

# STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET

869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097 JADE T. BUTAY DIRECTOR

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IN REPLY REFER TO:

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

**OAHU** 

CONSENT TO SUBLEASE UNDER HARBOR LEASE NO. H-05-24, FRESH ISLAND FISH, LLC, LESSEE AND SUBLESSOR, TO GENERAL SERVICES ADMINISTRATION FOR THE NATIONAL OCEANIC & ATMOSPHERIC ADMINISTRATION, SUBLESSEE, PIER 38, HONOLULU HARBOR, ISLAND OF OAHU, TAX MAP KEY NO. (1) 1-5-042:007 (P), GOVERNOR'S EXECUTIVE ORDER NOS. 1346 AND 4092

#### **LEGAL REFERENCE:**

Sections 171-6, 171-7, 171-11, and 171-36 Hawaii Revised Statutes, as amended.

#### **APPLICANT:**

Fresh Island Fish, LLC (Applicant), is a Domestic Limited Liability Company whose mailing address is 1135 North Nimitz Highway, Honolulu, Hawaii 96817.

#### SUBLEASE CHARACTER OF USE:

To be used for such purposes as determined by the General Services Administration (GSA), subject to such terms and conditions as may be prescribed by the Director of Transportation.

# **LOCATION**:

Government land situated at Pier 38, Honolulu Harbor, island of Oahu, Tax Map Key No. (1) 1-5-042:007 (P), as shown on the attached Exhibit A. As stated below, a portion of said lands has been set aside to the State of Hawaii, Department of Transportation, Harbors Division (DOTH), by Executive Order Nos. 1346 and 4092.

#### **ZONING:**

State Land Use Commission: Urban

City & County of Honolulu: I-3 (Waterfront Industrial District)

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#### AREA:

Approximately 3,644 total rentable square feet, yielding 3,127 square feet of office and related space located on the 2<sup>nd</sup> floor of the building, as depicted on the floor plan attached hereto as Exhibit A.

#### **SUBLEASE TERM:**

For a term beginning either upon June 15, 2022, or upon acceptance of the premises as required by the Sublease, whichever is later, and continuing for a period of 10 years, 5 years firm.

#### SUBLEASE CONSIDERATION:

	<u>Firm Term</u>	Non-Firm Term
Total Annual Rent:	\$200,310.68	\$214,012.12

# LAND TITLE STATUS:

Owned by the State of Hawaii; management and control of the property was transferred to the DOTH by Executive Order Nos. 1346 and 4092.

# TRUST LAND STATUS:

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

# **CURRENT USE STATUS:**

Applicant currently uses the subject portion of the facility for maritime commercial office space. In general, the main area of the premises is used for storage, processing, wholesale distribution of seafood products and ancillary services and products, including, but not limited to, the operation of a seafood restaurant, and retail sales of seafood products and produce.

#### **CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:**

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

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The DOTH deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with Section 11-200.1-16(b), HAR.

The exemption declaration for the action described above is based on the Exemption List for the DOTH, reviewed and concurred to by the Environmental Council on February 1, 2022.

#### **REMARKS:**

The Applicant is requesting consent to Sublease a portion of its facility under Harbor Lease No. H-05-24, to the GSA, approximately 3,127 square feet of the second floor of the building. The space will be occupied by the National Oceanic & Atmospheric Administration and the National Marine Fisheries Service Pacific Islands Regional Office (NOAA/NMFS). NOAA/NMFS will use the facility to collect information to benefit the conservation and management of protected resources and to better understand fishing communities and how they are affected by fishing regulations and management. The premises location within the Domestic Commercial Fishing Village and the particular use of the ground floor by the Applicant present an ideal operating location for NOAA/NMFS.

Additionally, in accordance with the Harbor Lease No. H-05-24 Sublease Evaluation Policy, DOTH has reviewed the proposed Sublease document, analyzed the financial information submitted for the Sublease Evaluation Worksheet and determined there is no sandwich profit regarding the rental consideration to be charged to the Sublessee.

## **RECOMMENDATION:**

That the Board authorize the DOTH to consent to Sublease of Harbor Lease No. H-05-24 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. Cose

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

# EXHIBIT A





