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

September 09, 2022

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

Land Board Members:

SUBJECT: Continuation of Revocable Permit Parking Concession to Secure Parking LLC, for Management of Vehicular Parking in the Designated Areas Located Within the Ala Wai Small Boat Harbor, Honolulu, Island of Oahu, Identified by Tax Map Keys: (1) 2-6-010:003 (Portion), (1) 2-3-037:012 (Portion), :024, :027, :033, :035 and :037

And

Declare Project Exempt from Requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules

APPLICANT:

Secure Parking LLC

LEGAL REFERENCE:

Sections Chapter 171-13, -55, Hawaii Revised Statutes, as amended and SLH 2022, Act 163

LOCATION:

Portions of Government lands situated at Ala Wai Small Boat Harbor (“AWSBH”), Honolulu, Oahu, Hawaii, identified by Tax Map Keys: (1) 2-6-010:-003 (Portion), (1) 2-3-037:012 (Portion), :024, :027, :033, :035 and :037, as shown on the attached map labeled Exhibit A-2.

Item J-1
AREA:

8.5 acres, more or less. The parking management area includes 329 paid and 312 monthly permit parking stalls. The permittee will also be responsible for managing the 300 free public parking stalls set aside for by the public in the designated free parking areas.

ZONING:

State Land Use District: Urban
County of Honolulu CZO: Public Precinct (Waikiki Special District)

TRUST LAND STATUS:

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

CURRENT USE STATUS:

The Premises is presently encumbered by RP 120.

CHARACTER OF USE:

Vehicle Parking Concession

MONTHLY RENTAL:

All gross receipts generated by the parking operation shall be collected by the permittee. The permittee shall pay the Division of Boating and Ocean Recreation ("DOBOR") an amount equal to Eighty Percent (80%) of gross receipts monthly. Said payment shall be due ten (10) calendar days after the end of each month.

SURETY BOND:

$42,800.00

COMMENCEMENT DATE:

September 15, 2022, through September 14, 2023

DCCA VERIFICATION FOR PROPOSED REVOCABLE PERMITTEE:

Place of business registration confirmed: YES X NO 
Registered business name confirmed: YES X NO 
Applicant in good standing confirmed: YES X NO 

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Section 11-200.1-15, Hawaii Administrative Rules (HAR) and the Exemption List for the Department of Land and Natural Resources, reviewed and concurred by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an Environmental Assessment pursuant to General Exemption Type 1, “Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving minor expansion or minor change of use beyond that previously existing," Item No. 44, which states, “Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing.”

BACKGROUND:

At its meeting on September 10, 2021, under agenda Item J-1, the Board approved the issuance of a revocable permit (“RP”) to Secure Parking Hawaii LLC for management of vehicular parking at the Ala Wai small boat harbor from September 15, 2021, through September 14, 2022.

On June 27, 2022, Act 163 (2022) was enacted.

Act 163 (2022) in relevant part, “exempts certain operations of ground transportation services and parking lot operations at small boat harbors from the sealed bid requirements.” This allows DOBOR to negotiate directly with a parking management company to run the parking operation at the Ala Wai small boat harbor. See Exhibit B.

Staff has begun the process to directly negotiate a contract with a parking management company. It plans to post a Request for Interest (RFI) on HIePRO to solicit interest from parking vendors. Staff will then select a vendor, with whom to conduct negotiations, from the responses generated from the RFI. Once a contact has been negotiated and approved as to form by the Department of the Attorney General, staff will return to the Board for approval.

The applicant is current on their rent payments and has demonstrated good stewardship of the Ala Wai Small Boat parking facility.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1, 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.
2. Subject to the terms and conditions noted in this submittal, approve the continuation of Revocable Permit 120 on a month-to-month basis for another
one-year period, from September 15, 2022, to September 14, 2023, except if the permit is in arrears of rental payment for more than 60 days and/or has been approved for forfeiture by a separate Board action. If the permit is in arrears of rental for 60 days or more and/or approved by the Board for forfeiture it shall not be renewed.

Respectfully Submitted,

________________________________
EDWARD R. UNDERWOOD, Administrator
Division of Boating and Ocean Recreation

APPROVED FOR SUBMITTAL:

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

Attachments:

A-1 AWSBH Location on Oahu
A-2 AWSBH Parking Plan
B SLH 2022, Act 163
Exhibit A-2
Parking Plan

LEGEND

- Paid Parking (329 Stalls)
- Permit Parking (312 Stalls)
- Free Recreational Parking (300 Stalls)
June 27, 2022

The Honorable Ronald D. Kouchi,  
President  
and Members of the Senate  
Thirty-First State Legislature  
State Capitol, Room 409  
Honolulu, Hawai‘i 96813

The Honorable Scott K. Saiki,  
Speaker and Members of the  
House of Representatives  
Thirty-First State Legislature  
State Capitol, Room 431  
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 27, 2022, the following bill was signed into law:

HB1432 HD1 SD2 CD1  
RELATING TO CONCESSIONS ON PUBLIC PROPERTY.  
ACT 163

Sincerely,

[Signature]

DAVID Y. IGE  
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO CONCESSIONS ON PUBLIC PROPERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that section 102-2, Hawaii Revised Statutes, provides that concessions on public property are to be granted by sealed top-dollar bid, with limited exceptions.

Section 102-2, Hawaii Revised Statutes, also allows some concessions to be exempt from bidding requirements because a person or entity offering the most money may not be the best suited or qualified to meet the government's goals to preserve public-owned assets, such as parks, or may not be best suited or qualified to serve the needs of the public, including the enhancement of customer and visitor experiences. Thus, the legislature finds that the controlling factors in the award of concessions should not be limited to pricing or whether a concession is operated by a for profit or nonprofit entity.

The legislature also finds that requiring concessionaires to incur construction costs pose challenges. While public leases may be granted for up to sixty-five years, concession
contracts may not exceed fifteen years, making it difficult for
agencies to find concessionaires who are willing to invest in
the necessary capital improvements to provide satisfactory
concession services to visitors and residents of the State. It
is difficult for potential concessionaires to generate
sufficient revenues to support operations while amortizing the
concessions' construction and other costs at the current lease
and contract lengths of fifteen years. Accordingly, the
legislature believes that it is in the public’s best interests
to provide flexibility and to authorize the increase of the
maximum length of a concession contract. Furthermore, a
determination as to whether a county park is environmentally,
culturally, historically, or operationally unique for the
purpose of determining whether a concession should be exempt
from sealed bidding requirements should be made by the director
of parks and recreation of the respective county.

The purpose of this Act is to facilitate the provision of
concession services to the public by:

(1) Increasing the maximum length of concession contracts;
(2) Exempting certain operations of ground transportation services and parking lot operations at small boat harbors from the sealed bid requirements;

(3) Exempting concessions for beach or ocean-related recreational services from the sealed bid requirements, with certain conditions;

(4) Providing that a county director of parks and recreation has sole discretion to designate which county parks are environmentally, culturally, historically, or operationally unique for purposes of determining whether a concession at the park is exempt from the sealed bid requirements; and

(5) Expanding the exemption from the sealed bid requirements for concessions at county zoos, botanic gardens, or county parks that are designated by the respective county director of parks and recreation, in the director's sole discretion, as environmentally, culturally, historically, or operationally unique; provided that the concessions are awarded to responsible offerors whose proposals are the most
advantageous, rather than solely to certain nonprofit
corporations.

SECTION 2. Section 102-2, Hawaii Revised Statutes, is
amended by amending subsections (a) and (b) to read as follows:
"(a) Except as otherwise specifically provided by law, no
concession or concession space shall be leased, let, licensed,
rented out, or otherwise disposed of either by contract, lease,
license, permit, or any other arrangement, except under contract
let after public notice for sealed bids in the manner provided
by law; provided that the duration of the grant of the
concession or concession space shall be related to the
investment required but in no event to exceed [fifteen] twenty-
five years for the initial term, and if amended, any then
remaining term plus any agreed extension thereof awarded or
granted by the government agency making a lease or contract or
other arrangement relating to a concession; provided further
that and subject to approval by county council resolution, the
[fifteen-year] twenty-five-year limit shall not apply to
nonprofit corporations organized pursuant to chapter 414D.
(b) The bidding requirements of subsection (a) shall not apply to concessions or space on public property set aside for the following purposes:

(1) For operation of ground transportation services and parking lot operations at airports and small boat harbors, except for motor vehicle rental operations under chapter 437D;

(2) For lei vendors;

(3) For airline and aircraft operations;

(4) For automated teller machines and vending machines, except vending machines located at public schools operated by blind or visually handicapped persons in accordance with section 302A-412;

(5) For operation of concessions set aside without any charge;

(6) For operation of concessions by handicapped or blind persons; except concessions operated in the public schools by blind or visually handicapped persons in accordance with section 302A-412;

(7) For operation of concessions on permits revocable on notice of thirty days or less; provided that no such
permits shall be issued for more than a one year period;

(8) For operation of concessions or concession spaces for a beach service association dedicated to the preservation of the Hawaii beach boy tradition, incorporated as a nonprofit corporation in accordance with state law, and whose members are appropriately licensed or certified as required by law;

(9) For operation of concessions or concession spaces providing for beach or ocean-related recreational services; provided that the concessions are awarded to the responsible offeror whose proposal is determined to be most advantageous, taking into consideration prices and evaluation factors set forth in the request for proposals;

(10) For operation of concessions at county zoos, botanic gardens, or [other] county parks [which] that are designated by the respective county director of parks and recreation, in the director's sole discretion, as environmentally, culturally, historically, or operationally unique and are
supported[7] by nonprofit corporations incorporated in accordance with state law solely for purposes of supporting county aims and goals of the zoo, botanic garden, or [other] designated county park, and operating under agreement with the appropriate agency solely for [such] those purposes, aims, and goals;

(11) For operation of concessions at county zoos, botanic gardens, or county parks that are designated by the respective county director of parks and recreation, in the director's sole discretion, as environmentally, culturally, historically, or operationally unique;

provided that the concessions are awarded to the responsible offeror whose proposal is determined to be the most advantageous, taking into consideration prices and evaluation factors set forth in the request for proposals;

(12) For operation of concessions that furnish goods or services for which there is only one source, as determined by the head of the awarding government agency in writing; provided that the written determination shall be included in the contract file;
For any of the operations of the Hawaii health systems corporation and its regional system boards;

For airport operation of concessions; {+} and {+}

For the operations of the natural energy laboratory of Hawaii authority."

SECTION 3. Section 171-56, Hawaii Revised Statutes, is amended to read as follows:

"§171-56 Contract or license for concessions or concession space. The board of land and natural resources may, subject to chapter 102, dispose of concessions, as defined in chapter 102, and shall enter into contracts or issue licenses for such concessions; provided that the duration of the contract or license shall be related to the investment required, but in no event to exceed [fifteen] twenty-five years."

SECTION 4. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the
invalid provision or application, and to this end the provisions
of this Act are severable.

SECTION 6. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval.

APPROVED this 27th day of June, 2022

[Signature]

GOVERNOR OF THE STATE OF HAWAII
HB No. 1432, HD 1, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 03, 2022
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

Scott K. Saiki
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives
H.B. No. 1432, H.D. 1, S.D. 2, C.D. 1

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 3, 2022
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai‘i, Regular Session of 2022.

[Signatures]
President of the Senate

[Signatures]
Clerk of the Senate