

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: Amend Prior Board Action Dated December 07, 2023, Item J-6, Issuance of Revocable Permit to Hone Heke Corporation for Office Space for Maui-Lanai Passenger Ferry Operation Purposes, Situated at Ma'alaea Small Boat Harbor, Ma'alaea, Wailuku, Maui, Hawaii, Tax Map Key: (2) 3-6-001:002 (por.).

The Purpose of this Amendment is to Waive the Permittee's Requirement to Perform a Phase I Environmental Site Assessment as Required Under the Revocable Permit. Hone Heke Corporation's Activities are Limited to Ferry Sales and Does Not Involve the Use of Any Hazardous Materials.

BACKGROUND:

At its meeting of December 07, 2023, Item J-6, the Board of Land and Natural Resources (Board) authorized the issuance of a Revocable Permit to Hone Heke Corporation for office space for Maui-Lanai passenger ferry operation purposes, situated at Ma'alaea Small Boat Harbor (**Exhibit A**).

REMARKS:

Staff is requesting the Board waive the permittee's requirement to perform a Phase I Environmental Site Assessment as required under the revocable permit. Hone Heke Corporation's activities are limited to ferry sales and does not involve the use of any hazardous materials.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Amend its prior Board actions for December 07, 2023, Item J-6:

May 24, 2024

- a. By authorizing the waiving of 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. 143.
 - b. By authorizing the Chairperson with the assistance of the Department of the Attorney General to execute appropriate contracts to document the transaction.
2. Except as amended hereby, all terms and conditions listed in its December 07, 2023, Item J-6 Board authorization to remain the same.

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

Attachments:

- A Prior Board action December 07, 2023, Item J-6

Exhibit A

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

October 27, 2023

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

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

DECEMBER 07, 2023

Land Board Members:

SUBJECT: Issuance of a Revocable Permit to Hone Heke Corporation for Office Space for Maui-Lanai Passenger Ferry Operation Purposes, Situated at Ma'alaea Small Boat Harbor, Ma'alaea, Wailuku, Maui, Hawaii, Tax Map Key: (2) 3-6-001:002 (por.).

And

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

APPLICANT:

Hone Heke Corporation ("Hone Heke"), a Hawaii corporation, whose mailing business address is P.O. Box 3119, Wailuku, HI 96793.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands situated at Ma'alaea Small Boat Harbor, Ma'alaea, Wailuku, Maui, Hawaii, Tax Map Key: (2) 3-6-001:002 (por.), hereinafter referred to as the "Premises" as shown on the map labeled EXHIBIT A-1 and A-2 and attached hereto.

AREA:

Approximately 1,200 square feet, more or less.

Item J-6

Exhibit A

ZONING:

State Land Use District: Urban

County of Maui CZO: B-2 Business-Community

TRUST LAND STATUS:

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

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

CURRENT USE STATUS:

Unencumbered.

CHARACTER OF USE:

Office used for Maui-Lanai passenger ferry operation purposes.

COMMENCEMENT DATE:

August 28, 2023

EXPIRATION DATE:

June 30, 2024

MONTHLY RENTAL:

\$40.00

COLLATERAL SECURITY DEPOSIT:

Waived

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. 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."

JUSTIFICATION FOR REVOCABLE PERMIT:

The revocable permit is an appropriate disposition, as this is temporary in nature until Hone Heke can rebuild its Lahaina office and the Lahaina Small Boat Harbor becomes operational.

REMARKS:

Hone Heke Corporation, better known by its trade name "Expeditions", normally ferries passengers between Lahaina Small Boat Harbor (Lahaina SBH) on Maui and Manele Small Boat Harbor (Manele SBH) on Lana'i. But due to the Lahaina fires, which have devastated the area, all operations came to a halt. The applicant has lost its office, equipment, supplies, and part of their fleet. Despite the loss that the company has suffered, upon demand from the community, they restarted their interisland services on August 28, 2023. Expeditions has moved its operations to Ma'alaea Small Boat Harbor due to the U.S. Coast Guard establishing an emergency safety zone around Lahaina.

After the Lahaina fire, the company began operating from the first floor of the two-story building, which houses the Division of Boating and Ocean Recreation's Maui District Office on its top floor. The building was built using federal funds to accommodate ferry operations but was never used for that purpose. Hone Heke will use the first floor for an office space for its Maui-Lanai passenger ferry operations.

Staff believes that Hone Heke Corporation should be charged nominal rent because they will have exclusive use of the premises.

The applicant 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.

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. Based on the testimony and facts presented, the Board finds that approving the revocable permit under the conditions and rent set forth herein will serve the best interests of the State.

3. Authorize issuance of a revocable permit to Hone Heke Corporation covering the subject area for an office space for Maui-Lanai passenger ferry operations at Maalaea Small Boat Harbor, 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 Revocable Permit form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and
 - c. 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

Attachments:

- A-1 Site Location
- A-2 Site Location

EXEMPTION NOTIFICATION

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

Project Title:	Issuance of a Revocable Permit to Hone Heke Corporation for Office Space for Maui-Lanai Passenger Ferry Operation Purposes, Situated at Ma'alaea Small Boat Harbor, Ma'alaea, Wailuku, Maui, Hawaii, Tax Map Key: (2) 3-6-001:002 (por.).
Project / Reference No.:	
Project Location:	Ma'alaea Small Boat Harbor, Ma'alaea, Wailuku, Maui, Hawaii, Tax Map Key: (2) 3-6-001:002 (por.).
Project Description:	Issuance of a Revocable Permit to Hone Heke Corporation for Office Space for Maui-Lanai Passenger Ferry Operation 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 Ma'alaea Small Boat Harbor 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
Ma'alaea Small Boat Harbor, Maui



Exhibit A-1

Exhibit A-2

Site Location
Ma'alaea Small Boat Harbor, Maui
DOBOR Maui District Office



BLNR Meeting, December 07, 2023 Item J-6 : Approved as amended.

Approved as Amended. The Board amended the submittal by adding: "Staff shall have access to the Machine Room and Storage Closet on the first floor of the building."