

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



**STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I**  
**DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU**  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

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IN REPLY REFER TO:

August 22, 2024

Mr. Edwin H. Sniffen, Director  
Department of Transportation  
869 Punchbowl Street  
Honolulu, Hawaii 96813

OAHU

Request for Authorization to issue two month-to-month Revocable Permits (RP) to Sause Bros., Inc., for a warehouse with container storage area and employee parking, situated at Pier 27, Honolulu Harbor, island of Oahu, Tax Map Key (TMK) Nos. (1) 1-5-038:073 (Portion), (1) 1-5-038:074 (Portion), and (1) 1-5-038:001 (Portion), Governor's Executive Order No. 2903

LEGAL REFERENCE:

Hawaii Revised Statutes, Sections 171-6, 171-11, 171-13, 171-17, 171-55, and 171-59, as amended.

APPLICANT:

Sause Bros., Inc. (Applicant), is a foreign corporation whose mailing address is 888 SW 5<sup>th</sup> Avenue, Suite 1600, Portland, Oregon 97204.

CHARACTER OF USE:

Use for a warehouse with container storage area and employee parking to support their ocean transportation business.

LOCATION:

Portion of Government lands at Pier 27, Honolulu Harbor, island of Oahu, TMK Nos. (1) 1-5-038:073 (Portion), (1) 1-5-038:074 (Portion), and (1) 1-5-038:001 (Portion), as shown on enclosed Exhibit A.

ZONING:

State Land Use Commission: Urban  
 City and County of Honolulu: I-3, Waterfront Industrial  
 IMX-1, Industrial Mixed-Use District

AREA: See enclosed Exhibit A

AREA	DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL	SECURITY DEPOSIT
1	Employee Parking	Improved Land - Paved	6,120	\$ 0.99	\$ 6,058.80	\$ 12,117.60
2	Warehouse, storage area, container storage, employee parking, and stairs	Improved Land - Paved	17,376	\$ 0.99	\$ 17,202.24	\$ 34,404.48

\$ 23,261.04	\$ 46,522.08
<b>Total Monthly Rental</b>	<b>Total Security Deposit</b>

CONSIDERATION:

Month-to-month rent determined by appraisal as of January 1, 2024, for RPs in Honolulu Harbor, Oahu.

LAND TITLE STATUS:

Under the control and management of the State of Hawaii, Department of Transportation (HDOT), through the issuance of Governor's Executive Order No. 2903.

TRUST LAND STATUS:

All parcels have been acquired after statehood.

CURRENT USE STATUS:

The area is currently occupied by the Applicant.

## CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This use is exempt from the Office of Planning and Sustainable Development, and Environmental Review Program requirements pursuant to Hawaii Administrative Rules (HAR), Subchapter 11-200.1, which exempts the following:

“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.”

The HDOT deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with HAR, Subchapter 11-200.1-16 (b). The exemption declaration for the action described above, based on the Exemption List for the HDOT, reviewed and concurred to by the Environmental Advisory Council on February 1, 2022, is as follows:

### Exemption Type 1, Part 1:

- No. A.1. “Repair or maintain buildings, office space, sheds, parking structures, warehouses, utility systems, aircraft aprons and hardstands, hangers, tunnels and other similar structures or facilities necessary for the continued function and use, and to meet current local, state and federal standards and regulations. Actions include but not limited to the following:
  - a. General: repaint, reroof, repair/replace windows doors, interior modifications; furnishing, space configuration, flooring and flooring cover, framework, roof sheathing and other similar actions.
  - b. Utility systems: electrical, interior lighting, plumbing, wastewater, information technology/communication and security systems, heating/ventilation/air conditioning units and other similar systems.”

### Exemption Type 8, Part 1:

- No. 8g. “Creation or extension of leases, revocable permits or easements involving negligible or minor expansion or change of use beyond that previously existing.”

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REMARKS:

The Applicant started as a family business with one wooden tug hauling lumber in the Pacific Northwest in the 1930's. Since then, they have grown to a fleet of over 60 modern tugs and barges to support its marine ocean transportation business, which primarily service the Pacific Northwest, Alaska, Hawaii, and the South Pacific. Its services include transportation of various types of cargo including heavy machinery, repairing and building marine transportation vessels, and providing ocean towing services.

RECOMMENDATION:

Based on this submittal, testimony and facts presented, the HDOT recommends the issuance of two month-to-month RPs to the Applicant including its conditions and rent, under the terms and conditions cited above and other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Sincerely,



DREANALEE K. KALILI  
Deputy Director of Transportation for Harbors

Enclosures