August 23, 2022

VIA EMAIL: suzanne.case@hawaii.gov

TO: (1) JADE T. BUTAY, DIRECTOR
   (2) SUZANNE D. CASE, CHAIRPERSON – DLNR
       C/O DARLENE FERREIRA
   (3) OLIVIA N. PHAM, ACTING SUPERVISOR, HAR-PM

FROM: EDUARDO P. MANGLALLAN
      DEPUTY DIRECTOR – HARBORS

SUBJECT: ISSUANCE OF A MONTH-TO-MONTH REVOCABLE PERMIT TO HAWAIIAN CRUISES, LIMITED, FOR OFFICE SPACE, FAST LAND, AND SUBMERGED LAND SITUATED AT PIER 6, HONOLULU HARBOR, OAHU, TAX MAP KEY NOS. (1) 2-1-001:059 (P) AND (1) 2-1-001:057 (P), GOVERNOR’S EXECUTIVE ORDER NO. 3542

Attached is the subject submittal for your approval. Please have submittal placed on the next Land Board agenda.

If there are any questions, please call Ms. Jennifer Tomita, Property Manager, Harbors Division, at (808) 587-1945.

Attachment
Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii  

OAHU

ISSUANCE OF A MONTH-TO-MONTH REVOCABLE PERMIT TO HAWAIIAN CRUISES, LIMITED, FOR OFFICE SPACE, FAST LAND, AND SUBMERGED LAND SITUATED AT PIER 6, HONOLULU HARBOR, OAHU, TAX MAP KEY NOS. (1) 2-1-001:059 (P) AND (1) 2-1-001:057 (P), GOVERNOR’S EXECUTIVE ORDER NO. 3542

LEGAL REFERENCE:

Sections 171-6, 171-13, 171-17, 171-55 and 171-59, Hawaii Revised Statutes (HRS), as amended.

APPLICANT:

Hawaiian Cruises, Limited (Applicant), is a domestic profit corporation whose mailing address is 703 N. Nimitz Highway, #27, Honolulu, Hawaii 96817.

CHARACTER OF USE:

Use of Pier 6 for office space, fast land, and submerged land to support the Applicant’s tour and cruise business at Pier 6, Honolulu Harbor, island of Oahu.

LOCATION:

Portion of governmental lands at Pier 6, Honolulu Harbor, Oahu, Tax Map Key Nos. (1) 2-1-001:059 (P) and (1) 2-1-001:057 (P), Governor’s Executive Order No. 3542, as shown on the attached map labeled Exhibit A.
AREA: See attached Exhibits A and B

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>SQ. FT.</th>
<th>RATE PER SQ. FT.</th>
<th>MONTHLY RENTAL CHARGE</th>
<th>SECURITY DEPOSIT</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Office space</td>
<td>Office</td>
<td>576</td>
<td>$1.19</td>
<td>$685.44</td>
<td>$1,370.88</td>
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<tr>
<td>2</td>
<td>Open paved land</td>
<td>Improved Land-paved</td>
<td>5,425</td>
<td>$0.81</td>
<td>$4,394.25</td>
<td>$8,788.50</td>
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<tr>
<td>3</td>
<td>Open unpaved land</td>
<td>Improved Land-unpaved</td>
<td>175</td>
<td>$0.76</td>
<td>$133.00</td>
<td>$266.00</td>
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<tr>
<td>4</td>
<td>Submerged land</td>
<td>Submerged land</td>
<td>4,550</td>
<td>$0.41</td>
<td>$1,865.50</td>
<td>$3,731.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$7,078.19</td>
<td>$14,156.38</td>
</tr>
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</table>

CONSIDERATION:

$7,078.19 per month or a percentage rental of 2.50% of gross receipts, whichever is greater.

Month-to-month rent determined by appraisal as of January 1, 2021, for Revocable Permits in Honolulu Harbor.

ZONING:

State Land Use Commission: Urban
City and County of Honolulu: State Jurisdiction: Aloha Tower Project, B-2 Community Business District

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Public Land Trust Information System lists TMK No. (1) 2-1-001:059 as subsection 5(a) of the Hawaii Admission Act (non-ceded lands) and TMK No. (1) 2-1-001:057 (P) as multiple trust land status.
CURRENT USE STATUS:

Currently, the office space, fast land, and submerged land is used by the Applicant to support its tour and cruise business in Honolulu Harbor.

LAND TITLE STATUS:

Acquired by the Department of Transportation, Harbors Division (DOTH), through eminent domain proceedings; issuance of Governor’s Executive Order No. 3542.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action is exempt from Office of Environmental Quality Control (OEQC) requirements pursuant to Sub-Chapter 11-200.1, Hawaii Administrative Rules (HAR), that exempts the following:

“Exemption Class 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.”

The DOTH deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with Section 11-200.1-16(b), HAR. The exemption declaration for the action described above is based on the Exemption List for the DOTH, reviewed and concurred to by the Environmental Council on February 1, 2022.

REMARKS:

The Applicant has been a tenant at Pier 6 in Honolulu Harbor for over 30 years. The Applicant operates a daily sunset cocktail cruise, seasonal whale watching tours, and other tour events for tourists and locals from Pier 6 in Honolulu Harbor. They also offer private or semi-private events aboard their vessel, the Majestic.

The DOTH has been reviewing all month-to-month revocable permits to ensure compliance with and applicability to sections 171-17 and 171-55, HRS. This submittal will update the current month-to-month revocable permit which is compliant with Section 171-55, HRS.
RECOMMENDATION:

That the Board authorize the DOTH to issue the Applicant a month-to-month revocable permit for the above stated purpose, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Respectfully submitted,

JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE
Chairperson and Member
Board of Land and Natural Resources
1. Office space
2. Open paved land
3. Open unpaved land
4. Submerged land
Area 1 – Office Space

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Office space</td>
<td>Office</td>
<td>18' x 32'</td>
<td>576</td>
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</table>
Area 2 – Open paved

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Open paved</td>
<td>Improved Land-paved</td>
<td>$(5,059' + 56' + 280' + 30' = 5,425' )$</td>
<td>5,425</td>
</tr>
</tbody>
</table>
Area 3 – Open unpaved

<table>
<thead>
<tr>
<th>AREA</th>
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<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Open unpaved</td>
<td>Improved Land-unpaved</td>
<td>5'</td>
<td>35'</td>
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Area 4 – Submerged land

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<thead>
<tr>
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<th>DESCRIPTION</th>
<th>TYPE</th>
<th>DIMENSIONS</th>
<th>SQ. FT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Submerged land</td>
<td>Submerged land</td>
<td>35'</td>
<td>130'</td>
</tr>
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