

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

<u>OAHU</u>

ISSUANCE OF MONTH-TO-MONTH REVOCABLE PERMIT TO RASIER, LLC, FOR VEHICLE EGRESS AND INGRESS AND FOR CRUISE PASSENGER PICKUP AT THE PIER 2 PASSENGER TERMINAL, HONOLULU HARBOR, ISLAND OF OAHU, TAX MAP KEY NO. (1) 2-1-015:009 (P), GOVERNOR'S EXECUTIVE ORDER NO. 4238

LEGAL REFERENCE:

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

APPLICANT:

Rasier, LLC ("Applicant"), is a foreign limited liability corporation, whose mailing address is 1515 3rd Street, San Francisco, California 94158. The Corporation Company, Inc., serves as the Applicant's agent and is located at 1136 Union Mall, Suite 301, Honolulu, Hawaii 96813.

CHARACTER OF USE:

To allow the Applicant and its permitted agents (assignees, contractors, customers, and agents) the right to enter upon the premises when a cruise ship is berthed at Pier 2 for the purposes of picking up cruise passengers who have prearranged transportation with specific drivers contracted by the Applicant.

LOCATION:

Government land situated at the Keehi Industrial Lots, Kalihi-Kai, Honolulu Harbor, Island of Oahu, Tax Map Key No. (1) 2-1-015:009 (P), Governor's Executive Order No. 4238, as shown on the map labeled Exhibit A.

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ZONING:

State Land Use Commission: Urban

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

AREA: See attached Exhibit A

Area	DESCRIPTION	TYPE	SQ. FT.	RATE	MONTHLY RENTAL	SECURITY DEPOSIT
1	750 square feet for designated pickup area; and 5,645 square feet for vehicle egress and ingress	Improved- Paved Land	6,395	\$0.41	\$2,621.95	\$5,243.90

CONSIDERATION:

Determined by appraisal as of January 1, 2022, for Revocable Permits in Honolulu Harbor.

LAND TITLE STATUS:

Governor's Executive Order No. 4238 for Harbor purposes, to be under the control and management of the State of Hawaii, Department of Transportation, Harbors Division ("DOT Harbors").

TRUST LAND STATUS:

Subsection 5(b) of the Hawaii Admission Act (ceded lands).

CURRENT USE STATUS:

These two (2) Keehi Industrial Lots parcels were vacated to make way for a DOT Harbors development project, for which funding was placed on hold.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This use is exempt from Office of Environmental Quality Control ("OEQC") requirements pursuant to Section 11-200.1, Hawaii Administrative Rules ("HAR"), "Exemption Class 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."

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The DOT Harbors will submit its publication request of this Exemption Notice to the OEQC for publication on the 8th of each month.

REMARKS:

Applicant Requirements:

- 1. Take appropriate measures to ensure that its customers are prohibited from hailing its drivers or contractors or arranging ground transportation from areas within DOT Harbors' property that are outside the premises, or on Channel Street, or on Nimitz Highway within a set and agreed to distance from Channel Street.
- 2. Comply with all applicable sections of Chapter 19-43, HAR, and notify its drivers or contractors of the requirements of compliance with this chapter.
- 3. Ensure that its contractors obtain and maintain the following insurance during the term of the revocable permit and naming DOT Harbors as additional insured:
 - a. Bodily injury or property damage 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 not less than \$500,000.00 for bodily injury and damage to property per occurrence, and \$1,000,000.00 in aggregate.
 - b. Automobile insurance for any vehicles used to access and are on the premises with a minimum limit of not less than \$500,000.00 per occurrence and \$1,000,000.00 in aggregate.
 - 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 similar type issued to businesses similar to Applicant and its permitted agents and issued by companies of sound and adequate financial responsibility, that are authorized to do business in the State of Hawaii, all as reasonably satisfactory to State.
 - d. The Applicant shall name the State as 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 and with any other

insurance held or maintained by the State, for any injury or claim arising on the premises due to 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 its duties.

- e. The Applicant shall provide proof of all required insurance to the State either by production of the actual insurance policies or by an insurance certificate on an ACORD Certificate on Liability Insurance form or some other written form reasonably acceptable to the State, together with appropriate written evidence, reasonably satisfactory to the State, that the insurance premiums have been paid.
- 4. The Applicant shall 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 privileges herein granted, caused directly or approximately by any failure on the part of the Applicant in its use of the premises.
- 5. The Applicant shall take all necessary steps to ensure that any of its work involving the premises will not cause any permanent damage to property and/or improvements situated on, adjacent to, or near the premises.
- 6. The Applicant shall coordinate all activities with Staff of DOT Harbors.
- 7. The Applicant shall, at all times during the term of the revocable permit, comply with all applicable laws, statutes, ordinances, rules, and regulations, whether State, County, or Federal, which are now or hereafter may be in effect.

This proposed use is maritime-related as it is directly related to the cruise ship operation at the Pier 2 Passenger Terminal of Honolulu Harbor; this use also creates competition among ground transportation services that transport cruise passengers from the terminal.

The DOT Harbors observes that cruise passengers arriving at Pier 2 will arrange ground transportation from the terminal with drivers contracted with the Applicant and will meet the drivers either on Channel Street or Nimitz Highway. This is a common occurrence and causes safety hazards for both passengers and drivers and creates traffic congestion in these areas.

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The Applicant's operations and structure are unlike other ground transportation service providers that operate at the DOT Harbors, but there is high demand for this specific service. The revocable permit is intended to accommodate this service to mitigate and eliminate the safety hazards and traffic congestion that have existed at the cruise terminal, and to equitably allow these operations and ensure that the Applicant's drivers meet all other requirements currently applied to other ground transportation providers.

RECOMMENDATION:

That the Board authorize the DOT Harbors to issue the Applicant a month-to-month revocable permit for the above-stated purposes, 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 to best serve the interest of the State.

Respectfully submitted,

JADE T. BUTAY

Director of Transportation

APPROVED FOR SUBMITTAL:

Sgame Q. Case

SUZANNE D. CASE

Chairperson and Member

Board of Land and Natural Resources

Attachment: Exhibit A

Exhibit A

