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

KUAI

ISSUANCE OF A MONTH-TO-MONTH REVOCABLE PERMIT TO THE UNITED STATES OF AMERICA, DEPARTMENT OF THE NAVY, FOR OFFICE SPACE, WAREHOUSE SPACE, WHARF APRON SPACE, AND SUBMERGED LAND, AT PORT ALLEN HARBOR, KAUAI, TAX MAP KEY NOS. (4) 2-1-003:006 (P), (4) 2-1-003:018 (P), AND (4) 2-1-003:019 (P), GOVERNOR’S EXECUTIVE ORDER NO. 1047

LEGAL REFERENCE:


APPLICANT:

United States of America, Department of the Navy (DN), whose business and mailing address is P.O. Box 128, Kekaha, Hawaii 96752.

CHARACTER OF USE:

Federal government purposes, maritime support facilities at Port Allen Harbor, Kauai.

LOCATION:

A portion of Port Allen Harbor pier, shed, and submerged land, Tax Map Key Nos. (4) 2-1-003:006 (P), (4) 2-1-003:018 (P), and (4) 2-1-003:019 (P), Governor’s Executive Order No. 1047, as shown on the map labeled Exhibit A.

AREA: See attached Exhibit A and Exhibit B

The Premises comprises the following four (4) portions:

- 476 square feet of office space
- 11,024 square feet of warehouse space
- 12,480 square feet of wharf apron space
- 24,000 square feet of submerged land
CONSIDERATION:

Determined by appraisal as of July 1, 2020, for fair market rent of premises at Port Allen Harbor.

<table>
<thead>
<tr>
<th>AREA</th>
<th>DESCRIPTION</th>
<th>MONTHLY RENTAL CHARGE</th>
<th>SECURITY DEPOSIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Office space, warehouse space, wharf apron space, and submerged land</td>
<td>$26,083.33</td>
<td>$52,166.66</td>
</tr>
</tbody>
</table>

ZONING:

State Land Use Commission: Urban
County of Kauai: Unknown

LAND TITLE STATUS:

Acquired by the Department of Transportation, Harbors Division (DOTH), through eminent domain proceedings by issuance of Governor’s Executive Order No. 1047 Subsection 5(a) of the Hawaii Admission Act (non-ceded lands).

CURRENT USE STATUS:

Governor’s Executive Order No. 1047 for Port Allen Harbor, to be under the control and management of DOTH.

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 Class 2: Replacement or reconstruction of existing structures and facilities where the new structure will be located, generally on the same site, and will have substantially the same purpose, capacity, density, height and dimensions as the structure replaced.”

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 DN currently leases office space, warehouse space, wharf apron space, and submerged land from the State under Lease No. N62478-14-RP-0011, as amended, for maritime support facilities.

DOTH is currently in the process of negotiating lease terms with DN as the current lease is in a 1-year holdover period that will end on June 30, 2022. For the continuity of the DN’s operations at Port Allen Harbor, DOTH requests issuance of a month-to-month revocable permit as DOTH and the DN in good faith continue to negotiate the terms and conditions of the previously approved 25-year lease by direct negotiation.

RECOMMENDATION:

That the Board authorize the issuance of a 25-year lease by direct negotiation 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
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

AUTHORIZE ISSUANCE OF LEASE TO THE UNITED STATES OF AMERICA, DEPARTMENT OF THE NAVY, FOR THE PACIFIC MISSILE RANGE FACILITY, AT PORT ALLEN HARBOR, ISLAND OF KAUAI, TAX MAP KEY NOS. (4) 2-1-003:006 (P), (4) 2-1-003:018 (P), AND (4) 2-1-003:019 (P), GOVERNOR'S EXECUTIVE ORDER NO. 1047

LEGAL REFERENCE:


APPLICANT:

United States of America, Department of the Navy ("DN"), whose business and mailing address is P.O. Box 128, Kekaha, Hawaii 96752.

CHARACTER OF USE:

Federal government purposes, maritime support facilities in connection with the operation of the Pacific Missile Range Facility ("PMRF") at Port Allen Harbor, Island of Kauai.

LEASE TERM:

Twenty-five (25) years, commencing on July 1, 2022 and expiring June 30, 2047.

LOCATION:

A portion of Port Allen Harbor pier, shed, and submerged land, Tax Map Key No. (1) 1-5-039:063 (Portion), Governor's Executive Order No. 1047, as shown in the attached Exhibit A.

ITEM M-26
AREA: See attached Exhibit A and Exhibit B

The lease area comprises of the following four (4) portions:
- 476 square feet of office space
- 11,024 square feet of warehouse space
- 12,480 square feet of wharf apron space
- 24,000 square feet of submerged land

CONSIDERATION:

For Lease by direct negotiation, annual rent as follows:

- Years 1 to 5  $313,000 per annum
- Years 6 to 10 $345,577 per annum
- Years 11 to 15 $381,545 per annum
- Years 16 to 20 $421,257 per annum
- Years 21 to 25 $465,102 per annum

ZONING:

State Land Use Commission: Urban
County of Kauai: Unknown

LAND TITLE STATUS:

Acquired by the Department of Transportation Harbors Division ("DOT Harbors") through eminent domain proceedings by issuances of Governor’s Executive Order No. 1047 Subsection 5(a) of the Hawaii Admission Act (non-ceded lands).

CURRENT USE STATUS:

Governor’s Executive Order No. 1047 for Port Allen Harbor, to be under the control and management of DOT Harbors.

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

REMARKS:

The DN currently leases office space, warehouse space, wharf apron space, and submerged land from the State under Lease No. N62478-14-RP-0011, as amended for the purpose of operating the DN’s PMRF. The PMRF is the world’s largest instrumented multi-environmental range capable of supported surface, subsurface, air, and space operations simultaneously, necessary for national security in the Pacific.

RECOMMENDATION:

That the Board authorize the issuance of a twenty-five (25) year lease by direct negotiation 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

Att.: Exhibits A and B
STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
669 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

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

KAUAI

AUTHORIZED ISSUANCE OF LEASE TO THE UNITED STATES OF AMERICA,
DEPARTMENT OF THE NAVY, FOR THE PACIFIC MISSILE RANGE
FACILITY, AT PORT ALLEN HARBOR, ISLAND OF KAUAI, TAX MAP KEY
NOS. (4) 2-1-003:006 (P), (4) 2-1-003:018 (P), AND (4) 2-1-003:019 (P),
GOVERNOR'S EXECUTIVE ORDER NO. 1047

LEGAL REFERENCE:

Sections 171-6, 171-11, 171-13, 171-17, 171-35, 171-36, 171-40, 171-59, and 171-95,
Hawaii Revised Statutes ("HRS"), as amended.

APPLICANT:

United States of America, Department of the Navy ("DN"), whose business and mailing
address is P.O. Box 128, Kekaha, Hawaii 96752.

CHARACTER OF USE:

Federal government purposes, maritime support facilities in connection with the
operation of the Pacific Missile Range Facility ("PMRF") at Port Allen Harbor,
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Att.: Exhibits A and B