

STATE OHAWAI'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

Maui

SUBJECT: Request approval to Amend Concession Contract IFB No. SP2011IVSM01, Republic Parking, LLC, Concessionaire, for 'Iāo Valley State Monument, Wailuku, Maui, Tax Map Keys: (2) 3-3-003:012 and 013 (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 13-146-5 and Section 13-146-6 (Fees), as amended.

LOCATION:

Portion of Government Lands located in 'Iāo Valley, Wailuku, Maui, identified by Tax Map Keys: (2) 3-3-003:012 and 013 (portion) as shown on the map attached as **Exhibit A**.

AREA:

A portion of approximately 7.64 acres, more or less

ZONING:

State Land Use District:	Conservation
County of Maui LUO:	Interim

TRUST LAND STATUS:

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

CURRENT USE STATUS:

Encumbered by Governor's Executive Order 2926 setting aside land for state park purposes to be under the control and management of the State of Hawai'i, 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 concession contract to adjust for DSP's new fee schedule.

REMARKS:

The current revocable permit currently provides for a rent of \$19,100.00 per month or 71% of gross receipts per month. 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.

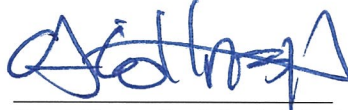
The subject concession contract was issued pursuant to Section 171-55, HRS. The statutory language allows the Board to issue a permit, "... by direct negotiation without public auction, under conditions and rent which will serve the best interests of the State ...". Under the current circumstances, Parks 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 Concession Contract IFB No. SP2011IVSM01 incorporate the increased fees set in HAR Chapter 13-146, Section 13-146-6.

RECOMMENDATION: That the Board:

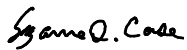
1. Approve the updated Concession Contract IFB No. SP2011IVSM01 to incorporate the increased fees set in HAR Chapter 13-146, Section 13-146-6 and;
2. Adjust the rent payable to ninety-nine percent (99%) of net operating income per month.

Respectfully Submitted,



Curt Cottrell, Administrator
Division of State Parks

APPROVED FOR SUBMITTAL:



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

Attachments: Exhibit A



STATE OF HAWAII

SURVEY DIVISION

DEPT. OF ACCOUNTING AND GENERAL SERVICES

HONOLULU

May 11, 1978

C.G.F.No. 18,293

IAO VALLEY STATE PARK

Wailuku, Maui, Hawaii

Comprising the following:

1. R.P. 4059, L.C. Aw. 3529, Apana 1 to Hana conveyed to the Minister of Interior by John W. Kalua dated May 11, 1899 and recorded in Liber 194, Pages 483-484 (Land Office Deed 681)
2. Portion of Grant 3343 to Claus Spreckels deeded as follows:
 - a. Wailuku Sugar Company to Territory of Hawaii dated July 30, 1907 and recorded in Liber 296, Page 137 (Land Office Deed 1143)
 - b. Wailuku Sugar Company to State of Hawaii dated September 11, 1961 and recorded in Liber 4135, Page 241 (Land Office Deed S-18223)
 - c. Wailuku Sugar Company to State of Hawaii dated September 29, 1964 and recorded in Liber 4905, Page 31 (Land Office Deed S-23289)
 - d. County of Maui to State of Hawaii dated February 19, 1974 and recorded in Liber 9754, Page 79 (Land Office Deed S-26204)
 - e. Wailuku Sugar Company to State of Hawaii dated July 3, 1975 and recorded in Liber 10797, Page 404 (Land Office Deed S-26500)

Beginning at the northeast corner of this parcel of land and on the northwesterly corner of Iao Valley Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LUKE" being 462.22 feet North and 16306.82 feet West, thence running by azimuths measured clockwise from True South:-

1. 328° 29' 50.35 feet along the southwesterly end of Iao Valley Road and along the remainder of Grant 3343 to Claus Spreckels;
2. 51° 43' 87.07 feet along the remainder of Grant 3343 to Claus Spreckels;
3. 31° 50' 177.28 feet along the remainder of Grant 3343 to Claus Spreckels;

May 11, 1978

- | | | | |
|-----|--------------|-------------|-----------------------------------------------------------------------------------------------------------------------|
| 4. | 68° 53' | 271.19 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 5. | 76° 10' | 132.25 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 6. | 51° 50' | 146.10 feet | along the remainder of Grant 3343 to Claus Spreckels to the edge of Iao Stream; |
| 7. | 32° 55' | 311.44 feet | across Iao Stream and along the remainder of Grant 3343 to Claus Spreckels; |
| 8. | 67° 45' | 149.59 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 9. | 80° 53' | 133.34 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 10. | 195° 16' 20" | 434.44 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 11. | 258° 44' | 95.07 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 12. | 222° 01' | 127.58 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 13. | 261° 10' | 90.75 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 14. | 239° 09' 15" | 13.40 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 15. | 102° 40' | 48.40 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 16. | 192° 40' | 30.00 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 17. | 282° 40' | 80.00 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 18. | 239° 09' 15" | 113.00 feet | along the remainder of Grant 3343 to Claus Spreckels; |
| 19. | 252° 20' 10" | 569.30 feet | along the remainder of Grant 3343 to Claus Spreckels to the point of beginning and containing an AREA OF 6.185 ACRES. |

Reserving to Wailuku Sugar Company, its successors and assigns, all water rights belonging or appurtenant to the above-described parcel of land.

Also reserving and excepting therefrom in favor of Wailuku Sugar Company, and Hawaiian Commercial and Sugar Company, Limited, their successors and assigns an easement for roads, pipelines and utility.

C.S.F. No. -184293-

May 11, 1978

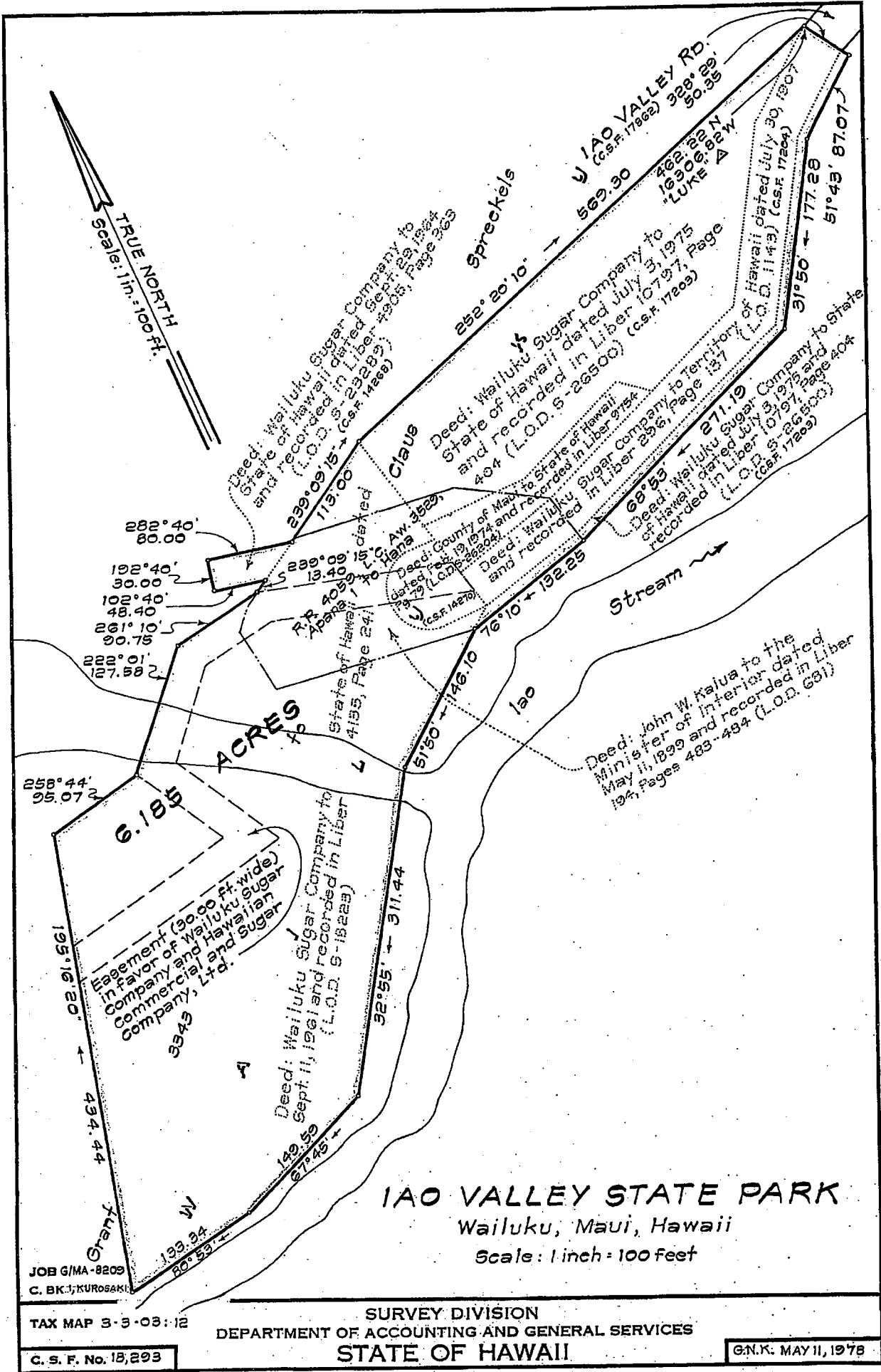
Subject, also to the rights in favor of the County of Maui, under agreement dated October 4, 1954 and recorded in the Bureau of Conveyances in Liber 2882, Page 113, including but not limited to the right therein mentioned for the installation, maintenance and repair of a pipeline.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

By: _____
Ichiro Sakamoto
Land Surveyor

Compiled from Govt.
Survey Records.

gm



TRUE NORTH
Scale: 1 in. = 100 FT.

Deed: John W. Kaiua to the
Minister of Interior dated
May 11, 1899 and recorded in Liber
194, Pages 483-494 (L.O.D. 691)

IAO VALLEY STATE PARK
Wailuku, Maui, Hawaii

Scale: 1 inch = 100 feet

JOB G/MA-8209
C. BK. J. KUROSAKI

TAX MAP 3-3-03-12

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

C. S. F. No. 18,293

G.N.K. MAY 11, 1978