



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

JADE T. BUTAY
DIRECTOR

Deputy Directors
ROSS M. HIGASHI
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IN REPLY REFER TO:

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

OAHU

ISSUANCE OF A LEASE BY DIRECT NEGOTIATION TO FISHCO WHOLESALE, LLC, FOR THE PURPOSE OF OPERATING A COMMERCIAL FISHING SUPPLIES BUSINESS TO SELL AND SERVICE SUPPLIES, GEAR, AND EQUIPMENT FOR MARITIME-RELATED COMPANIES AND COMMERCIAL FISHING VESSELS, SITUATED AT PIER 31, HONOLULU HARBOR, ISLAND OF OAHU, TAX MAP KEY NOS. (1) 1-5-035:012 (P) AND (1) 1-5-035:034 (P), GOVERNOR'S EXECUTIVE ORDER NO. 4167

LEGAL REFERENCE:

Sections 171-6, 171-7, 171-11, 171-13, 171-17, 171-35, 171-55, and 171-59, Hawaii Revised Statutes (HRS), as amended.

APPLICANT:

Fishco Wholesale, LLC (Applicant), is a domestic for-profit corporation whose business registration address and mailing address is 504 North Nimitz Highway, Honolulu, Hawaii 96817.

CHARACTER OF USE:

Applicant's proposed use is to develop, construct, reconstruct, use, maintain, and repair the existing facilities located on the premises; to conduct operations of a commercial fishing supply business which sells, services, and supplies commercial fishing products for maritime-related entities and vessels, as well as other maritime-related activities as may be approved by the Director of Transportation.

LOCATION:

Portions of governmental lands at Honolulu Harbor, Oahu, Tax Map Key Nos. (1) 1-5-035:012 (P) and (1) 1-5-035:034 (P), Governor's Executive Order No. 4167, as shown on the attached map labeled Exhibit A.

AREA:

Approximately 52,077 square feet of land, as shown on Exhibit A.

TERM AND CONSIDERATION:

Lease, 15-term, issued by direct negotiation with a fixed percentage step-up of 20% effective the 11th year. Consideration was determined by independent appraisal as of January 12, 2022, pursuant to section 171-17, HRS.

Year	Annual Rental
1-10	\$505,150.00
11-15	\$606,180.00

ZONING:

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

COMMENCEMENT DATE:

To be determined by the Director of Transportation

TRUST LAND STATUS:

Land acquired after Statehood (non-ceded).

CURRENT USE STATUS:

Portion of the area is currently occupied by the Applicant, under a Revocable Permit. The remaining portion is vacant.

LAND TITLE STATUS:

Owned by the State of Hawaii, management and control of the property was transferred to the Department of Transportation, Harbors Division (DOTH), by Governor's Executive Order No. 4167.

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.”

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:

Currently, the Applicant occupies the warehouse portion of the subject premises, under a Revocable Permit. The new 15-year ground Lease will allow the Applicant to expand its operation and invest in various improvements to the existing warehouse and facilities.

Additionally, the Applicant has been providing service, maintenance, and sales of commercial fishing equipment since 1989. The Applicant provides this service for maritime-related companies and vessels docked at Piers 16-18, and Piers 36-38, Honolulu Harbor. The Applicant has extensive knowledge of the industry and has collectively managed, through its principals, approximately 20 fishing vessels operating from Honolulu Harbor.

RECOMMENDATION:

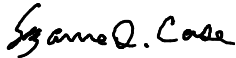
That the Board authorize the DOTH to issue the Applicant a Lease by direct negotiation for the above-stated purposes, subject to the terms and conditions outlined above and incorporated herein by reference, and such terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



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

Attachment



**Fishco Wholesale, LLC
Pier 31, Honolulu Harbor**

EXHIBIT A



