

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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

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IN REPLY REFER TO:

March 27, 2025

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

OAHU

Request for authorization to issue a Construction Right-of-Entry (CROE), Revocable Permit (RP), and a Lease by direct negotiation to Fishco Wholesale LLC, for the purpose of operating a commercial cold storage facility and commercial fishing supply business to sell, service, warehouse supplies, gear, and equipment for maritime and commercial fishing entities, situated at Pier 32, Honolulu Harbor, island of Oahu, Tax Map Key (TMK) Nos. (1) 1-5-035:009 (Portion) and (1) 1-5-035:015 (Portion), Governor's Executive Order No. 2903.

LEGAL REFERENCE:

Hawaii Revised Statutes (HRS), Sections 171-6, 171-7, 171-11, 171-13, 171-17, 171-35, 171-55, and 171-59, as amended.

APPLICANT:

Fishco Wholesale LLC (Applicant) is a domestic limited liability company whose mailing address is 1135 North Nimitz Highway, Honolulu, Hawaii, 96817.

CHARACTER OF USE:

Harbor Lease: Applicant's proposed use is to develop, construct, reconstruct, use, maintain, and repair the existing warehouse and cold storage facility located on the premises; to conduct operation of a commercial cold storage warehousing facility and commercial fishing supply business.

RP: Applicant's proposed use of the RP space shall be for storage of equipment and parking.

Mr. Edwin H. Sniffen, Director
March 27, 2025
Page 2

LOCATION:

Portion of Government lands at Honolulu Harbor, island of Oahu, TMK Nos. (1) 1-5-035:009 (Portion) and (1) 1-5-035:015 (Portion), as shown on enclosed Exhibit A.

ZONING:

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

AREA: See enclosed Exhibit A

- Harbor Lease: Approximately 34,999 square feet of improved paved land.
- RP: Approximately 7,500 square feet of open paved land.

TERMS AND CONSIDERATION:

CROE: 6-month term not to exceed two thousand five hundred dollars (\$2,500.00) per month.

Harbor Lease: 12-year term issued by direct negotiation with rental determined by independent appraisal, pursuant to HRS, Section 171-17.

RP: Month-to-month rent at seven thousand six hundred fifty dollars (\$7,650.00) determined by appraisal as of January 1, 2024, for RPs in Honolulu Harbor. Security Deposit shall be fifteen thousand three hundred dollars (\$15,300.00).

LAND TITLE STATUS:

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

TRUST LAND STATUS:

Non-ceded, lands acquired after Statehood.

CURRENT USE STATUS:

The area is being transferred from the HDOT to 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, Part 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:

- A. 1. Repair or maintain buildings, office space, sheds, parking structures, warehouses, utility systems, aircraft aprons and hardstands, hangars, tunnels and other structures or facilities necessary for the continued function and use, and to meet current local, state, and federal standards and regulations.”

REMARKS:

Currently, the Applicant occupies the adjacent property which does not adequately support the volume of cold storage needed by the Applicant. The subject Premises contains the cold storage capability needed to expand the Applicant’s business and was recently surrendered by the HDOT’s previous tenant.

In addition to fair market rent, the Applicant and the HDOT will negotiate payment terms for the Applicant’s payment to the HDOT for the remaining depreciated value of the improvements within the Premises, which amounts to four hundred twelve thousand two hundred fifty-three dollars and nineteen cents (\$412,253.19).

In lieu of a rental reopening period, the Lease will have a step-up rental effective the seventh year of the term. The increase in step-up rental shall be determined by appraisal at no less than an increase of 15 percent from the prior rental period.

RECOMMENDATION:

Based on this submittal, testimony, and facts presented, the HDOT recommends authorizing the issuance of a CROE, RP, and a Lease by direct negotiation for the

Mr. Edwin H. Sniffen, Director
March 27, 2025
Page 4

purposes cited above, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions of the most current amendment of Lease form, as may be amended from time to time; reviewed and approved by the Department of the Attorney General; and such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Sincerely,

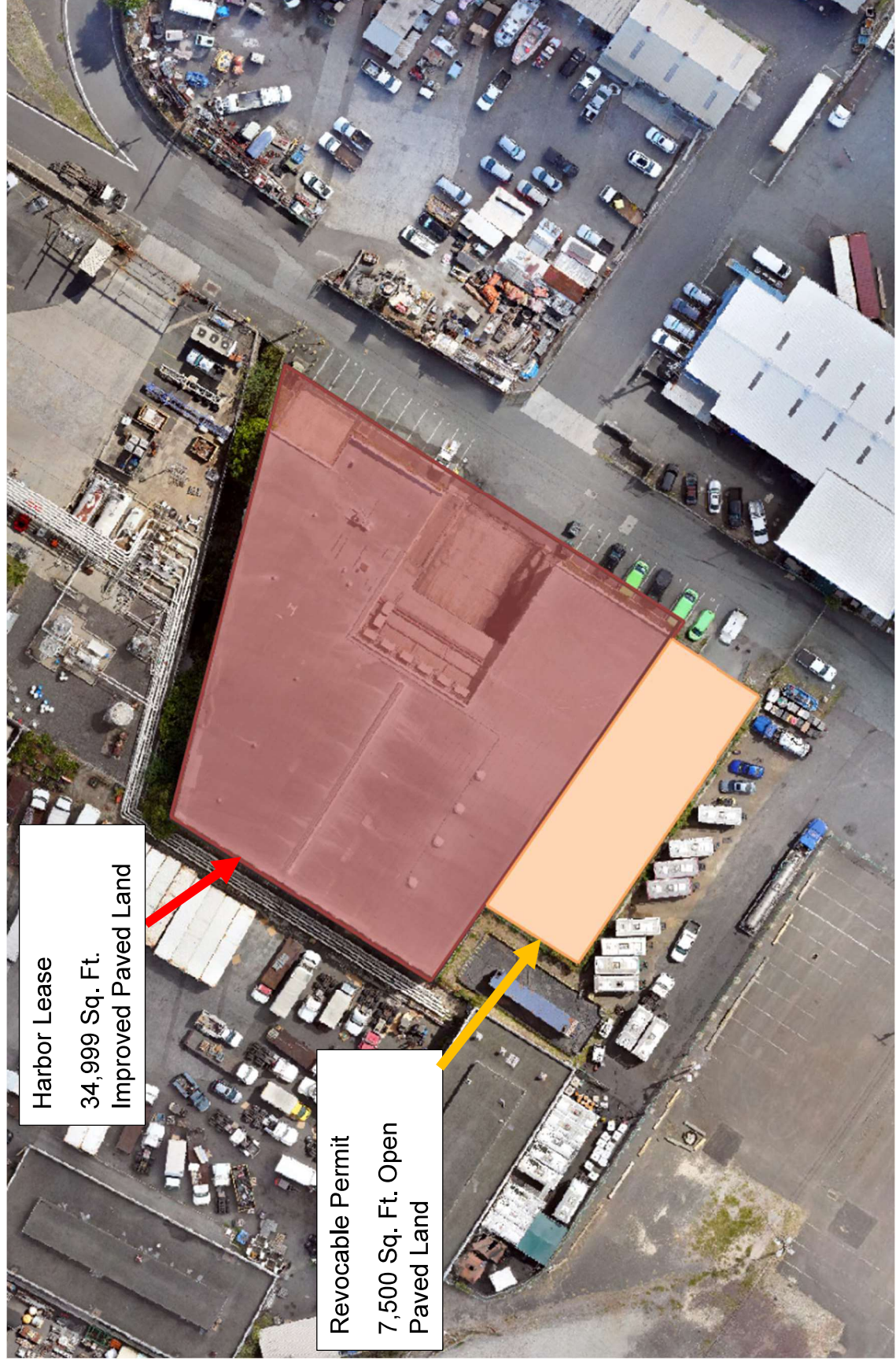
A handwritten signature in black ink, reading "Dleanalee Kalili". The signature is written in a cursive style with a small dot above the letter 'i' in "Kalili".

DREANALEE K. KALILI
Deputy Director of Transportation for Harbors

Enclosure

**FISHCO WHOLESale LLC
Pier 32, Honolulu Harbor**

EXHIBIT A



Harbor Lease
34,999 Sq. Ft.
Improved Paved Land

Revocable Permit
7,500 Sq. Ft. Open
Paved Land