

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU 869 PUNCHBOWL STREET

869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

March 13, 2025

EDWIN H. SNIFFEN DIRECTOR KA LUNA HO'OKELE

Deputy Directors

Nā Hope Luna Hoʻokele

DREANALEE K. KALILI

TAMMY L. LEE

CURT T. OTAGURO

ROBIN K. SHISHIDO

IN REPLY REFER TO:

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

OAHU

Request for Authorization to issue six month-to-month Revocable Permits (RPs) and a Construction Right-of-Entry (CROE) to Young Brothers, LLC, for a pump station, offices, security station, employee restrooms, corridor, parking stalls and building and parking area access, situated at Pier 19, Honolulu Harbor, island of Oahu, Tax Map Key (TMK) Nos. (1) 1-5-039:007 (Portion) and (1) 1-5-039:063 (Portion), Governor's Executive Order No. 2903.

LEGAL REFERENCE:

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

APPLICANT:

Young Brothers, LLC (Applicant), is a domestic limited liability company whose mailing address is 1331 North Nimitz Highway, Honolulu, Hawaii, 96817.

CHARACTER OF USE:

For a pump station, offices, security station, employee restrooms, corridor, parking stalls and building and parking area access.

LOCATION:

Portions of Government lands at Pier 19, Honolulu Harbor, island of Oahu, TMK Nos. (1) 1-5-039:007 (Portion) and (1) 1-5-039:063 (Portion), as shown on enclosed Exhibit A.

ZONING:

State Land Use Commission: Urban

City and County of Honolulu: I-3, Waterfront Industrial District

IMX-1 Industrial Mixed-Use District

AREA: See enclosed Exhibit A

| AREA | DESCRIPTION | TYPE | SQ. FT. | RATE | RENTAL | SECURITY DEPOSIT |
|------|--|-----------------------------|---------|---------|-------------|---------------------|
| 1 | Pump Station | Improved Land – Paved | 480 | 1.02 | \$ 489.60 | \$ 979.20 |
| 2 | Office #1 | Office | 432 | \$ 1.39 | \$ 600.48 | \$ 1,200.96 |
| 3 | Office #2 | Office | 432 | \$ 1.39 | \$ 600.48 | \$ 1,200.96 |
| 4 | Security Station | Office | 98 | \$ 1.39 | \$ 136.22 | \$ 272.44 |
| 5 | Employee Restrooms and Corridor | Warehouse | 480 | \$ 1.55 | \$ 744.00 | \$ 1,488.00 |
| 6 | Ten Parking Stalls | Improved Land – Paved | 1,710 | \$ 1.02 | \$ 1,744.20 | \$ 3,488.40 |
| 7 | Building and Parking Area for CROE | CROE | 45,238 | | \$ 2,500.00 | \$ 5,000.00 |
| 8 | Water and Electricity for Building | CAM Charge | 21,965 | \$ 0.39 | \$ 8,566.35 | n/a |

CONSIDERATION – REVOCABLE PERMIT:

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

CONSIDERATION - CONSTRUCTION RIGHT-OF-ENTRY:

Month-to-month rent of \$2,500, determined by the Hawaii Department of Transportation (HDOT), Harbors, Policy.

LAND TITLE STATUS:

Governor's Executive Order No. 2903 for maritime and maritime related use, to be under the control and management of the HDOT.

TRUST LAND STATUS:

Acquired after 8/59.

CURRENT USE STATUS:

The Applicant currently occupies portions of Pier 19, Honolulu Harbor, island of Oahu. The HDOT has been reviewing all month-to-month RPs to ensure compliance with and applicability to HRS, Sections 171-17 and 171-55.

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. A1 "Repair or maintain buildings, office space, sheds, parking structures, warehouses, utility systems, aircraft aprons and hardstands, hangars, 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."
- No. B2. "Temporary storage and staging of equipment and materials on State lands as necessary to support exempted and planned repair or maintenance activities.

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."

<u>APPLICANT REQUIREMENTS:</u>

The Applicant shall:

- 1. Ensure that its Contractors and Subcontractors shall obtain the following insurance during the term of the CROE and include as additional insured:
 - a. Bodily injury or property damaged caused by the Applicant's or its permitted agent's negligence in the form of a general liability insurance policy with a combined single limit of \$1,000,000.00 for bodily injury and damage per occurrence, and \$2,000,000.00 in the aggregate.
 - b. Automobile insurance for any vehicles used to access and that are on the Premises with a minimum limit of \$1,000,000.00 per occurrence.
 - c. All insurance required to be maintained by the Applicant and its permitted agents hereunder shall be pursuant to policies in form and substance consistent with policies of a similar type issued to businesses similar to the Applicant and its permitted agents and issued by companies of sound and adequate financial responsibility, who are allowed to do business in the State of Hawaii, all as reasonably satisfactory to the State.
 - d. The Applicant shall include the State as an additional insured on the policies or provide other assurances, reasonably acceptable to the State, that the Applicant's insurance policies shall be primary, not in excess of or pro rata and noncontributing as to add with any other insurance held or maintained by the State, for any injury or claim arising on the Premises due to the Applicant's negligence or the negligence of its permitted agents. The State shall include the State's officers and employees acting within the scope of their duties.
 - e. The Applicant shall provide proof of all required insurance to the State either by the production of an insurance certificate or some other written form reasonably acceptable to the State.
- 2. Use due care for public safety and agrees to defend, hold harmless, and indemnify the State, its officers, agents and employees, or any person acting for and on its behalf, from and against all claims or demands for damage, including claims for property damage, personal injury, or death, arising on, about or in connection with the exercise of the rights and privilege herein granted, caused directly or approximately by any failure on the part of the Applicant in its use of the Premises.

- 3. Take all necessary steps to ensure that any of its work involving the Premises will not cause any permanent damage to the property or improvements situated on, adjacent to, or near the Premises.
- 4. Take all necessary steps to ensure that the work done on the Premises does not interfere with any of the operational activities of any adjacent property owners.
- 5. Coordinate all activities with Staff of the HDOT.
- 6. At all times during the term of the CROE, comply with all applicable laws, statutes, ordinances, rules, and regulations, whether State, County, or Federal, which are now or hereafter may be in effect.
- 7. Adhere to other terms and conditions as may be prescribed by the Director of Transportation.

REMARKS:

The Applicant is an interisland freight handling and transportation company which has been in business for over 100 years. The Applicant has a fleet of eight barges with a combined capacity of over 60,000 tons and equipment that can accommodate a range of capacity needs. It is the only regularly scheduled common carrier that transports goods to all of the main Hawaiian Islands and committed to investing in new vessels and shoreside technologies to lessen the impact on the environment. The Applicant has a long-standing tradition of supporting the local island communities in many ways, including in-kind gratis shipments, equipment donation, and participation in the Saltchuk Giving Initiative — Hawaii Region. Recently, the Applicant has been working with non-profit organizations who are working to support recovery efforts in Maui due to the wildfires in the form of gratis shipments, which are in-kind services to transport goods.

RECOMMENDATION:

Based on this submittal, testimony and facts presented, the HDOT recommends the issuance of six 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

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Deputy Director of Transportation for Harbors

Enclosures

Area – Pump Station



| AREA | DESCRIPTION | ТҮРЕ | DIMENSIONS | SQ. FT. |
|------|--------------|-----------------|------------|---------|
| 1 | Pump Station | Improved Land - | | 490 |
| | | Paved | | 480 |

Area – Office #1

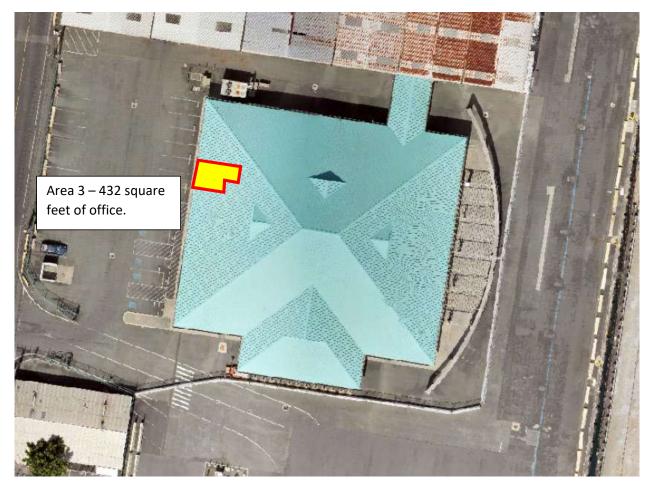


| AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|------|-------------|--------|------------|---------|
| 2 | Office #1 | Office | | 432 |

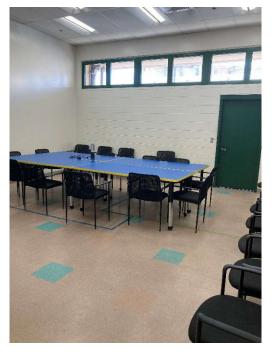




Area – Office #2



| | AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|---|------|-------------|--------|------------|---------|
| I | 3 | Office #2 | Office | | 432 |





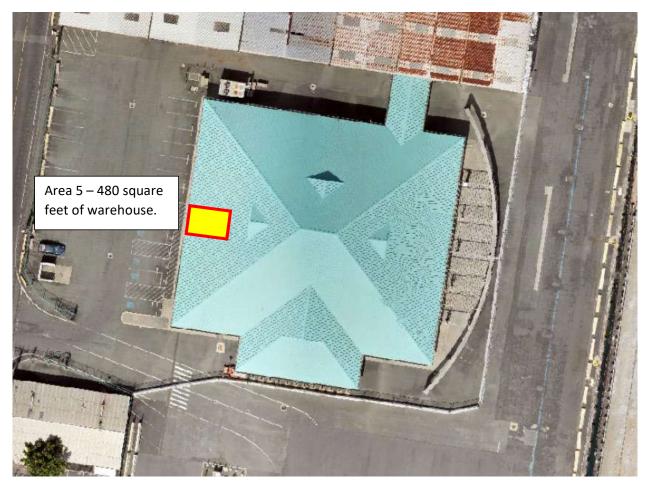
Area – Security Station



| AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|------|------------------|--------|------------|---------|
| 4 | Security Station | Office | | 98 |



Area – Employee Restrooms and Corridor



| AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|------|---------------------------------|-----------|------------|---------|
| 5 | Employee Restrooms and Corridor | Warehouse | | 480 |





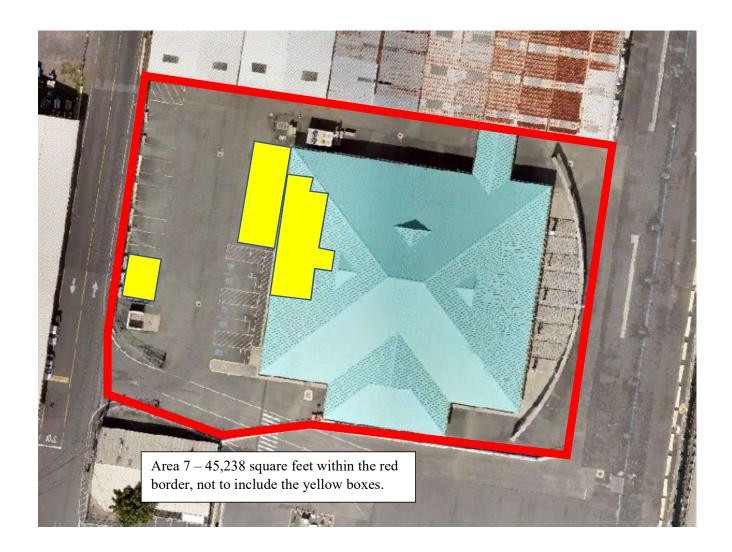


Area – Ten Parking Stalls



| AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|------|--------------------|-----------------------------|--------------|---------|
| 6 | Ten parking stalls | Improved Land - Paved | 10(9' x 19') | 1,710 |

Area – Construction Right of Entry



| AREA | DESCRIPTION | TYPE | DIMENSIONS | SQ. FT. |
|------|----------------------|----------------|------------|---------|
| 7 | Building and Parking | Construction | | 45 229 |
| 7 | Area | Right-of-Entry | | 45,238 |