
HOUSE CONCURRENT RESOLUTION

AUTHORIZING THE ISSUANCE OF A LEASE AND EASEMENT OF CERTAIN
SUBMERGED LANDS AT MANELE BAY, LANA'I, TO LANA'I RESORTS,
LLC.

1 WHEREAS, section 171-53(c), Hawaii Revised Statutes,
2 requires approval of the Governor and authorization of the
3 Legislature by concurrent resolution for the leasing of state
4 submerged land; and

5
6 WHEREAS, Lana'i Resorts, LLC (Lana'i Resorts), a Hawaii
7 limited liability company doing business as Pulama Lana'i
8 purchased the Lana'i assets of Castle & Cooke Resorts, LLC, in
9 2012; and

10
11 WHEREAS, the asset purchase included a lease and easement
12 issued to Castle & Cooke Resorts, LLC, that included a
13 requirement to design and construct certain improvements
14 including additional harbor slips at Manele Small Boat Harbor;
15 and

16
17 WHEREAS, after close review by the Department of Land and
18 Natural Resources, Division of Boating and Ocean Recreation,
19 after tsunami events in 2010 and 2011 resulted in damage to the
20 infrastructure at Manele Bay, it was determined that the
21 original planned marina in the submerged Castle & Cooke Resorts,
22 LLC, lease was neither practical nor feasible; and its design
23 would not withstand future tsunami events and may impede safe
24 navigation within the channel; and

25
26 WHEREAS, in consideration of today's growth with Lana'i as a
27 destination point, the Division of Boating and Ocean Recreation
28 has determined that a floating loading dock is much needed at
29 the harbor and could be built to withstand another tsunami of
30 moderate impact; and

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1 WHEREAS, the Board of Land and Natural Resources voted on
2 November 8, 2013, to authorize the termination of the lease and
3 easements executed with Castle & Cooke Resorts, LLC, and to
4 authorize the issuance of a new fifty-five year lease and
5 easement by way of direct negotiation with Lana'i Resorts of
6 certain submerged lands and fast lands at Manele Small Boat
7 Harbor on the island of Lana'i identified as tax map key (2) 4-9-
8 17:06; and
9

10 WHEREAS, the new lease will provide for the construction,
11 maintenance, and use of submerged lands for a floating and
12 loading dock, as well as mooring approved by the Division of
13 Boating and Ocean Recreation; and
14

15 WHEREAS, Lana'i Resorts agrees to pay all costs and expenses
16 for a floating and loading dock to be constructed and installed
17 by the Division of Boating and Ocean Recreation, which is
18 estimated to be between \$500,000 and \$600,000, to:
19

20 (1) Allow mooring and commercial activities for boats
21 under Lana'i Resorts' control and authority; and
22

23 (2) Provide temporary use for Expeditions (ferry service
24 between Lahaina and Manele Small Boat Harbor) and
25 Trilogy (commercial boating activities) while tsunami
26 restoration work is being performed on the Expeditions
27 and Trilogy dock; and
28

29 WHEREAS, Lana'i Resorts agrees to complete, at its sole cost
30 and expense, a topographical map of Manele Small Boat Harbor's
31 submerged floor and a cultural resource survey of the
32 surrounding land areas of the harbor to determine the
33 possibilities for harbor expansion; and
34

35 WHEREAS, the lease will include a non-exclusive easement
36 for the use of portions of the adjacent fast lands for
37 utilities, landscaping, and maintenance; and
38

39 WHEREAS, as a lessee, Lana'i Resorts would:
40

41 (1) Maintain the utilities, floating and loading dock, and
42 related improvements;
43



- 1 (2) Maintain Manele Small Boat Harbor landscaping along
- 2 the roadways and ferry passenger waiting areas; and
- 3
- 4 (3) Pay base rent plus a percentage of revenues; now,
- 5 therefore,
- 6

7 BE IT RESOLVED by the House of Representatives of the
8 Twenty-seventh Legislature of the State of Hawaii, Regular
9 Session of 2014, the Senate concurring, that the Board of Land
10 and Natural Resources is authorized to issue a term lease of
11 fifty-five years and non-exclusive easement covering a portion
12 of submerged and fast lands identified as tax map key (2) 4-9-
13 17:06 for the construction and maintenance of a floating and
14 loading dock; moorings; and utilities, landscaping, and
15 maintenance pursuant to section 171-53, Hawaii Revised Statutes;
16 and

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18 BE IT FURTHER RESOLVED that a certified copy of this
19 Concurrent Resolution be transmitted to the Chairperson of the
20 Board of Land and Natural Resources.

