

TRILOGY



Denver Coon in Strong Support of the Issuance of a Non-Exclusive Easement

September 27, 2019
 Suzanne Case, Chairperson
 Board of Land and Natural Resources
 1151 Punchbowl Street; Room 131
 Honolulu, HI 96813

RE: Denver Coon Testimony on Item J-3

Dear Chair Case and Members of the Board of Land and Natural Resources (the “Board”):

I am writing in strong support of the issuance of a long term easement to Trilogy Corporation for the parcel located in Manele Small Boat Harbor. The issuance of a twenty-nine year easement will ensure that the area is maintained and cared for long into the future. This will also provide peace of mind to the many residents of Lana‘i who enjoy the area.

I would also like to take this opportunity to request that Exhibit A of the Item J-3 submittal be amended. Coon Brothers, Inc. (“Coon Bros”), the parent company to Trilogy Corporation, is currently negotiating a long term lease for the submerged and fast lands presently used by Coon Bros under Revocable Permit No. 38 (the “Loading Dock”). Exhibit A states that the future lease for the Loading Dock will be coterminous with boating lease B-93-02. However, both the Senate Concurrent Resolution 158 S.D.2 (2013) and the Minutes for the Meeting of the Board and Land and Natural Resources on March 22, 2013, indicate that the lease should be issued for thirty-five years regardless of the termination date of boating lease B-93-02.

I am concerned that the statement made in Exhibit A will create unnecessary ambiguity and further delay a lease negotiation process that Coon Bros has already poured considerable time and resources into. Coon Bros has been negotiating under the assumption of a thirty-five year lease, and a change to this would greatly affect its position on numerous provisions of the lease. Accordingly, the correction of Exhibit A would clarify one of the most important terms and likely reduce the time needed for the parties to finalize the lease.

Sincerely,

Denver S. Coon
 General Counsel
 Trilogy Corporation
Denver.coon@sailtrilogy.com
[\(808\) 283-2169](tel:(808)283-2169)

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LiAnne Coon-Driessen in Strong Support of the Issuance of a Non-Exclusive Easement

September 27, 2019
 Suzanne Case, Chairperson
 Board of Land and Natural Resources
 1151 Punchbowl Street; Room 131
 Honolulu, HI 96813

RE: LiAnne Coon-Driessen Testimony on Item J-3

Dear Chair Case and Members of the Board of Land and Natural Resources:

I am the sales and marketing director and a proud third generation family member of Trilogy Corporation. I am testifying today in strong support of the issuance of a twenty-nine year easement to Trilogy Corporation for the parcel of land lying adjacent to Trilogy's pavilion. This open space area beautifies the Manele Small Boat Harbor while providing additional park space for the local community. In particular, this area has been used by Lana'i residents in conjunction with the pavilion for over twenty-five years for all types of events, including birthdays, weddings, and funerals. The issuance of the easement will ensure that this area and the pavilion area will continue to be utilized by the community to the greatest extent.

My only concern with the terms of the easement is the requirement for signage on the premises stating that it is for public recreational use. It is well known in the local community that the easement area is for public use, while the pavilion will be made available for public functions upon request. Local residents know this despite the fact that there is nothing demarcating the boundary between the easement area and the pavilion lease area. However, there are numerous commercial tour boat operators that drop hundreds of passengers off at Manele Small Boat Harbor each day who will not know this. A sign stating that the easement area is for public recreation will inevitably lead to commercial operators' passengers believing that the entire area, including the pavilion is open to the public. Not only will this cause problems for Trilogy's daily commercial operations, but it will cause the local residents to be displaced from the easement area.

One of the main reasons Trilogy is willing to pay to maintain the easement area at its own expense is to give back to the local community. However, there is little incentive to maintain the area for the benefit of Trilogy's direct competitors and at the expense of the Lana'i residents. It is worth noting that these operators also do not pay anything for their guests to visit Hulopoe Beach, while Trilogy pays \$8 per person to maintain Hulopoe Beach Park. As a result, the greatest beneficiary of the signage requirement would likely be those who contribute the least to the local community.

TRILOGY



I humbly ask that the Board approve the issuance of the easement to Trilogy Corporation but kindly request that the signage requirement is removed.

Sincerely,

LiAnne Coon-Driessen
Director of Sales and Marketing
Trilogy Corporation
Lianne.driessen@sailtrilogy.com