charter and tour information, cruise ship itineraries, trolley and bus schedules, affordable beach rental gear (mask/snorkel/fins, umbrellas, towels), sunscreen, cold refreshments and snacks. The Permittee may also occupy and use the Premises for any other uses permitted under applicable county zoning, subject to the prior approval of the Chairperson of the Board and the Permittee's compliance with Chapter 343, Hawaii Revised Statutes.

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$3,000 per month.

COLLATERAL SECURITY DEPOSIT:

Equal to one month rent, \$3,000.00

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Department of Land and Natural Resources Environmental Impact Statement Exemption List", concurred by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item No. 53, that states, "Granting to a person the privilege to conduct operations involving the provision of goods, wares, merchandise, or services to the general public including, but not limited to, tours, food and beverage operations, retail operations, rental operations, or communications and telecommunications services in or on an existing building, facility, or area."

DCCA VERIFICATION:

Place of business registration confirmed: YES NO

Registered business name confirmed: YES X NO
Applicant in good standing confirmed: YES X NO

REMARKS:

Though most fishing boats use Honokohau Harbor, this pier, dating from 1918, is still a hub of ocean activity. Outrigger canoe teams practice and race, shuttles transport cruise ship passengers to and from town, and tour boats depart from this dock daily. Since 1994, Destination Kona Coast (DKC) operated the Aloha Greetings Program during cruise ship port calls. This included musicians and hula dancers on the pier as well as using the existing office space for storing equipment and operating as an information desk during cruise ship port calls. During this time, DKC was never issued any form of land disposition, did not pay rent, or provide insurance for the space. In 2011, the Kailua-Kona pier suffered damage from a tsunami that originated in Japan. The damages were to the entire building that included the area where the ticket booth is located. During reconstruction, DKC requested to be able to continue to use the space and were apparently given assurances that they could continue to use the space once construction was completed. Subsequent to the completion of the improvements, several other entities expressed interest in utilizing the space.

The long term goal is to issue a lease for the space; however, the Division of Boating and Ocean Recreation (Division) is not ready to do so at this time because we are in the process of determining what would be the best use for the area. In the short term, the Division would like to issue a Revocable Permit in order to gather information that can be used when offering a long term disposition. Since several entities expressed an interest in using the space, the Division requested that they each submit a proposal and the Division would rank the proposals based on the services offered, the facility being open seven days a week, and rental income.

The process resulted in receiving bids from the following four applicants: 1. Body Glove, DBA Body Glove Cruises, 2. Adventures in Paradise, Inc., 3. Destination Kona Coast, 4. Horizons Pacific Inc. dba Big Island Divers & Rocking H Island Adventures.

The Division selected Horizons Pacific, Inc., dba Big Island Divers, based on the proposed services and monthly rental.

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 revocable permit to Horizons Pacific Inc., dba Big Island Divers 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 revocable 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 Chairperson to best serve the interests of the State.

Respectfully Submitted,



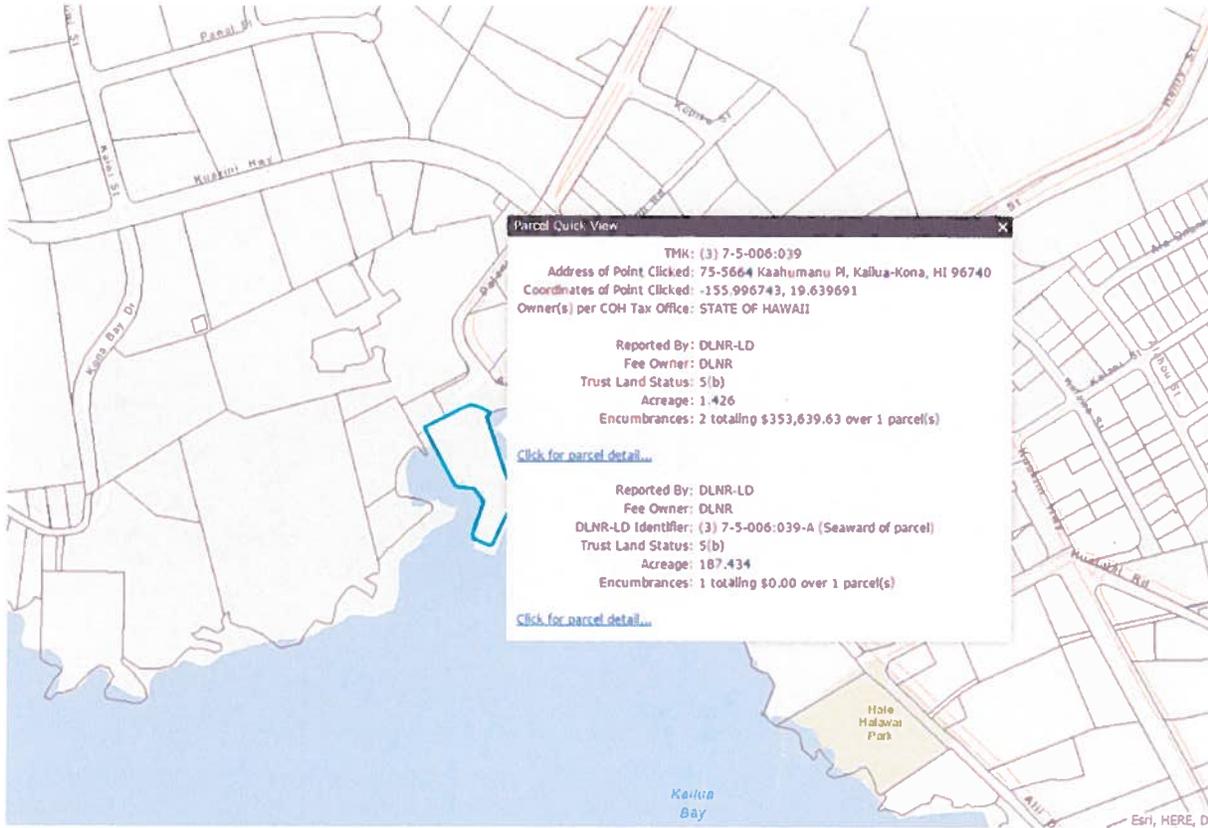
Edward R. Underwood
Administrator

APPROVED FOR SUBMITTAL:



Suzanne D. Case
Chairperson

Attachments



Parcel Detail							
Data reported by DLNR-LD				Data from Statewide GIS Program			
Alternate ID:	(3) 7-5-006:039-A			State Land Use District:	Urban		
County:	Hawaii			Data from Hawaii County sources			
Island:	Hawaii			Owner(s):	STATE OF HAWAII		
Fee Owner:	DLNR			County Zoning:	OPEN		
Parcel Acreage:	187.4340						
Updated:	2/22/2016						
Trust Land Status							
Trust Land Status	Status Acreage	Determination Method					
5(b)	187.4340						
Encumbrances reported by DLNR-LD							
The following grid contains information regarding the encumbrances that DLNR-LD has issued over this parcel. These encumbrances may have been issued over multiple parcels, so it is important to note that the data within the grid, including the acreage and annual rent, pertain specifically to the encumbrances themselves, and not exclusively to this parcel which may be one of many parcels over which the encumbrances have been issued. Please review the encumbrance details for more information including a list of all parcels over which the encumbrance has been issued.							
Identifier	Lessor Agency	Lessee	Area (ac)	Subtype	Character of Use	Annual Rent	Rent Notes
01094	DLNR-LD	DLNR	188.8830	Executive Order		\$0.00	
The content within the PLTIS, including maps and data, has been collected from multiple city, county, and state sources, and may not have been prepared for legal, engineering, or surveying purposes. Users of this content should consult the primary data sources to ascertain the accuracy and usability of the data. Data shall not be sent to third-parties without consulting with the source agency(ies).							



Exhibit B