

STATE OF HAWAI'I  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Division of State Parks  
Honolulu, Hawaii 96813

October 23, 2020

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

Hawai'i

**SUBJECT:** Request approval to Amend Revocable Permit No. SP0408, Republic Parking, LLC, Permittee, Hapuna Beach State Recreation Area, Ouli and Lalamilo, Waimea, South Kohala, Hawai'i, Tax Map Keys: (3) 6-6-002:031, 035 portion.

The purpose of this amendment is to update the terms of the revocable permit to incorporate the increased fees set in HAR Chapter 13-146, Section 13-146-6 and increase the monthly percentage rent.

APPLICANT:

Republic Parking, LLC

LEGAL REFERENCE:

Hawai'i Revised Statutes Sections 171-6 and 55, as amended. Hawai'i Administrative Rules (HAR) Chapter 13-146, Section 13-146-6 (Fees), as amended.

LOCATION:

Portion of Government Lands located in Hapuna Beach State Recreation Area, Ouli and Lalamilo, Waimea, South Kohala, Hawai'i, Tax Map Keys: (3) 6-6-002:031, 035 portion, as shown on the map attached as **Exhibit A**.

AREA:

A portion of approximately 195.29 acres of improved and unpaved land

ZONING:

State Land Use District:	Conservation, Urban
County of Hawai'i CZO:	(road), CV-10, Open, RS-15, RS-20, V-1.25

TRUST LAND STATUS:

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

CURRENT USE STATUS:

Encumbered by Governor's Executive Order No. 2909 to be under the control and management of the Department of Land and Natural Resources, Division of State Parks.

BACKGROUND:

The Hawai'i Department of Land and Natural Resources' DSP is responsible for managing the use and protection of all lands, and historical and natural resources within the Hawai'i State Park System, established under Chapter 13-146, Hawaii Administrative Rules (HAR). The new fee schedule in Chapter 13-146 helps improve revenue-generating potential for the Division of State Parks (DSP) to better manage the Hawai'i State Park System that is composed of some of the State's most valuable, scenic, historic, culturally significant, and acclaimed natural and cultural resources.

The purpose of this request is to update the terms of the RP to adjust for DSP's new fee schedule.

REMARKS:

The current revocable permit currently provides for a rent of \$16,100.00 per month or 55% of gross receipts per month up to \$30,000.00 plus 75% of monthly gross receipts in excess of \$30,000.00. We are asking the Board to approve a ninety-nine percent (99%) of net operating income for the monthly rent.

Following the adoption of HAR13-146 Increase Fees, in the new fees would result in a windfall for the permit holder without adjustment to the rent.

The adjustment of the terms will help capture the windfall that results from the new fee schedule. Parks has worked with the permittee on the new monthly rent and feels the Board can authorize the change.

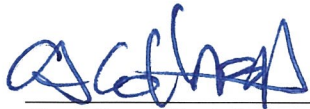
The subject RP was issued pursuant to Section 171-55, HRS. The statutory language allows the Board to issue a permit, "... by direct negotiation without public auction, under conditions and rent which will serve the best interests of the State ..." Under the current circumstances, Parks believes that the statute provides grounds for the Board to modify the rent as warranted.

Staff recommends the Board approve a monthly rent of 99% of net operating income for the duration of the terms. The new rent will be effective thirty-days (30) from the approval by the Board. In addition, staff recommends Revocable Permit No. SP0408 incorporate the increased fees set in HAR Chapter 13-146, Section 13-146-6.

RECOMMENDATION: That the Board:

1. Approve the updated Revocable Permit No. SP0408 to incorporate the increased fees set in HAR Chapter 13-146, Section 13-146-6 and;
2. Adjust the rent payable to ninety-nine percent (99%) of net operating income per month.

Respectfully Submitted,



Curt Cottrell, Administrator  
Division of State Parks

APPROVED FOR SUBMITTAL:

*Suzanne D. Case*

---

Suzanne D. Case, Chairperson  
Board of Land and Natural Resources

Attachments: Exhibit A





**STATE OF HAWAII**

**SURVEY DIVISION**

**DEPT. OF ACCOUNTING AND GENERAL SERVICES**

HONOLULU

January 9, 1978

C.S.F.No. 18,172

HAPUNA STATE PARK

PARCELS 1, 2 AND 3

Ouli and Lalamilo, Waimea, South Kohala, Island of Hawaii, Hawaii

PARCEL 1: Being all of Grant 12323 to Kinichi Sakai and Ruth Sakai and portion of Grant 12172 to Kinichi Sakai and Ruth Sakai conveyed to the State of Hawaii by Kinichi Sakai and Ruth Sakai by deed dated March 22, 1968 and recorded in Liber 6013, Page 406 (Land Office Deed S-24543).

Beginning at the northeast corner of this parcel of land, being also the northwest corner of 30-Foot Right-of-Way and on the south boundary of Parcel 3 of Hapuna State Park, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUAKO" being 4650.66 feet North and 1222.52 feet East, thence running by azimuths measured clockwise from True South:-

1. 13° 55' 241.57 feet along the end of 30-Foot Right-of-Way and along the west side of 20-Foot Right-of-Way;
2. 103° 55' 240.00 feet along Government Land and along the remainder of Grant 12172 to Kinichi Sakai and Ruth Sakai;
3. 193° 55' 241.57 feet along the remainder of Grant 12172 to Kinichi Sakai and Ruth Sakai and along Government Land to a 3/4-inch pipe;
4. 283° 55' 240.00 feet along Parcel 3 of Hapuna State Park to the point of beginning and containing an AREA OF 1.331 ACRES.

PARCEL 2: Being all of Grant 13347 to Heirs of George Joseph Silva, deceased, acquired by the State of Hawaii by FINAL ORDER OF CONDEMNATION (Law No. 3632) dated July 6, 1976 and recorded in Liber 11755, Page 161 (Land Office Deed S-26727) •

January 9, 1978

Beginning at the southwest corner of this parcel of land, being also the southeast corner of 20 Foot Right-of-Way, the true azimuth and distance from said point of beginning to the southeast corner of Parcel 1 of Hapuna State Park being  $103^{\circ} 55' 20.00$  feet, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUAKO" being 4411.37 feet North and 1183.83 feet East, thence **running** by azimuths measured clockwise from True South:-

1.  $193^{\circ} 55'$  116.66 feet along the east **side** of 20-Foot **Right-of-Way**;
2.  $283^{\circ} 55'$  63.50 feet along Government Land;
3. **130**  $55'$  116.66 feet along **Government** Land;
4.  $103^{\circ} 55'$  63.50 feet along Government Land to the point of beginning and containing an AREA OF 7,408 SQUARE FEET.

PARCEL 3: Comprising the following lands:

1. Portion of R.P. 2237, L.C.Aw. 8515-B to Kanehoa **conveyed** to the State of Hawaii by the County of Hawaii by **deed** dated September 7, 1966 and recorded in Liber 5445, Page 228.
2. Portion of the Government (Crown) Ili of Lalamilo in **Waimea**.

Beginning at the northeast corner of this parcel of land, on the boundary between the lands of Ouli and Lalamilo and on the west side of Kawaihae-Puako Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUAKO" being 6139.03 feet North and 2724.83 feet East, thence running by azimuths measured clockwise from True South:-

1.  $6^{\circ} 54'$  1088.58 feet along the **west** side of Kawaihae-Puako Road;
2. Thence along the west side of Kawaihae-Puako Road on a curve to the right with a radius of 282.90 feet, the chord azimuth and distance being:  
 $30^{\circ} 46'$  228.93 feet;

January 9, 1978

3. 54° 38' 80-.20 feet along the west side of Kawaihae-Puako Road;

Thence along the west side of Kawaihae-Puako Road on a curve to the left with a radius of 260.50 feet, the chord azimuth and distance being:  
35° 09' 173.77 feet;

5. 15° 40' 283.84 feet along the west side of Kawaihae-Puako Road;

6. 103° 55' 1323.00 feet along the north side of 30-Foot Right-of-Way, along Parcel 1 of Hapuna State Park and along Government Land to a 1/2-inch pipe in concrete at highwater mark at seashore;

Thence along highwater mark at seashore for the next two (2) courses, the direct azimuths and distances between points at highwater mark at seashore being:

7. 251° 04' 565.25 feet to a spike in pahoehoe;

8. 189° 23' 15" 1092.52 feet;

9. 273° 27' 30" 636.00 feet along the remainder of R.P. 2237, L.C.Aw. 8515-B to Kanehoa to a 1/2-inch pipe in concrete, passing over a 1/2-inch pipe in pahoehoe at 51.69 feet;

10. 244° 53' 471.32 feet along R.P. 2237, L.C.Aw. 8515-B to Kanehoa to the point of beginning and containing an AREA OF 36.46 ACRES, More or Less.

Parcels 1, 2 and 3 hereinabove-described shall have an easement for access and utility purposes over and across the following-described parcel of land:

Being portion of the Government (Crown) Ili of Lalamilo in Waimea.

Beginning at the northeast corner of this parcel of land, the southeast corner of Parcel 3 of Hapuna State Park and on the west side of Kawaihae-Puako Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUAKO" being 4399.82 feet North and 2234.85 feet East, thence running by azimuths measured clockwise from True South:-

1. 15° 40' 30.01 feet along the west side of Kawaihae-Puako Road;  
2. 103° 55' 1022.02 feet along Government Land;

January 9, 1978

3. 13° 55' 211.57 feet along Government Land and along Parcel 2 of Hapuna State Park;
4. 103° 55' 20.00 feet along Government Land;
5. 193° 55' 241.57 feet along Parcel 1 of Hapuna State Park;
6. 283° 55' 1042.94 feet along Parcel 3 of Hapuna State Park to the point of beginning and containing an AREA OF 0.815 ACRE.

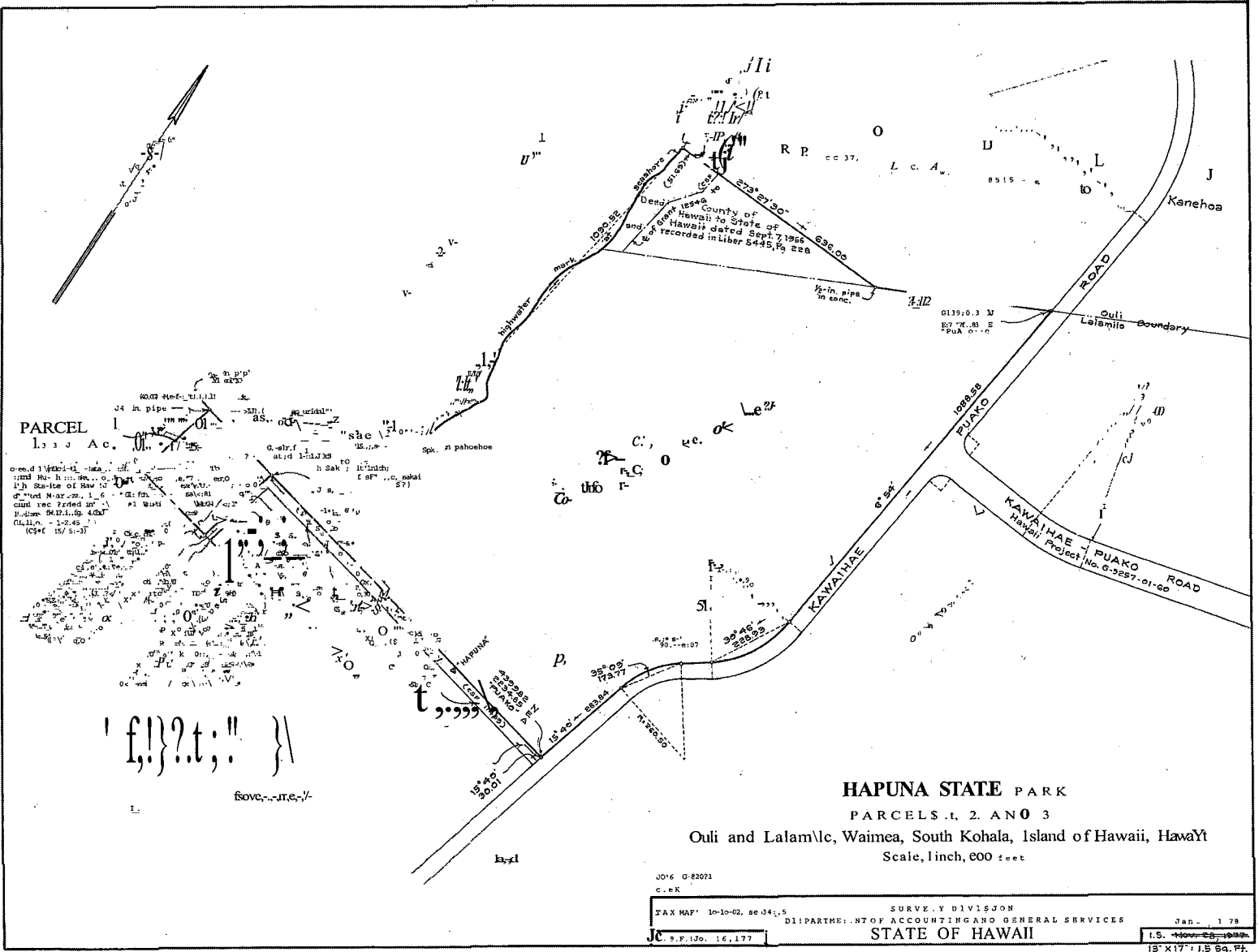
SURVEY DIVISION  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
STATE OF HAWAII

By: \_\_\_\_\_  
Ichiro Sakamoto  
Land Surveyor

ac

Compiled from field survey  
by R. Kuba, R.M. 2993,  
CSF's 11456 to 11459, incl.,  
11081 to 11087, incl. and  
other Govt. Survey Records.





PARCEL 1  
1.333 Ac.

Dead End  
County of Hawaii to State of Hawaii  
and of Hawaii dated Sept. 7, 1968  
L.R. recorded in Liber 5445, Pg. 228

**HAPUNA STATE PARK**

PARCELS 2 AND 3

Ouli and Lalamie, Waimea, South Kohala, Island of Hawaii, HAWAII

Scale, 1 inch = 600 feet

J016 G-82021  
C.E.K.

TAX MAP 10-10-62, sec 04, 5	SURVEY DIVISION	Jan. 1 78
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES	STATE OF HAWAII	I.S. No. 68-1988
J.C. 9.F.130, 16, 177		18' X 17' 1.5 Sq. Ft.

