

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of Boating and Ocean Recreation  
Honolulu, Hawaii 96819

October 12, 2018

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

SUBJECT: CONTINUATION OF REVOCABLE PERMIT NO. 38 TO COON BROTHERS, INC., MANELE SMALL BOAT HARBOR, LANA'I CITY, ISLAND OF LANA'I, HAWAII, TAX MAP KEY (2) 4-9-017:006 (por.)

APPLICANT:

Coon Brothers, Inc. ("Permitee"), whose mailing address is P.O. Box 1119, Lahaina, HI 96767

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands situated at Manele Small Boat Harbor ("MSBH"), Manele, Island of Lana'i, Hawai'i, Tax Map Key No. (2) 4-9-017: 006 (por.) as shown on attached map labeled EXHIBIT A, and hereinafter referred to as the "Premises".

AREA:

Area consisting of a loading dock of approximately 1,055 sq. ft. and the adjacent submerged lands of approximately 4,225 sq. ft.

ZONING:

State Land Use District: Conservation, Urban  
County of Maui CZO: (Draft): Lana'i Project District I (Manele)

TRUST LAND STATUS:

Section 5(b) lands of the Hawai'i Admission Act: YES

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

CURRENT USE STATUS:

Currently encumbered by Revocable Permit No. 38 to Coon Brothers, Inc., expiring December 31, 2018.

CHARACTER OF USE:

Occupancy and use of the Premises for the following specified purposes: Non-exclusive use of a loading dock and submerged lands for the mooring of applicant vessels and embarking and disembarking of passengers.

COMMENCEMENT DATE:

January 1, 2019

MONTHLY RENTAL:

One thousand and no/100 dollars (\$1,000.00) per month, payable in advance by the first of each and every month.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 – HAWAII ENVIRONMENTAL LAW COMPLIANCE:

Notice of completion of a Final Environmental Assessment for the “Mānele Small Boat Harbor Ferry System Improvements, TMK 4-9-17:6 and approximate 2-acre portion of 4-9-17:2; Lāna‘i Island, Maui County” was published in the Environmental Notice on August 8, 2005 with an associated finding of no significant impact (FONSI). Terminal improvements include ferry pier boardwalk improvements in the approximately 12.5-acre harbor area, and improvements to fuel storage at the ferry dock.

In accordance with the “Comprehensive Exemption List for the Division of Boating and Ocean Recreation (Division), Department of Land and Natural Resources (Department), State of Hawaii, as concurred in by the Environmental Council, State of Hawaii”, dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states in pertinent part, “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.” This project is exempt from the preparation of an Environmental Assessment pursuant to the following exemption:

Item No. 51. Permits, Licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing.

In consultation with Land Division regarding HRS Chapter 343, they concurred the proposed use is exempt from the preparation of an environmental assessment according to the Department's comprehensive exemption list and will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment. See Exhibit C.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO
Registered business name confirmed:	YES <u>X</u>	NO
Applicant in good standing confirmed:	YES <u>X</u>	NO

REMARKS:

The Board authorized the issuance of RP No. 38 on June 24, 2016 until such time as DOBOR could complete the required survey, appraisal and other documentation necessary for issuance of a direct lease as approved by the Board. The appraisal for the subject lease was completed by CBRE, Inc. and the proposed lease rent is \$105,000 per year. Coon Brothers, Inc. has rejected the proposed rent and has exercised their option to begin mediation of the rent according to Hawaii Revised Statutes §171-17, Appraisals.

Upon review of this proposal by the Deputy Attorney General, it was determined that a lease may not be the proper disposition for the loading dock and an easement may be more practical. Currently, the Deputy Attorney General is in discussions with the Coon Brothers, Inc. Attorney on how to move forward with this disposition. Should it be decided that an easement be issued instead of a lease, the appraisal will need to be updated to reflect the change of use.

DOBOR requests the continuation of RP No. 38 to Coon Brothers, Inc. on a month to month basis for up to one year in order to complete the negotiations and possible revision to the appraisal, if warranted.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Declare that, after considering the potential effects of the proposed disposition as amended, 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 continuance of a Revocable Permit No. 38 to Coon Brothers, Inc., as amended, covering the subject area for the use, maintenance and operation of a loading dock and adjacent submerged lands 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; and
- b. Review and approval by the Department of the Attorney General.
- 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  
Division of Boating & Ocean Recreation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE, Chairperson  
Board of Land and Natural Resources

Attachment:

- A. Aerial Map of Manele Small Boat Harbor

### EXEMPTION NOTIFICATION

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

Project Title:	Coon Brothers, Inc.
Project / Reference No.:	To be Determined
Project Location:	Manele Small Boat Harbor, Lana'i, Hawai'i
Project Description:	Encumbered by Revocable Permit No. 38 to Coon Brothers, Inc. for the following specified purposes: Non-exclusive use of a loading dock and submerged lands for the mooring of applicant vessels and embarking and disembarking of passengers.
Chap. 343 Trigger(s):	Use of State lands
Exemption Class No(s).:	Exemption Class No. 1 that states in pertinent part, "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." This project is exempt from the preparation of an Environmental Assessment pursuant to the following exemption:  Item No. 51. 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 Significant?	No anticipated cumulative impacts expected for non-exclusive use of a loading dock and submerged lands for the mooring of applicant vessels and embarking and disembarking of passengers at Manele Small Boat Harbor, Lana'i, Hawai'i
Action May have Significant Impact on Particularly Sensitive Environment?	No anticipated significant impact expected. This site is located on the loading dock and adjacent submerged land situated at Manele Small Boat Harbor, Lana'i, Hawai'i.
Analysis:	The project entails the use of State Land situated at Manele Small Boat Harbor, Lana'i, Hawai'i for non-exclusive use of a loading dock and submerged lands for the mooring of applicant vessels and embarking and disembarking of passengers.
Consulted Parties:	In consultation with Land Division regarding Chapter 343, they concurred that the proposed project is exempt from the preparation of an environmental assessment according to the Department's comprehensive exemption list.
Declaration	It is declared that this project will probably have minimal or no significant effect on the environment and declares that this project is exempt from the preparation of an environmental assessment.





## Manele Small Boat Harbor

Write a description for your map.

