

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

September 27, 2019

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

Land Board Members:

SUBJECT: MUTUAL CANCELLATION OF REVOCABLE PERMIT NO. 4 TO DOLPHIN  
EXCURSIONS HAWAII, INC. (DEHI); PREVIOUSLY APPROVED  
ON JUNE 28, 2019, AS ITEM J-2; AND ISSUANCE OF A NEW  
REVOCABLE PERMIT TO DEHI, FOR PURPOSES OF TRAILER  
BOAT STORAGE YARD, SITUATED AT WAIANAE SMALL  
BOAT HARBOR, WAIANAE, ISLAND OF OAHU, HAWAII,  
IDENTIFIED BY TAX MAP KEY: (1) 8-5-002:044 (PORTION)

AND

DECLARE PROJECT EXEMPT FROM REQUIREMENTS OF  
CHAPTER 343, HRS AND TITLE 11, CHAPTER 200.1, HAWAII  
ADMINISTRATIVE RULES.

APPLICANT:

DEHI, a Domestic Profit Corporation, whose mailing address is, 44-145 Hako St. #1, Kaneohe, Hawaii 96744; hereinafter referred to as the "Applicant".

LEGAL REFERENCE:

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

LOCATION:

Portion of Government fast lands at Waianae Small Boat Harbor (WSBH"), Waianae, Island of Oahu, Hawaii, identified by Tax Map Key: (1) 8-5-002:044 (portion), as shown on the attached map labeled **Exhibit A**.

AREA:

Approximate area of 30,000 square feet, which area is hereinafter referred to as the "Premises". As depicted in **Exhibit A**.

The applicant is requesting reduction in the size of the permit area from 39,640 square feet to 30,000 square feet. The area under RP No. 4 is 39,640 square feet. Staff is recommending the termination of RP No. 4 and issuing DEHI (DEHI) an RP for 30,000 square feet.

ZONING:

State Land Use District: Urban  
County of Honolulu CZO: P-1 Restrictive Preservation District and P-2 General Preservation District

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act  
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES X NO

CURRENT USE STATUS:

Set aside by Executive Order 4385 for the WSBH.

The premises are presently encumbered by Revocable Permit No. 4, DEHI Permittee, for trailer boat storage.

CHARACTER OF USE:

To operate a Trailer Boat Storage Yard.

COMMENCEMENT DATE:

The revocable permit will commence on July 1, 2019, and end on June 30, 2020.

MONTHLY RENTAL:

\$3,252.82 per month from July 1, 2019, to June 30, 2020.

DEHI is currently paying a monthly rent of \$3,933.33, effective July 1, 2018, for an area measuring 39,640 square feet. The proposed rent, of \$3,252.82 is a result of the reduction of the Premises to 30,000 square feet.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental, \$6,505.64.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the “Comprehensive Exemption List for the Division of Boating and Ocean Recreation, Department of Land and Natural Resources, 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 EA 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 the Land Division (LD), regarding HRS Chapter 343, they concurred that this RP met the requirements of Chapter 343, HRS, and chapter 11-200.1-15, HAR and this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

DCCA VERIFICATION:

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

JUSTIFICATION FOR REVOCABLE PERMIT:

DEHI is a permittee in good standing with the Division of Boating and Ocean Recreation since 2014. DEHI provides jobs for the Waianae Community and a presence at Waianae Small Boat Harbor, which helps to deter undesirable activities. DOBOR Property Management section intends on auctioning this area for a long-term lease in the near future. A revocable permit is an appropriate instrument at this time.

REMARKS:

In addition to providing trailer boat storage, DEHI also has an RP on the abutting premises where they conduct charter boat tours for snorkeling, dolphin & whale watching. They also operate a cafe for breakfast and lunch. DEHI also provides rental of marine equipment to service film making.

The proposed rental is based on an appraisal done by CBRE, as of July 1, 2016. The appraisal allows for the application of a 3% annual increase for subsequent years. Therefore, the rent was increased by 9% for the current period.

DEHI is also a member of Hawaii Ecotourism Association and supports the associations principles of sustainable tourism to protect Hawaii's unique, natural environment and host culture through the promotion of responsible travel and educational programs, relating to sustainable tourism for residents, businesses and visitors.

Month-to-month tenancy is appropriate at this time, pending an auction for a long-term disposition. The proposed use is allowable in the county zoning and compatible with surrounding existing use.

The applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Authorized the termination of revocable permit No. 4.
2. Amend the prior board action 6-28\_Item J-2 (Continuation of 28 RP's), by removing DEHI from the submittal.
3. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1-15, 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.
4. Authorize the issuance of a revocable permit to DEHI covering the subject area for trailer boat storage purposes 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  
Division of Boating & Ocean Recreation

APPROVED FOR SUBMITTAL:



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

Attachments:

- A. DEHI at Waianae Small Boat Harbor Map

**EXEMPTION NOTIFICATION**

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1-15, HAR

Project Title:	Issuance of replacement Revocable Permit (RP) to Dolphin Excursions, Inc. to reduce space from 39,640 sq. ft. to 30,000 sq. ft.
Project / Reference No.:	TBD
Project Location:	TMK: (1) 8-5-002:044 (portion) Waianae Small Boat Harbor, Island of Oahu, Hawaii
Project Description:	30,000 sq. ft. of fast land for trailer boat storage yard.
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No(s).:	Exemption Class No. 1, Item No. 51 that states: "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, the requested locations have had the same use since December 2014 with no cumulative impact to the premises. The applicant is reducing the size of their space from 39,640 sq. ft. to 30,000 sq. ft. Therefore, staff believes the use of the lands for the continuation of this revocable permit will have no significant effect on the environment.
Action May have Significant Impact on Particularly Sensitive Environment?	No, staff does not believe the issuance of an RP for a reduction of space will have a significant impact on the respective environments.
Analysis:	The current permittees have used the locations for the same purposes since December 2014. The requests would involve no expansion or change in use of the subject locations beyond that previously existing. DOBOR would also like to ensure there is a continuous uninterrupted presence on these sites in order to deter any unwanted activity that usually occurs on vacant lands and which is currently present in adjacent areas.
Consulted Parties:	DLNR-Land Division was consulted and they have no objections to the continuation of the applicant's use of the reduced premises.
Declaration	The Board finds that these projects 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.

**Dolphin Excursions, Inc.**  
Revocable Permit

**Exhibit A**



**Exhibit A**

**Exhibit A**

**Waianae Small Boat Harbor**



**Dolphin Excursions**  
RP 4 - 30,000 Sq. Ft.



**Exhibit A**