

DAVID Y. IGE
GOVERNOR



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

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IN REPLY REFER TO:

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

OAHU

REQUEST FOR CANCELLATION OF PERPETUAL NON-EXCLUSIVE EASEMENT 6B AND TO ISSUE EXCLUSIVE USE EASEMENT 6C TO SERVCO PACIFIC INC., FOR A TERM OF THIRTY-FIVE (35) YEARS, TAX MAP KEY NO. (1) 1-2-025:001 (PORTION), GOVERNOR'S EXECUTIVE ORDER NO. 3947

LEGAL REFERENCE:

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

APPLICANT:

Servco Pacific Inc. (Applicant) a domestic profit corporation whose mailing address is 2850 Pukoloa Street, Suite 300, Honolulu, Hawaii 96819.

CHARACTER OF USE:

To cancel perpetual non-exclusive rights in and to the use of Easement 6B; and to issue an exclusive term easement for the rights over, across, and through Easement 6C (Easement 6B and Easement 6C being portions of current Easement 6).

LOCATION:

Portion of governmental lands located in Kapalama, Honolulu, Oahu, identified by Tax Map Key No. (1) 1-2-025:011 (Portion), see attached Exhibit A.

AREA: See attached Exhibit A

Approximately 3,866 square feet as shown highlighted in "blue" on Exhibit A.

CONSIDERATION:

Payment by Department of Transportation, Harbors Division (DOT Harbors) of \$1,254,279.00 to extinguish (cancel) portion of Applicant's perpetual easement. One-time rental payment for term easement of \$24,500.00 by Applicant to DOT Harbors.

ITEM M-3

ZONING:

State Land Use Commission:	Urban
City and County of Honolulu:	I-2 (Intensive Industrial District) I-3 (Waterfront Industrial District)

TERM:

Thirty-five (35) year term lease of easement.

COMMENCEMENT DATE:

To be determined by the Director of Transportation.

TRUST LAND STATUS:

Subsection 5(a) of the Hawaii Admission Act (non-ceded land).

CURRENT USE STATUS:

Easement 6C is a portion of Easement 6 which consists of an easement that provides access to the Applicant's private property.

LAND TITLE STATUS:

Under management jurisdiction of DOT Harbors by issuance of Governor's Executive Order No. 3947.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The Final Environmental Impact Statement, of the Kapalama Container Terminal (KCT) and Tenant Relocations, Honolulu, Harbor, Oahu (Chapter 3, Easements, Published November 8, 2014).

REMARKS:

The Applicant has serviced the Hawaiian Islands since 1958, providing responsible importing and distribution of automobile vehicles and parts to the existing automotive dealer network throughout the State. The Applicant transports new cars from the piers to the Applicant's car lot, served by the current perpetual non-exclusive Easement 6, with a car carrier, and then to seven (7) different automobile dealerships on Oahu.

As described above, the Applicant currently uses the existing Easement 6 to access its property. The DOT Harbors informed the Applicant during its consultation process for the KCT Project of its plans to extinguish a portion of such easement (Easement 6B) to enable expansion of the KCT to the DOT Harbors property line. Such expansion allows for truck with containers to enter a planned electronic gating system that tracks incoming and outgoing containers into and out of the KCT.

With Easement 6B extinguished, the Applicant will have access to its property through Easement 6C for its exclusive use.

RECOMMENDATION:

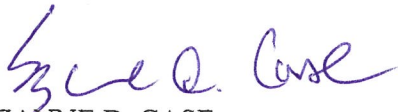
That the Board authorize (a) the cancellation (relinquishment) of Easement 6B; and (b) issuance by the DOT Harbors to the Applicant of an exclusive use easement for a term of thirty-five (35) years for the above-stated purposes, subject to the terms and conditions outlined above and incorporated herein by reference, review and approval by the Department of the Attorney General, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



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

Attachment: Exhibit A

