



From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 03, 2011 11:17 AM
To: WLOtestimony
Cc: Tracy.S.Oshiro@hawaii.gov
Subject: Testimony for HB1566 on 2/4/2011 9:00:00 AM
Attachments: HB1566_LNR_02-04-11_WLO.pdf

Testimony for WLO 2/4/2011 9:00:00 AM HB1566

Conference room: 325
Testifier position: comments only
Testifier will be present: Yes
Submitted by: Tracy Oshiro
Organization: DLNR
Address: 1151 Punchbowl Street Honolulu, HI 96813
Phone: (808) 587-1495
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Submitted on: 2/3/2011

Comments:



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
WATER, LAND, & OCEAN RESOURCES**

**Friday, February 04, 2011
9:00 A.M.
State Capitol, Conference Room 325**

**In consideration of
HOUSE BILL 1566
RELATING TO SMALL BOAT HARBORS**

House Bill 1566 permits commercial permits in Ala Wai and Keehi small boat harbors, establishes that small boat harbor fees can be used only for the operating and maintenance of the small boat harbors, authorizes a process for a public-private partnership to develop a portion of Ala Wai small boat harbor, and changes mooring fee rate process.

The Department of Land and Natural Resources (Department) supports parts this measure. Comments on each section of the measure are as follows:

- The Department supports the issuance of a limited amount of commercial use permits for vessels operating from the Ala Wai and Keehi Small Boat Harbors. The Department notes that these are the only two harbors that currently do not allow for commercial vessel activity. Commercial vessel mooring within the Ala Wai Small Boat Harbor should not be limited to specific areas. Defining the commercial mooring areas, limits the Departments ability to effectively manage the facility. Should an area become unusable for any reason, the Department needs the ability to relocate vessels whether they are commercial or not.
- Commercial catamarans are currently paying \$8.50 per year for the exclusive privilege of operating from Waikiki beach. The recommendation from the Department is to amend the language to clarify that commercial catamaran operations are required to be issued a commercial use permit from the Department and pay the same commercial use fees as all other commercial vessel operators.
- Because of the current fiscal condition of the State and the fact that capital improvement money is limited, the Department supports establishing use fees by appraised value. This way, the Department can be assured that it is receiving fair market return on the exclusive

use of the public facilities. Revenues exceeding the actual operating cost of the facility can be used for repairs, maintenance, and replacement of facilities that have exceeded their useful life.

- The Department notes that it currently has the statutory authority to lease fast lands and has recently entered into a Development Agreement for the development of the haul-out and fuel dock areas within the Ala Wai Small Boat Harbor. The Developer paid an initial development fee of \$150,000 and is currently paying \$15,000 per month while working to obtain the necessary permits. The Department supports offering the remaining site located at the harbor office on a Request for Proposals (RFP) basis.
- The Department also supports the leasing of submerged lands similar to the Hawaii and Waikiki yacht clubs. We note that the submerged lands surrounding the haul-out site need authorization to be leased. During the preparation of the RFP for this site, the Department found that no authority had been granted to lease the submerged lands located at the haul-out area. At a minimum, this area of submerged land needs to be authorized for lease to support the haul-out operation. By extending the leasable areas of the harbor to the submerged lands, a new funding stream will be opened to the department to support its long-range repair and maintenance goals for public harbor facilities. The Department has been in favor of such an initiative for many years and sees this as a stepping-stone to self-sufficiency.
- The Department is in favor of including office space and vehicle parking as a condition of the RFP to be used by the Division of Boating and Ocean Recreation but feels it may be more prudent to not set the square footage and number of parking stalls in statute in the event this needs to be modified during the RFP process.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 02, 2011 12:20 PM
To: WLOtestimony
Cc: captcoon@gmail.com
Subject: Testimony for HB1566 on 2/4/2011 9:00:00 AM
Attachments: HB 1566 Additional Fees for Vessels.doc

Testimony for WLO 2/4/2011 9:00:00 AM HB1566

Conference room: 325
Testifier position: oppose
Testifier will be present: Yes
Submitted by: James E. Coon
Organization: Ocean Tourism Coalition
Address: 1188 Bishop St. Ste. 1003 Honolulu, HI 96813
Phone: 808-537-4308
E-mail: captcoon@gmail.com
Submitted on: 2/2/2011

Comments:



Testimony to the Committee on WLO
Friday, February 4, 2011; 9:00 a.m.
Conference Room 225

Speaking in Opposition

RE: HB 1566 Relating to Small Boat Harbors

Chair Chang, Vice Chair Har and Members of the Water, Land, Oceans
Committee:

My name is James E. Coon, President of the Ocean Tourism Coalition.
The OTC represents over 300 small ocean tourism businesses across the State.

We could support the intent of this bill and we appreciate the efforts being
made by the Legislature in addressing the need for more funds to operate our
small boat harbors. However we take exception to the wording of this bill that
would impose an additional fee for common areas and maintenance water and
electricity.

We could support this bill if it were stated that these additional fees were
made part of the slip fee, not an additional fee. As this bill is written, it puts
an additional and unwarranted burden on the commercial operator who is
already paying significantly more than the recreational boater. The
commercial operators represent less than 3% of all the State's boaters but
provide over 50% of all boating related revenue.

Just a few years ago the commercial boaters sponsored legislation to raise the
commercial fees by 50% so that harbors could be better maintained. This is not
reasonable to now add another fee above and beyond the high commercial fees
we are already paying.

We hope that some compromise language to include the additional fees within
the mooring fee would be incorporated in this bill.

Please do not pass HB 1566 without amending it

Thank you for the opportunity to submit testimony. If you have any questions, please contact me at 808-870-9115.

Sincerely,

James E. Coon, President
Ocean Tourism Coalition

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 01, 2011 9:41 PM
To: WLOtestimony
Cc: prentissc001@hawaii.rr.com
Subject: Testimony for HB1566 on 2/4/2011 9:00:00 AM

Testimony for WLO 2/4/2011 9:00:00 AM HB1566

Conference room: 325
Testifier position: oppose
Testifier will be present: No
Submitted by: Chuck Prentiss
Organization: Individual
Address: 519 Wanaao Road Kailua, Hi
Phone: 263-6121
E-mail: prentissc001@hawaii.rr.com
Submitted on: 2/1/2011

Comments:

This bill will allow for commercialization of Ala Wai Boat Harbor areas that are critically needed for harbor support uses such as a boat haulout repair yard. A repair yard will bring in more revenue for the State than wedding chappels and tourist lookout decks. The harbor now has over 800 boats, and no repair facilities with in a safe distance. Lets not turn our scarce boat harbors into commercial tourist asres.