

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
State Parks Division  
Honolulu, Hawai'i 96813

November 13, 2020

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

Statewide

Approval to continue twenty-one (21) Revocable Permits for use of State Parks lands on the Islands of Kaua'i, O'ahu, Maui, and Hawai'i for the following: Kaua'i: Na Pali Kayak Inc., Kayak Kaua'i, a Hawai'i limited partnership, Rick Haviland dba Outfitters Kauai (Nāpali Coast State Wilderness Park for Commercial Kayak Landings), Clancy Greff dba Nā Pali Eco Adventures, Inc., Nā Pali Sea Tours, Inc., Lady Ann Cruises, Inc., (Nāpali Coast State Wilderness Park for Inflatable Boat Landings), Ka Imi Naauao o Hawai'i Nei Institute, Kaua'i Christian Fellowship, (Waimea Canyon State Park non-profit Recreation/Residences/Camps) United Church of Christ (Kōke'e State Park non-profit camp), O'ahu: Diamond Parking Services, LLC (Nu'uauu-Pali State Wayside, Parking Concession), Bottling Group, LLC (Diamond Head State Monument beverage vending), Erlinda Moline Villanueva (Ahupua'a O Kahana State Park, Agricultural use), Young Men's Christian Association of Honolulu, Hawai'i Climbing Coalition, (Ka'ena Point State Park, Outdoor Recreational Activities), Maui: Republic Parking Northwest, Inc., ('Iao Valley SM, Parking Concession), Diamond Parking Services, LLC, (Mākena State Park), Hawai'i: Republic Parking Northwest, Inc. (Hāpuna Beach SRA, Parking Concession), Diamond Parking Services, LLC ('Akaka Falls State Park, Parking Concession), Adventures in Paradise, Inc., Kona Boys, Inc., Iwa Kalua (Kealahou Bay State Historical Park, Commercial Kayak Tours). See attached Exhibit A for a list of Revocable Permits.

HRS CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the Exemption List for the Department of Land and Natural Resources, approved by the Environmental Council on June 5, 2015, the subject action is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, "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."

LEGAL REFERENCE:

Hawai'i Revised Statutes (HRS) § 171-13, 171.55 as amended

## BACKGROUND:

Prior to the inception of the Revocable Permit Task Force and the findings presented and approved by the Board on June 24, 2016, Division of State Parks (DSP) would annually request the Board of Land and Natural Resources' (Board) approval to continue the pertinent existing month-to-month revocable permits (RP) throughout the state. In certain cases, however, continuation of the RP is not necessarily pursued. Examples of this would include RP's where the purpose has ended (such as transitional RP's) or in cases of non-compliance with the RP terms and it has been allowed to lapse.

Pursuant to § 171-55, HRS, the Board may allow revocable permits to continue on a month-to-month basis for additional one-year periods. The prior purpose of seeking the Board's approval collectively has been to synchronize the terms of all revocable permits to a single calendar year period. Now, after the findings and recommendations of the RP Task Force, this annual Board submittal has been amended to include a more detailed explanation on the nature and necessity to either continue the RP or prepare a different disposition as authorized by the Board. Additionally, the recommendations of the RP Task Force included a request to note any non-compliance issues or pending litigation in the renewal template.

## DISCUSSION:

DSP currently administers 5 general categories of RP's:

- |   |      |
|---|------|
| 1. Commercial tours and recreational activities | (10) |
| 2. Commercial partnerships                      | (6)  |
| 3. Non-Commercial recreational activity         | (1)  |
| 4. Eleemosynary – non-profit camp activity      | (3)  |
| 5. Agricultural                                 | (1)  |

Some RP's have been established to test the commercial viability of service and establish a baseline income generating opportunity, such as the parking and entry fee collection RP's. There are other RP's where staff is working on establishing a competitive process – or provide a value added but fiscally intangible public recreational service.

There are currently 21 RP's DSP is asking to be renewed. Of the attached RP list, there are six commercial partnerships that DSP intends to place out for either an Invitation to Bid or a Request for Proposals. These RP's are intended to be transitional. Three of the non-profit camps are being reviewed for long term leases. No changes are proposed for the agricultural and non-commercial recreational RP's. DSP intends the nine long-standing commercial tour RP's to also be transitional.

## Kaua'i

**Nāpali Coast State Wilderness Park and Polihale State Park** (Commercial tour and recreational activities): These RPs include three inflatable boat and three kayak landing permits for commercial guided tours at Nu'alolo Kai and Miloli'i in Nāpali Coast State Wilderness Park and Polihale State Park. These RP's were approved in 2005 but have a much more complex and long-standing use related to permits that were initiated in the 1980's. DSP is considering a process to

determine how to establish a competitive process for commercial tours without having to determine the arbitrary criteria associated with capacity for the transitory use of the ocean and park land areas.

**Kōke'e and Waimea Canyon State Parks** (Eleemosynary – non-profit camp activity): There are three permits for non-profit use of recreational residence and group camp facilities. The Board previously approved the issuance of long-term leases for five non-profit organizations. One of those organizations has relinquished its use of the property and is the subject of a new lease approved in 2019, and a lease for Camp Hale Koa has been completed. Staff is working with Ka Imi Na'auao Hawai'i Nei Institute, United Church of Christ, and Kaua'i Christian Fellowship to determine the appropriate lease terms.

#### O'ahu

**Ahupua'a 'O Kahana State Park** (Agricultural): A relatively small agricultural RP is issued to Erlinda Villanueva as a continuation of traditional practices and is related to the cultivation and sale of ti leaf.

**Ka'ena Point State Park** (Commercial recreational activity): The YMCA operates an archery range and other outdoor recreational activities under its RP which covers land adjacent to Camp Erdman. This is a portion of the State Park and other than the use of the land for the YMCA programs, there is no other recreational use considered for this portion of the park in the near future.

**The Hawai'i Climbing Coalition** (Non-Commercial recreational activity): The coalition manages a series of vertical climbing routes on unencumbered State land with access through DSP land at Ka'ena Point State Park. This RP was crafted as an agreement between the Attorney General and a coalition of rock climbers during the previous Administration. The coalition manages the climbing routes and carries liability insurance, one of the conditions of the RP. This is a unique and adaptive method to allow for recreational rock climbing on State land.

**Diamond Head State Monument** (Commercial partnerships): The Bottling Group operates beverage vending machines near the main comfort station. Subject to future competitive bid process.

**Nu'uuanu Pali State Wayside** (Commercial partnerships): Diamond Parking Service provides attendants, who collects fees, monitors vehicles and provides management services for the parking lot area. Subject to future competitive bid process.

#### Maui

**'Iao Valley State Monument** (Commercial partnerships): Republic Parking Northwest, Inc. furnishes attendants and management services for the parking lot area. Subject to future competitive bid process.

**Mākena State Park** (Commercial partnerships): Diamond Parking Services, LLC furnishes attendants and management services for the parking lot area. Subject to future competitive bid process.

Hawai'i

**Hāpuna Beach State Recreation Area** (Commercial partnerships): Republic Parking Northwest, Inc. operates a parking concession. Subject to future competitive bid process.

**‘Akaka Falls State Park** (Commercial partnerships): Diamond Parking Service provides parking attendants and fee collection management services. Subject to future competitive bid process.

**Kealahou Bay State Historical Park** (Commercial tour and recreational activities): Three commercial kayak tour companies are authorized to launch from Napo‘opo‘o Landing and to transit Kealahou Bay and then land at Awili Landing at Ka‘awaloa with patrons and time and gear conditions. DSP is almost complete with the Master Planning and an EIS that includes a provision to have the Napo‘opo‘o landing and the rental of kayaks and managing launching and landing at Ka‘awaloa be outsourced for management via a request for proposal process. DSP anticipated this may be complete by the end of 2020.

DSP critically relies on special fund revenue to supplement allocations of general funds. Currently special funds make up over 50% of total funding. RP's are one of the elements DSP uses to help determine monetary value of assets, to collect data for better management, to collect revenue and to allow for value added recreational use. DSP will continue to apply adaptable management methods to determine long-term revenue streams while generating revenue to offset rising operating costs.

Staff is recommending that the Board approve the continuation of the revocable permits as described in this submittal.

RECOMMENDATION: That the Board:

1. Authorize the continuation of Twenty-one (21) revocable permits listed in Exhibit A and the titles, pursuant to the terms above which, by this reference, are incorporated herein, on a month-to-month basis and for a one-year period ending December 31, 2021, except for permits that are in arrears of rental payments for more than 60 days;
2. Approve such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.

Respectfully submitted,



Curt A. 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 – DSP Revocable Permit Master List 2020



DIVISION OF STATE PARKS  
Revocable Permit Master List 2021

NO	RP#	PERMITTEE NAME	PARK	TMK	CHARACTER OF USE	PERMIT AREA (ACRES)	CURRENT AND *APPRAISED RATE	COMMENCEMENT DATE AND EXPIRATION DATE	COMMENTS	CERT.OFINS./FIRE;DCCA;MONTHLY REPORTS; HULL NAME&REG.	COI	EXP	DCCA	RECAP	VESSEL
<b>KAUA'I</b>															
1	SP0004	Clancy Greff dba Nā Pali Zodiac and A Nā Pali Eco Adventures, Inc.	Nāpali Coast SWP (Nu'alolo Kai) Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever is higher	5/18/2005 (commence) 12/31/20 (expires)					X	X	X
2	SP0005	Nā Pali Sea Tours, Inc.	Nāpali Coast SWP (Nu'alolo Kai) Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever is higher	4/26/2005 (commence) 12/31/20 (expires)					X	X	X
3	SP0044	Nā Pali Kayak, Inc.	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever is higher	6/20/2005 (commence) 12/31/20 (expires)					X	X	X
4	SP0045	Kayak Kaua'i	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever is higher	6/10/2005 (commence) 12/31/20 (expires)					X	X	X
5	SP0046	Rick Haviland dba Outfitters Kaua'i	Nāpali (Miloli'i), Kaua'i	(4) 1-4-001:07	Commercial Kayak Landings	N/A	\$5 per person, 5% of gross, which ever is higher	6/06/2005 (commence) 12/31/20 (expires)					X	X	X
6	SP8701	Lady Ann Cruises, Inc.	Nāpali Coast SWP (Nu'alolo Kai) Kaua'i	(4) 1-4-001:07	Inflatable Boat Landings	N/A	\$5 per person, 5% of gross, which ever is higher	4/01/2005 (commence) 12/31/20 (expires)					X	X	X
7	SP0191	United Church of Christ	Kōke'e SP, Kaua'i	(4) 1-4-004:027 a and b	Non-profit camp	.50 ac.	*\$6,800.00 annum	1/01/2007 (commence) 12/31/20 (expires)			X		X	X	N/A
8	SP0189	Ka Imi Naauao O Hawaii Nei	Waimea Canyon SP, Kaua'i	(4) 1-4-002:20	Non-profit camp	1.0 ac.	*\$6,800.00 annum	1/01/2007 (commence) 12/31/20 (expires)			x		X	X	N/A



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9	SP0193	Kaua'i Christian Fellowship	Waimea Canyon SP, Kaua'i	(4) 1-4-002:041	Non-profit camp	.99 ac.	\$480.00 annum	1/01/2007 (commence) 12/31/20 (expires)		x	X	X	N/A
NO	RP#	PERMITTEE NAME	PARK	TMK	CHARACTER OF USE	PERMIT AREA (ACRES)	CURRENT AND *APPRAISED RATE	COMMENCEMENT DATE AND EXPIRATION DATE	COMMENTS	CERT.OFINS./FIRE;DCCA;MONTHLY REPORTS; HULL NAME&REG.			
<b>OAHU</b>										COI	EXP	DCCA	RECAP VESSEL
10	SP0531	Bottling Group, LLC	Diamond Head SM, O'ahu	(1) 3-1-042:006	Concession	N/A	\$520 per mo (\$6,240/annum) or 45.5% Drinks, 30% Gatorade of gross receipts whichever is greater	10/01/2004 (commence) 12/31/20(expires)	Projected IFB in 2021		X	X	N/A
11	SP0509	YMCA	Ka'ena Point State Park Reserve, O'ahu	(1) 6-9-004:005	Outdoor Recreational Activities	6.2 acres	\$150/mo (\$1,080.00 annum)	07/01/2013 (commence) 12/31/20 (expires)			X	X	N/A
12	SP0530	Hawai'i Climbing Coalition	Ka'ena Point State Park Reserve, O'ahu	(1) 6-9-004 por	Public Rock Climbing	3.65 acres	Gratis	12/01/2015 (commence) 12/31/20 (expires)	AG and HCC agreement		X	X	N/A
13	SP0058	Erlinda Molina Villanueva	Kahana SP, O'ahu	(1) 5-2-002 por.	Agriculture	6.0 acres	\$90/mo (\$1,080 annum)	05/01/2008 (commence) 12/31/20 (expires)			N/A	X	N/A
14	SP0544	Diamond Parking Services, LLC	Pali Lookout, O'ahu	(1) 1-9-007 por	Parking Lot Operation	3 acres	99% of Net Operating Income 11/1/20	04/25/2015 (commence) 12/31/20 (expires)	Projected IFB in 2021		N/A	N/A	N/A
<b>HAWAII</b>										COI	EXP	DCCA	RECAP VESSEL
15	SP0517	Adventures in Paradise, Inc.	Kealakekua Bay State Historical Park, Hawai'i	011:006, 010, 01 land (3) 8-2-004:015 seaward	Commercial Kayak Tours	N/A	\$5.00 per person	05/21/2003 (commence) 12/31/20 (expires)			X	X	X



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16	SP0518	Kona Boys, Inc.	Kealakekua Bay State Historical Park, Hawai'i	011:006, 010, 011 (3) 8-2- 004:015 seaward	Commercial Kayak Tours	N/A	\$5.00 per person	03/20/2013 (commence) 12/31/20 (expires)				X	X	X
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NO	RP#	PERMITTEE NAME	PARK	TMK	CHARACTER OF USE	PERMIT AREA (ACRES)	CURRENT AND *APPRAISED RATE	COMMENCEMENT DATE AND EXPIRATION DATE	COMMENTS	CERT.OFINS./FIRE;DCCA;MON THLY REPORTS; HULL NAME&REG.
<b>HAWAII</b>										COI EXP DCCA RECAP VESSEL
17	SP0519	Iwa Kalua dba Aloha Kayak Co.	Kealakekua Bay State Historical Park, Hawai'i	011:006, 010, 011 (3) 8-2- 004:015 seaward	Commercial Kayak Tours	N/A	\$5.00 per person	04/01/2013 (commence) 12/31/20 (expires)		X X X
18	SP0545	Diamond Parking Services, LLC	'Akaka Falls State Park, Hawai'i	(3) 2-8-011:018 por	Parking Lot Operation	2 acres	99% of Net Operating Income 11/1/20	04/25/2015 (commence) 12/31/20 (expires)	Projected IFB in 2021	X X N/A
19	SP0408	Republic Parking Northwest, Inc.	Hāpuna Beach SRA, Hawai'	(3) 6-6- 002:031, 035	Parking Lot Operation	N/A	99% of Net Operating Income 11/1/20	04/01/2013 (commence) 12/31/20 (expires)	Projected IFB in 2021	X X N/A
NO	RP#	PERMITTEE NAME	PARK	TMK	CHARACTER OF USE	PERMIT AREA (ACRES)	CURRENT AND *APPRAISED RATE	COMMENCEMENT DATE AND EXPIRATION DATE	COMMENTS	CERT.OFINS./FIRE;DCCA;MON THLY REPORTS; HULL NAME&REG.
<b>MAUI</b>										COI EXP DCCA RECAP VESSEL
20	SP0500	Republic Parking Northwest, Inc.	'Iāo Valley State Park, Maui	(2) 3-3- 003:012, 013	Parking Lot Operation	N/A	99% of Net Operating Income 11/1/20	01/01/2012 (commence) 12/31/20 (expires)	Projected IFB in 2021	X X N/A
21	SP0467	Diamond Parking Services, LLC	Mākena State Park	(2) 2-1-006:030	Parking Lot Operation	N/A	99% of Net Operating Income 11/1/20	12/1/19 (commence) 11/30/20 (expires)		X X N/A