

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

February 24, 2023

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

Land Board Members:

SUBJECT: Mutual Cancellation of a Revocable Permit No. BM-12051 (RP BM-12051) to Maalaea Charters, Inc. and Waiver of Requirement to Conduct a Phase I Environmental Site Assessment, Maalaea Small Boat Harbor, Maalaea, Waikapu, Wailuku, Maui Tax Map Key: (2) 3-6-001:002 (por).

APPLICANT:

Maalaea Charters, Inc., a Hawaii Profit Corporation, whose mailing address is 11 Maalaea Road, Wailuku, HI 96793.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Maalaea Small Boat Harbor, Waikapu, Wailuku, Maui, identified by Tax Map Key: (2) 3-6-001:002 (por) as shown on map labeled **Exhibit A-1, A-2, and A-3** and attached hereto.

AREA:

Approximately 144 square feet, more or less.

ZONING:

State Land Use District:	Urban
County of Maui Zoning:	M-1 Light Industrial

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act: YES X NO \_\_\_

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES \_\_\_ NO X

CURRENT USE STATUS:

Encumbered by Revocable Permit BM-12051 issued to Maalaea Charters, Inc.

CHARACTER OF USE:

Commercial charter vessel office for vessel activity sales, and sales of various outdoor activities.

CANCELLATION DATE:

February 28, 2023

REMARKS:

At its meeting on April 27, 2012, under agenda item J-2, the Board approved the issuance of a revocable permit to Maalaea Charters, Inc. for space to operate a commercial charter vessel office for vessel activity sales, and sales of various outdoor activities at the Maalaea Small Boat Harbor. See **Exhibit B**.

The permit has been renewed annually by the Board since its issuance.

Due to unforeseen circumstances, such as staffing issues and a drop in revenue, Maalaea Charters, Inc. is no longer able to profitably operate. The Permittee is requesting the revocable permit to be cancelled.

Staff is also requesting the Board waive the permittee's requirement to perform a Phase I Environmental Site Assessment as required under the revocable permit. Maalaea Charters, Inc.'s activities were limited to activity sales and did not involve the use of any hazardous materials.

Upon cancellation, staff will instruct the permittee to remove the booth structure from the property, pursuant to the revocable permit.

The permittee has not had a lease, permit, easement, or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions. The permittee's rent is current through February 28, 2023.

RECOMMENDATION:

That the Board of Land and Natural Resources:

BLNR – Mutual Cancellation of Revocable Permit BM-12051 to  
Maalaea Charters, Inc. and Request for Waiver of Phase I  
Environmental Assessment

February 24, 2023

1. Authorize the mutual cancellation of Revocable Permit No. BM-12051 to Maalaea Charters, Inc. in the manner specified by law.
2. Waive the requirement of Additional Conditions No. 14 for the permittee to perform a Phase I environmental site assessment of the subject premises upon cancellation of Revocable Permit No. BM-12051.

Respectfully Submitted,



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

APPROVED FOR SUBMITTAL:



DAWN N.S. CHANG, Chairperson  
Board of Land and Natural Resources

Attachments:

- A-1 Site Map
- A-2 Site Map
- A-3 Site Map
- B Approved Board Submittal Dated April 27, 2012, Item J-2

Exhibit A-1

Maalaea Small Boat Harbor



## Exhibit A-2

### Maalaea Small Boat Harbor





Exhibit A-3  
Maalaea Charters, Inc.



# Exhibit B

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Honolulu, Hawaii

April 27, 2012

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

MAUI

Issuance of a Revocable Permit to Maalaea Charters, Inc. for Space to Operate a Commercial Charter Vessel Office for Vessel Activity Sales, and Sales of Various Outdoor Activities, Maalaea Small Boat Harbor, Maalaea, Wailuku, Maui, Tax Map Key: 3-6-01:2 por.

APPLICANT:

Maalaea Charters, Inc., a Domestic Profit Corporation business is situated at 11 Maalaea Harbor Road, Wailuku, Maui, 96793.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Maalaea Small Boat Harbor situated at Waikapu, Wailuku, Maalaea, Island of Maui, identified by Tax Map Key: 3-6-01:2 portion.  
Location shown on the attached map labeled Exhibit A.

AREA:

144 Square Feet, more or less.

ZONING:

State Land Use District: Urban  
County of Maui CZO: M-1 Business/Industrial

TRUST LAND STATUS:

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

CHARACTER OF USE:

Occupy and use space for operation of a commercial charter vessel office for vessel activity sales, and the sales of various outdoor activities.

APPROVED BY THE BOARD OF  
LAND AND NATURAL RESOURCES  
AT ITS MEETING HELD ON

4/27/12, no changes

J-2  
**Exhibit B**

Issuance of a Revocable Permit to Maalaea Charters, Inc.  
for Space to Operate a Commercial Charter Vessel Office for  
Vessel Activity Sales, and Sales of Various Outdoor Activities,  
Maalaea Small Boat Harbor, Maalaea, Wailuku, Maui,  
Tax Map Key: 3-6-01:2 por.

April 27, 2012

Item J-2

COMMENCEMENT DATE:

The first day of the month to be determined by the Chairperson.

MONTHLY RENTAL:

\$250.00 or Five Percent (5%) of the monthly gross proceeds, whichever is greater, subject to review and approval by the Chairperson.

SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Boating and Ocean Recreation Environmental Impact Statement Exemption List", approved by the Environmental Council and dated March 22, 1995, the subject request qualifies under exempt Class of Action No. 1 - "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion of or change of use beyond that previously existing."

DCCA VERIFICATION:

Place of business registration confirmed:	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Registered business name confirmed:	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
Applicant in good standing confirmed:	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

REMARKS:

Maalaea Charters, Inc. (MCI) was originally established by several commercial charter vessels operating out of slips located within the Maalaea Small Boat Harbor in the early eighties. At that time, harbor staff determined that it was impractical to allow a booth be set up at every slip, due to the harbor's limited space, pier design, and configuration. MCI was allowed to operate on a space situated on the Mauka side of the harbor along side the harbor road and parking lot.

On October 28, 2011 at its regular meeting, the Board approved DOBOR's request for the cancellation of revocable permit B-93-43 to Maalaea Charters, Inc. DOBOR moved forward to convert the Permittee's occupancy to a Harbor Use Ticket Booth Permit. In this process DOBOR found that MCI would not fall entirely into the category, specific to a ticket booth under HARS, section 13-232-43. A Harbor issued ticket booth is 48 square feet, normally located pier side, with a rent of \$250.00 paid in addition to mooring fees and percentage for a specific slip. MCI enhances its operation to include various marine and outdoor activity sales, in addition to the operation of commercial charter vessel activity sales. Due to the size of the structure being larger than the pier side ticket booths and the augmented use, a revocable permit was determined to be



the appropriate agreement to continue operation within the harbor at the present site at this time. The original foot print presently at 100 square feet more or less, would increase slightly to 144 square feet to accommodate a set of steps for improved access to the booth counter window, and landscaping. Rental paid was \$80.00 monthly with no percentage under the previous agreement. Under the updated Revocable Permit, the base rent would increase to be in line with comparable use of ticket booths at \$250.00 and include a percentage rent of 5% of the gross whichever is greater. The Permittee would maintain and keep the immediate area surrounding the structure clean, landscaped, and pay all utilities. MCI has agreed with the increase in rental rate and the terms. Any upgrades would require prior approval of the Chairperson.

At this point DOBOR is still in the process of performing substantial harbor upgrades and a month to month tenancy would be suitable at this time for this site. DOBOR requests the Board's approval to authorize the Chairperson to relocate the booth should it be deemed necessary for improved efficiency and/or safety of harbor operation.

The applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years.

RECOMMENDATION: That the Board:

- A. Authorize Declare that after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is there therefore exempt from preparation of an environmental assessment.
- B. The issuance of a revocable permit to Maalaea Charters, Inc. covering the subject area for space to operate a commercial charter vessel office for vessel activity sales, and sales of various outdoor activities, under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  1. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
  2. Review and approval by the Department of the Attorney General; and
  3. Authorization for the Chairperson to relocate the Permittee should it be necessary for the management of harbor operation during construction;
  4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Issuance of a Revocable Permit to Maalaea Charters, Inc.  
for Space to Operate a Commercial Charter Vessel Office for  
Vessel Activity Sales, and Sales of Various Outdoor Activities,  
Maalaea Small Boat Harbor, Maalaea, Wailuku, Maui,  
Tax Map Key: 3-6-01:2 por.

April 27, 2012

Item J-2

Respectfully Submitted,



Edward R. Underwood  
Administrator

Attachment: Exhibit A

Approved For Submittal:



William J. Aila, Jr.  
Chairperson

# EXHIBIT A

