

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

August 09, 2024

Chairperson and Members
Board of Land and Natural Resources
State of Hawai'i
Honolulu, Hawai'i

Land Board Members:

SUBJECT: Rescind Prior Board Action of October 28, 2022, under Agenda Item J-1, Issuance of a Revocable Permit to James Sumner, for a Retail Operation of an Automated Ice Machine, located at Wailoa Small Boat Harbor, Waiākea, Hilo, Hawai'i, Tax Map Key: (3) 2-2-31:001 (por.).

And

Authorize the Issuance of a Revocable Permit to Riddle Works LLC for Installation of an Automated Ice Machine Purposes, located at Wailoa Small Boat Harbor, Waiākea, Hilo, Hawai'i Island, Hawai'i. Tax Map Key: (3) 2-2-031:001 (por.).

And

Declare Project Exempt from Requirements of Chapter 343, Hawai'i Revised Statutes and Title 11, Chapter 200.1, Hawai'i Administrative Rules.

APPLICANT:

Riddle Works LLC, a Domestic Limited Liability Company, whose mailing address is 74-5035 Queen Ka'ahumanu Highway, Suite 3101, Kailua-Kona, Hawai'i, 96740.

LEGAL REFERENCE:

Sections 171-13 and -55, Hawai'i Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Wailoa Small Boat Harbor, Waiākea, Hilo, Hawai'i Island, Hawai'i, Tax Map Key: (3) 2-2-031:001 (por.), as shown on the map

ITEM J-6

labeled (**Exhibit A**) and attached hereto.

AREA:

Approximately 442 square feet, more or less.

ZONING:

State Land Use District: Urban

County of Hawaii: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawai'i Admission Act: YES NO

DHHL 30% entitlement lands pursuant to the Hawai'i State Constitution: YES NO

CURRENT USE STATUS:

Revocable Permit No. 136.

CHARACTER OF USE:

Retail operation of an automated ice machine.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

\$343.75 per month, or 8% of gross receipt sales, whichever is greater.

COLLATERAL SECURITY DEPOSIT:

Twice the Monthly Rental.

DCCA VERIFICATION:

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

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

In accordance with Section 11-200.1-15, Hawai'i 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."

The following agencies were consulted on this proposed action with the results indicated as follows:

Consulted Agency	Comments
Division of Aquatic Research (DAR)	Did not respond
Office of Hawaiian Affairs (OHA)	Did not respond
Land Division (LD)	Did not respond
Ocean Conservation of Coastal Lands (OCCL)	No comments
Dept. of Transportation	No Comments
County of Hawaii Dept. of Planning	Did not respond

REMARKS:

At its meeting on October 28, 2022, under Agenda Item J-1, the Board approved the Issuance of a Revocable Permit to James Sumner, for a Retail Operation of an Automated Ice Machine at Wailoa Small Boat Harbor. Despite his efforts for over one year, he was not able to obtain necessary permits from the County of Hawaii Department of Planning and could not proceed.

Staff recommends the Board rescind the prior Board Action of October 28, 2022, authorizing the issuance of a revocable permit to James Sumner and authorize the issuance of a revocable permit to Riddle Works LLC for the use of state lands for installation of an automated ice machine purposes.

The applicant has already submitted a Special Management Area Assessment application with the County of Hawaii Department of Planning.

The applicant must obtain the necessary permits to bring power and water service to the location of the ice machine. All utilities must be buried below grade. The applicant will be responsible for installing separate meters for the power and water service and will be responsible for paying for the cost of water and electricity the machine consumes. The

applicant must ensure there is a sufficient amount of room for vehicles to pull over to the side of the road and not obstruct any flow of traffic.

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, Hawai'i 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 RP under conditions and rent set forth herein will serve the best interests of the state.
3. Rescind the prior Board Action on Item J-1 of the October 28, 2022 meeting.
4. Authorize the issuance of a Revocable Permit to Riddle Works LLC, at the Wailoa 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; and
 - b. Review and approval by the Department of the Attorney General.
 - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



for

MEGHAN L. STATTS, Administrator
Division of Boating & Ocean Recreation

BLNR – Rescind Prior Board Action of October 28, 2022
And Authorize Issuance of RP to Riddle Works LLC

August 09, 2024

APPROVED FOR SUBMITTAL:



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

Attachment:

Exhibit A - Location Map

Exhibit B – Prior Board Action of October 28, 2022, Item J-1

EXEMPTION NOTIFICATION

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

Project Title:	Rescind Prior Board Action of October 28, 2022, under Agenda Item J-1, Issuance of a Revocable Permit to James Sumner, for a Retail Operation of an Automated Ice Machine, located at Wailoa Small Boat Harbor, Hilo, Hawaii, Tax Map Key: (3) 2-2-31-001 (por.); And Authorize the Issuance of a Revocable Permit to Riddle Works LLC for Installation of an Automated Ice Machine Purposes, located at Wailoa Small Boat Harbor, Waiakea, Hilo, Hawaii Island, Hawaii. Tax Map Key: (3) 2-2-031:001 (por.).
Project / Reference No.:	None
Project Location:	Wailoa Small Boat Harbor, Waiakea, Hilo, Hawaii Island, Hawaii. Tax Map Key: (3) 2-2-031:001 (por.).
Project Description:	Rescind Prior Board Action of October 28, 2022, and Authorize the Issuance of a Revocable Permit to Riddle Works LLC for installation of an automated ice machine 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?	Staff is not aware of any particularly sensitive environmental issues and use of the area would not change negligently from what is existing.
Analysis:	Based on the above mentioned, staff believes there would be no significant impact to the environment.

Consulted Parties:	Division of Aquatic Resources, Office of Hawaiian Affairs, Land Division, Ocean Conservation of Coastal Lands, Department of Transportation, County of Hawaii Planning and Permitting
Results	No comment from the Department of Transportation, applicant has already filed a SMAA with the County of Hawaii Planning Dept., the other parties did not respond
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
Location of Ice Machine
Wailoa Small Boat Harbor

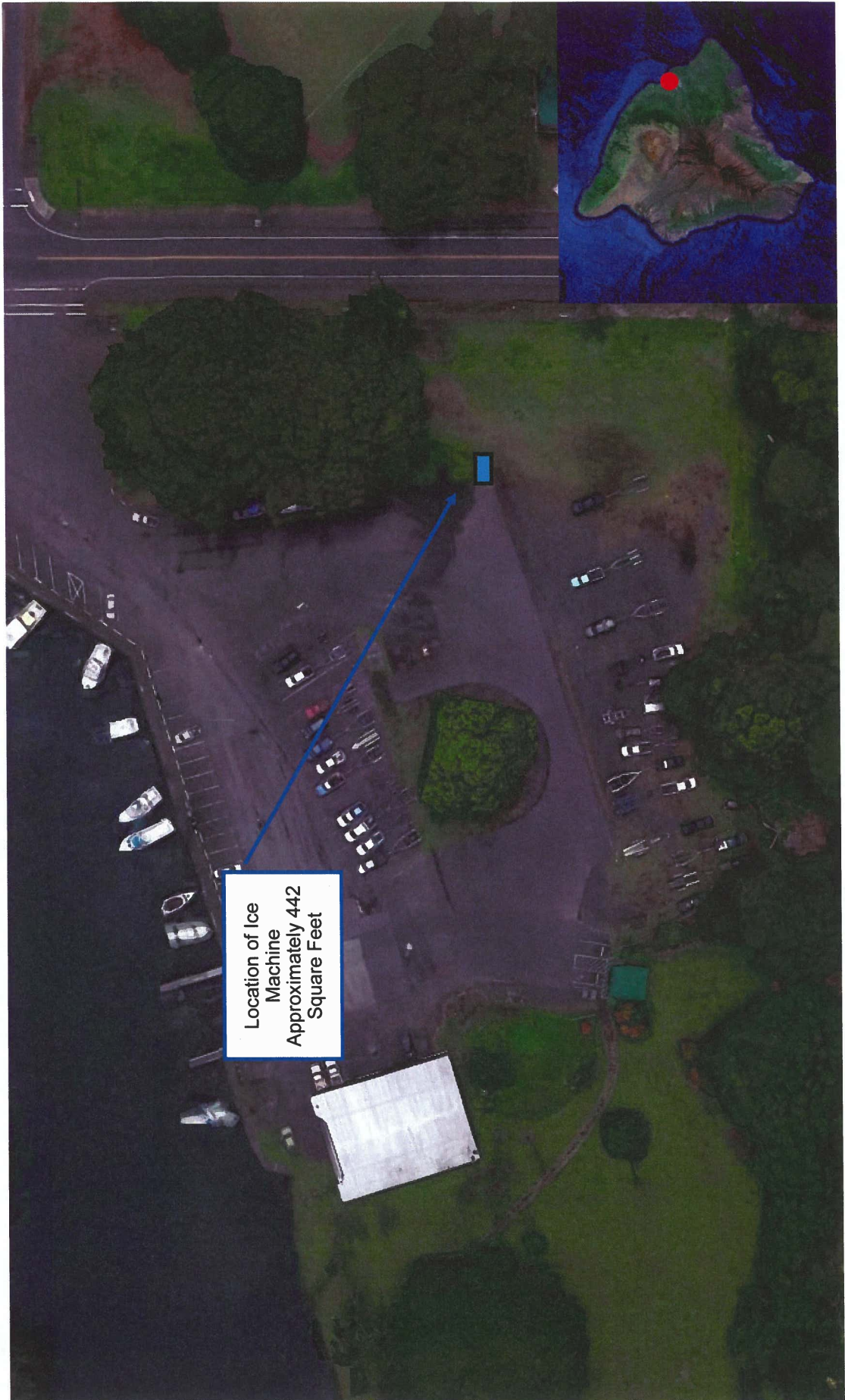


Exhibit B

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

October 28, 2022

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

OCTOBER 28, 2022

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

Land Board Members:

SUBJECT: Issuance of a Revocable Permit to James Sumner, for a Retail Operation of an Automated Ice Machine, located at Wailoa Small Boat Harbor, Hilo, Hawaii, Tax Map Key: (3) 2-2-031:001 (por).

And

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

APPLICANT:

James Sumner, Tenant in Severalty, whose mailing address is 146 Lukia Street, Hilo, HI 96720.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands situated at Wailoa Small Boat Harbor (Wailoa SBH), Hilo, Hawaii, identified as Tax Map Key: (3) 2-2-031:001, hereinafter referred to as the "Premises" as shown on the map labeled **EXHIBIT A-1 and A-2** and attached hereto.

AREA:

Approximately 180 square feet, more or less.

Item J-1

Exhibit B

ZONING:

State Land Use District: Urban & Conservation

County of Hawaii: Open

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:

Retail operation of an automated ice machine.

COMMENCEMENT DATE:

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

MONTHLY RENTAL:

\$275 per month, or 8% of gross receipt sales, whichever is greater. Based on the monthly rental for Revocable Permit No. 118 issued to Island Ice and Water Company LLC for the same use.

COLLATERAL SECURITY DEPOSIT:

Twice the Monthly Rental.

DCCA VERIFICATION:

Individual, not applicable.

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.”

JUSTIFICATION FOR REVOCABLE PERMIT:

Staff is testing the market to see if there is sufficient demand at the facility for an automated ice dispensing machine. If there is a high demand for this service, staff will seek bids for a concession.

REMARKS:

The Wailoa Small Boat Harbor’s launch ramp is used frequently by fishermen, and an ice vending unit would be beneficial to the public. The proposed location allows for convenient access and does not take away any existing parking.

The applicant must obtain the necessary permits to bring power and water service to the location of the ice machine. All lines must be buried below grade. The applicant will be responsible for installing separate meters for the power and water service and will be responsible for paying for the cost of water and electricity the vending unit consumes.

Staff recommends the Board approve to issuance of a revocable permit to James Sumner for the use of state lands for the purpose of operating an automated ice machine. 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 RP under conditions and rent set forth herein will serve the best interests of the state.
3. Authorize issuance of a Revocable Permit to James Sumner for a retail operation of an automated ice machine at Wailoa SBH under the terms and conditions cited above, which are by this reference, incorporated herein and further subject to the following:

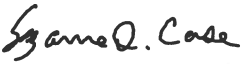
- a. The standard terms and conditions of the most current Revocable Permit form, as may be amended from time to time; and
- b. Review and approval by the Department of the Attorney General.
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



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

APPROVED FOR SUBMITTAL:



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

Attachment:

- A-1 Location Map
- A-2 Location Map

BLNR Meeting, October 28, 2022, Item J-1 : Approved as amended.

Approved as Amended:

- Under the heading, "Chapter 343 Environmental Assessment" add a reference to the Part # from the applicable exemption list. "General Exemption Type 1, Part 1, Item No.44"

Exhibit A-1

Wailoa Small Boat Harbor



Exhibit A-2
Wailoa Small Boat Harbor

