

JAN 21 2014

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# SENATE 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

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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 the tsunami events in 2010 and 2011 resulted in damage to  
20 the 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 unfeasible; 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  
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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  
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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 Senate of the Twenty-seventh  
8 Legislature of the State of Hawaii, Regular Session of 2014, the  
9 House of Representatives concurring, that the Board of Land and  
10 Natural Resources is authorized to issue a term lease of fifty-  
11 five years and non-exclusive easement covering a portion of  
12 submerged and fast lands identified as tax map key (2) 4-9-17:06  
13 for the construction and maintenance of a floating and loading  
14 dock; moorings; and utilities, landscaping, and maintenance  
15 pursuant to section 171-53, Hawaii Revised Statutes; and  
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17           BE IT FURTHER RESOLVED that a certified copy of this  
18 Concurrent Resolution by transmitted to the Chairperson of the  
19 Board of Land and Natural Resources.  
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22  
OFFERED BY:

4. Kala English

