

**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION
79 S. NIMITZ HIGHWAY
HONOLULU, HAWAII 96813**

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROY CATALANI
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DARRELL T. YOUNG

IN REPLY REFER TO:
**HAR-PM
6601.19**

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

ISSUANCE OF A MONTH-TO-MONTH PERMIT TO RALPH S. INOUE CO. LTD.,
AT 701 N. NIMITZ HIGHWAY, AT PIER 23 HONOLULU HARBOR, OAHU, TAX
MAP KEY NO. (1) 1-5-038: 004 005 (POR.)

LEGAL REFERENCE:

Sections 171-6, 171-13, 171-17, 171-36, 171-55, and 171-59, Hawaii Revised Statutes, as amended.

APPLICANT:

Ralph S. Inouye Co. Ltd. ("RSI"), a domestic profit corporation, whose mailing address is 500 Alakawa Street, Room 220E, Honolulu, Hawaii 96817.

CHARACTER OF USE:

The storage of construction material, equipment, parking and other related uses, during the construction of a new facility at Pier 23.

LOCATION:

Portion of Government lands situated at 701 N. Nimitz Highway, Honolulu, Hawaii 96817, at Pier 23, Honolulu Harbor, Honolulu, Oahu, as shown on the attached map labeled Exhibit "A."

AREA:

The area is 2,400 square feet of an older but secured and enclosed warehouse space.

CONSIDERATION:

The month-to-month rent is based on an April 2017 appraisal for month-to-month permits for Honolulu Harbor. The rent was agreed upon by both the Department of Transportation Harbors Division (“DOTH”) and RSI based on the description of benchmarks established in the appraisal and interpolation of the rent based on the age of the warehouse, the warehouse having secured ingress and egress, and no utilities.

Month-to-Month Permit is:

Monthly rental:	\$2,160.00
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ZONING:

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

TERM OF LEASE:

Month-to-Month Permit. Effective November 10, 2018, to May 31, 2019.

COMMENCEMENT DATE:

Effective November 10, 2018.

CURRENT USE STATUS:

The proposed warehouse is a part of the former Flour Mill and located on the west side of the grain silos. Use is limited because the warehouse does not have utilities.

LAND TITLE STATUS:

Owned by the State of Hawaii; management and control of the property was transferred to the Department of Transportation by Executive Order No. 2903.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

This use is exempt from Office of Environmental Quality Control requirements pursuant to Sub-Chapter 11-200-8 of the Hawaii Administrative Rules, Exemption Class I, which exempts the “operation, repairs, or maintenance of existing structures, facilities,

equipment, or topographical features involving negligible or no expansion or change of use beyond that previously existing.”

APPLICANT REQUIREMENTS:

RSI shall:

Applicant shall be required to comply with all permit terms, including all exhibits, addendums, and other lease documents, and specifically shall be required to:

1. At all times during the term of the revocable permit, comply with all applicable laws, statutes, ordinances, rules and regulations whether state, county, federal, which are now or hereafter may be in effect;
2. At its sole cost and expense, remove all property, tools, equipment, temporary improvements, machinery and unused or surplus materials, if any, and other property stored or placed upon the premises, and the ingress and egress thereto;
3. Use due care for public safety and shall be responsible for any damage or injury caused by its officers, employees and agents in the course and scope of their employment to the extent that its liability for such damage or injury has been determined by a court or otherwise agreed to. Permittee shall pay for such damage and injury to the extent permitted by law provided that an appropriation is enacted for that purpose.

REMARKS:

Applicant's Background

RSI is a permitted agent pursuant to a previous approved Construction Right-of-Entry (attached M-8) and the general contractor for Toell USA to construct building improvements, infrastructure improvements, and installation of equipment; and, removing conveyor systems and certain structures connected to the former flour mill.

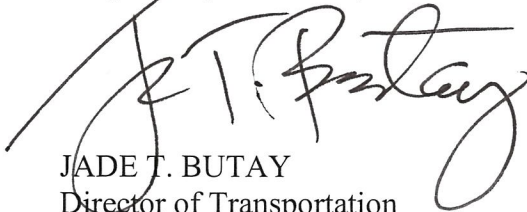
RSI requests additional space for the storage of construction material, equipment, parking and other related uses, during the construction of a new facility at Pier 23.

RECOMMENDATION:

That the Board authorizes the month-to-month permit to the Applicant covering the subject area for the purposes cited above, subject to the terms and conditions outlined

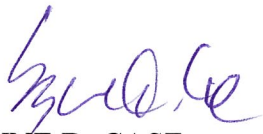
above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member
Board of Land and Natural Resources



Exhibit A



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROY CATALANI
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IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

ISSUANCE OF A RIGHT OF ENTRY TO TOELL U.S.A. CORPORATION, AT 701
NORTH NIMITZ HIGHWAY AT PIERS 23/24, HONOLULU HARBOR, OAHU, TAX
MAP KEY NOS. (1) 1-5-038: 004 (POR.), 005 (POR.), 055, 058

LEGAL REFERENCE:

Chapters 171-13 and 171-55, Hawaii Revised Statutes, as amended.

APPLICANT:

Toell U.S.A. Corporation ("Toell U.S.A."), a domestic profit corporation, whose mailing
address is 98-790 Moanalua Road, Aiea, Hawaii 96701

CHARACTER OF USE:

Both parties desire to issue this right of entry to Toell U.S.A. to allow access for
preliminary construction planning to facilitate permit applications and site mobilization
for the development and construction of a new facility and the reconstruction and repair
of the existing facilities for the purpose of receiving, loading cargo containers; forming
plastic bottles; purifying water; filling of bottles; and packing, storing, and loading final
products for shipping.

LOCATION:

Portion of Government lands situated at 701 North Nimitz Highway, Honolulu, Hawaii
96817 at Piers 23/24, Honolulu Harbor, Honolulu, Oahu; as shown on the attached map
labeled Exhibit "A." As stated below, said lands have been set aside to the State of
Hawaii Department of Transportation ("DOT") by Executive Order 2903.

AREA:

The area comprises of two areas: 29,581 square feet of warehouse space and 2,962 square
feet for at-grade parking.

CONSIDERATION:

ITEM M-8

Gratis. However, issuance of a lease by negotiation is pending approval by the Board of Land and Natural Resources, and the consideration for the lease is as follows:

Years 2-10: \$248,110
Years 11-15: \$312,620
Years 16-20: \$350,130
Years 21-30: Reopener
Years 31-40: Reopener

ZONING:

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

TERM OF RIGHT OF ENTRY:

Ninety (90) days, with the option to extend, if necessary, for an additional ninety (90) days. This Right of Entry is expected to terminate upon execution of a lease.

COMMENCEMENT DATE:

To be determined by the Director of Transportation

CURRENT USE STATUS:

Warehouse, storage.

LAND TITLE STATUS:

Owned by State of Hawaii; management and control of the property was transferred to the Department of Transportation by Executive Order No. 2903.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The DOT submitted to the Office of Environmental Quality Control (OEQC) a Final Environmental Assessment with a Finding of No Significant Impact (FEA-FONSI) on March 23, 2018.

APPLICANT REQUIREMENTS:

Toell U.S.A. shall:

- a. Proceed with any and all requirements attendant to the completion of the lease terms and provisions, including but not limited to, providing DOT with its development plans for the subject property as soon as practicable;
- b. Provide necessary insurance coverages for the duration of this right of entry;

- c. Negotiate in good faith and execute a subsequent lease for the identified parcel(s) for the proposed project; and
- d. Comply with any other restrictions and/or conditions that may be imposed by the Board of Land and Natural Resources and the DOT, as it may deem necessary.

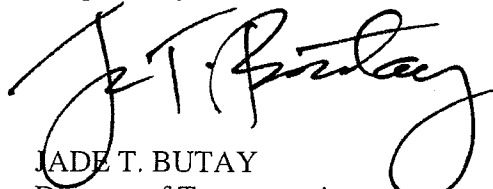
REMARKS:

The DOT is in the negotiations for a 40-year lease to be issued to the applicant for the identified parcel(s) for the proposed project. This lease will be considered by the Board of Land and Natural Resources under a separate submittal. However, in light of the result of the environmental review and the Finding of New Significant Impact, both parties desire to issue this right of entry to Toell U.S.A. to allow access for preliminary construction planning to facilitate permit applications and site mobilization.

RECOMMENDATION:


That the Board authorizes the issuance of a Right-of-Entry to the applicant and its permitted agents covering the subject area for the purposes cited above, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE CASE
Chairperson and Member
Board of Land and Natural Resources