STAND. COM. REP. NO. <u>1238-20</u> Honolulu, Hawaii

, 2020

RE: H.C.R. No. 29

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii Sir:

Your Committee on Water, Land, & Hawaiian Affairs, to which was referred H.C.R. No. 29 entitled: "HOUSE CONCURRENT RESOLUTION AUTHORIZING THE ISSUANCE OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT NAPILI 2 AND 3, LAHAINA, MAUI, FOR AN EXISTING WALKWAY, AND FOR USE, REPAIR, AND MAINTENANCE OF THE EXISTING IMPROVEMENTS CONSTRUCTED THEREON,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of a term, non-exclusive agreement covering a portion of state submerged lands at Napili 2 and 3, Lahaina, Maui, for an existing walkway, and for use, repair, and maintenance of existing improvements constructed thereon.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources.

Your Committee finds that when the Board of Land and Natural Resources issued a 65-year term, non-exclusive easement to Napili Kai, Ltd., for an existing walkway in 2010, the state lands affected by the easement had not been identified as state submerged lands. When Napili Kai, Ltd., submitted an application for a shoreline certification in 2016, it was discovered that a portion of the walkway was on state submerged lands outside of the encroachment area covered by the existing easement, and it was therefore necessary to increase the encroachment area. Your Committee finds that an independent survey and appraisal have been conducted of the new area, and Napili Kai, Ltd., has paid the fair market value of the easement for the additional encroachment area. This measure authorizes the granting of a term, non-exclusive agreement for the portions of identified state submerged lands in Napili 2 and 3 that have been encroached upon by the walkway.

As affirmed by the record of votes of the members of your Committee on Water, Land, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 29 and recommends that it be referred to your Committee on Finance.