

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

May 24, 2024

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

Land Board Members:

**SUBJECT:** Auction Sale of Concession by Sealed Bid for a Ten-Year Concession Contract for Maritime-related Activities Including but not Limited to Concierge Service, Providing General Information and Assistance Including Maps, Restaurant Guides, Charter and Tour Information, Cruise Ship Itineraries, Trolley and Bus Schedules, Beach Rental Gear, Sunscreen, Cold Refreshments and Snacks, and Tour Check-in Purposes, at Kailua-Kona Pier, Kailua, North Kona, Hawaii, Tax Map Key (3) 7-5-006:039 (por.),

And

Declare Project Exempt from Preparation of an Environmental Assessment under Chapter 343, HRS, and Title 11, Chapter 200.1, Hawaii Administrative Rules.

**REQUEST:**

Sale of concession contract by sealed bid for maritime related activities at the Kailua-Kona Pier.

**LEGAL REFERENCE:**

Chapter 102-2, and Chapter 171-13, Hawaii Revised Statutes (HRS), as amended.

**LOCATION:**

Portion of Government lands situated at Kailua-Kona Pier, Kailua, North Kona, Hawaii, hereinafter referred to as the "Premises" as shown on the maps labeled **Exhibit A-1 and A-2** and attached hereto.

**AREA:**

**BLNR – Sale of Concession by Sealed Bid for a Ten-Year  
Concession Contract**

**May 24, 2024**

63.25 square feet, more or less

**ZONING:**

State Land Use District: Urban & Conservation  
County of Hawaii: Open

**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

**CURRENT USE STATUS:**

Revocable Permit No. 124 issued to Kanoa, Inc. dba Body Glove Cruises.

**CHARACTER OF USE:**

For Maritime Related Activities Including Concierge Service, Providing General Island Information, Maps, Restaurant Guides, Charter and Tour Information, Cruise Ship Itineraries, Trolley and Bus Schedules, Beach Rental Gear, Sunscreen, Cold Refreshments and Snacks, and Guest Check in for Tour Purposes

**LEASE TERM:**

Ten (10) years from the Commencement date of the Lease.

**COMMENCEMENT DATE:**

As determined by the Chairperson of the Board of Land and Natural Resources.

**MINIMUM BID FOR CONCESSION FEE:**

\$18,200 per annum or ten percent (10%) of gross receipts, whichever is greater for years 1-5.

\$ 20,930 per annum or ten percent (10%) of gross receipts, whichever is greater for years 6-10.

In the event the winning Bidder is issued a Commercial Use Permit ("CUP"), ticket sales from applicant's commercial operations, for which it pays three percent (3%) to DOBOR under its CUP, shall not be included in its gross receipts.

**PERFORMANCE BOND:**

PERFORMANCE BOND:

Equal to two (2) months of monthly fee.

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," Part 1, Item No. 40, which states, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing."

BACKGROUND:

The premises is a commercial space located on the Kailua-Kona pier, with an area of approximately 63.25 square feet.

The premises were previously encumbered by Revocable Permit No. 35 issued to Horizon Pacific, Inc. The company has ceased operations at the site due to the downturn in the economy from the Covid-19 pandemic.

The premises are currently encumbered by Revocable Permit No. 124 issued to Kanoa, Inc. dba Body Glove Cruises. The company currently offers maritime related activities including concierge service, providing general island information, maps, restaurant guess, charter and tour information, cruise ship itineraries, trolley and bus schedules, beach rental gear, sunscreen, cold refreshments and snacks, and guest check-in for tour purposes.

The Board has previously instructed staff to convert revocable permits to long-term dispositions, where practicable.

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, Hawaii Administrative Rules, 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. Approve the sale of concession by sealed bid for a ten-year concession contract for Maritime Related Activities Including but not limited to concierge service, providing general island information, maps, restaurant guides, Charter and tour information, cruise ship itineraries, trolley and bus schedules, beach rental gear, sunscreen, cold refreshments and snacks, and tour check In purposes, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - A. The standard terms and conditions of the most current concession contract, as may be amended from time to time;
  - B. Should Applicant propose any future improvements upon the leasehold property that triggers Hawaii Revised Statutes (HRS) Chapter 343 review, Applicant shall be responsible for compliance with HRS Chapter 343, as amended;
  - C. Review and approval by the Department of the Attorney General; and
  - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



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

APPROVED FOR SUBMITTAL:



Dawn N.S. Chang, Chairperson  
Board of Land and Natural Resources

Attachment:  
Exhibit A – Location Map

## EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1, HAR

Project Title:	Sale of Concession by Sealed Bid for a Ten-Year Concession Contract for Maritime Related Activities Including but not Limited to Concierge Service, Providing General Island Information, Maps, Restaurant Guides, Charter and Tour Information, Cruise Ship Itineraries, Trolley and Bus Schedules, Beach Rental Gear, Sunscreen, Cold Refreshments and Snacks, and Tour Check In Purposes, at Kailua-Kona Pier, Kailua, North Kona, Hawaii, Tax Map Key (3) 7-5-006:039 (por.)
Project / Reference No.:	N/A
Project Location:	Kailua-Kona Pier, Kailua, North Kona, Hawaii, Tax Map Key (3) 7-5-006:039 (por.)
Project Description:	Sale of Concession by Sealed Bid for a Ten-Year Concession Contract for Maritime Related Activities Including but not Limited to Concierge Service, Providing General Island Information, Maps, Restaurant Guides, Charter and Tour Information, Cruise Ship Itineraries, Trolley and Bus Schedules, Beach Rental Gear, Sunscreen, Cold Refreshments and Snacks, and Tour Check In Purposes
Chap. 343 Trigger(s):	Use of State lands
Exemption Class No(s):	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," Part 1, 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."
Cumulative Impact of Planned Successive Actions in Same Place Significant?	Activities in the subject area have resulted in no known significant impact to the natural and environmental resources in the area.
Action May have Significant Impact on Particularly Sensitive Environment?	The requested area is a portion of the Kailua-Kona Pier that is visited by the community, tourists, and commercial operators and is impacted by human activity. Staff believes there would be no significant impact to sensitive environmental or ecological receptors.
Analysis:	Based on the above mentioned, staff believes there would be no significant impact to the environment.

Consulted Parties:	None
Declaration:	The Board find that this project will probably have minimal or no significant effect on the environment and declares that this project is exempt from the preparation of an environmental assessment.

**Exhibit A-1  
Site Location  
Kailua-Kona Pier**





**Exhibit A-2  
Site Location  
Kailua-Kona Pier**

