



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

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

**OAHU**

ISSUANCE OF FIVE (5) MONTH-TO-MONTH REVOCABLE PERMITS TO SAUSE BROS., INC., FOR OFFICE, STORAGE, AND WAREHOUSE SPACE, SITUATED AT PIER 21, HONOLULU HARBOR, OAHU, TAX MAP KEY NOS. (1) 1-5-039:035 (P) AND (1) 1-5-039:007 (P), GOVERNOR'S EXECUTIVE ORDER NO. 2903

**LEGAL REFERENCE:**

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

**APPLICANT:**

Sause Bros., Inc. (Applicant), is a foreign profit corporation whose mailing address is 888 SW 5<sup>th</sup> Avenue, Suite 1600, Portland, Oregon 97204.

**CHARACTER OF USE:**

Office space, storage space, and warehouse space to support the Applicant's marine transportation business.

**LOCATION:**

Portion of governmental lands at Pier 21, Honolulu Harbor, island of Oahu, Tax Map Key Nos. (1) 1-5-039:035 (P) and (1) 1-5-039:007 (P) as shown on the attached map labeled Exhibit A.

**AREA: See attached Exhibits A and B**

AREA	DESCRIPTION	TYPE	SQ. FT.	RATE PER SQ. FT.	MONTHLY RENTAL CHARGE	SECURITY DEPOSIT
1	Office Space	Office	1,588	\$1.21	\$1,921.48	\$3,842.96
2	Mezzanine Office Space	Office	1,186	\$1.21	\$1,435.06	\$2,870.12
3	Mezzanine Warehouse Space	Warehouse	516	\$1.30	\$670.80	\$1,341.60
4	Warehouse space for maintenance of tugs/barges and storage of equipment	Warehouse	4,973	\$1.30	\$6,464.90	\$12,929.80
4a	Common Area Restroom	CAM	240	\$0.20	\$48.00	\$96.00
4b	Common Area Restroom	CAM	135	\$0.20	\$27.00	\$54.00
5	Storage along warehouse at Pier 21	Improved Land-paved	1,530	\$0.82	\$1,254.60	\$2,509.20
					\$11,821.84	\$23,643.68
					<b>Total Monthly Rental</b>	<b>Total Security Deposit</b>

**CONSIDERATION:**

Determined by appraisal as of January 1, 2021, for Revocable Permits in Honolulu Harbor.

**ZONING:**

State Land Use Commission: Urban  
 County of Oahu: I-3 (Waterfront Industrial District)  
 IMX-1 (Industrial Mixed-Use District)

**COMMENCEMENT DATE:**

To be determined by the Director of Transportation.

**TRUST LAND STATUS:**

Land acquired after Statehood (non-ceded).

**CURRENT USE STATUS:**

The Applicant recently acquired the assets of the marine transportation business that occupied these areas and is currently using the areas to continue the operations of the previous maritime business.

**LAND TITLE STATUS:**

Acquired by the Department of Transportation, Harbors Division (DOTH), through eminent domain proceedings by issuance of Governor's Executive Order No. 2903.

**CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:**

This action 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 Advisory Council on February 1, 2022, is as follows: “Exemption Type 1, Part 1, Nos. A1 and B1.”

**REMARKS:**

Beginning in the 1930s, the Applicant initially started hauling lumber in the Pacific Northwest as a family business. Since then, it has diversified its business to include transportation of different types of cargo, repairing and building marine transportation vessels, and providing ocean towing services. The Applicant began operating in Hawaii in 1966, and in 1983 added Honolulu as its base of operations and extended its cargo delivery services to the South Pacific. The Applicant provides marine transportation services to and from the West Coast of the Continental United States, Hawaii, and the South Pacific.

The Applicant has recently acquired the business that previously occupied this space. The DOTH has been reviewing all month-to-month permits to ensure compliance with and applicability to Section 171-55, HRS. To do so, the DOTH is in the process of renewing all current revocable permits to accurately describe land usage, designated permit locations, as well as updating monthly rental charges to appraised market value.

This submittal will update and renew the month-to-month permits which is compliant with Chapter 171, HRS.

**RECOMMENDATION:**

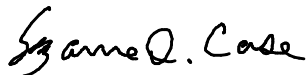
Based on this submittal, testimony and facts presented, the Department of Transportation recommends that the Board finds that approving the issuance of five (5) month-to-month Revocable Permits to the Applicant, including its conditions and rent, will serve the best interests of the State.

Respectfully submitted,



JADE T. BUTAY  
Director of Transportation

APPROVED FOR SUBMITTAL:



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



1. Office Space
2. Mezzanine Office Space
3. Mezzanine Warehouse Space
4. Warehouse space for maintenance of tugs/barges and storage of equipment
  - 4a. Common Area Restroom (CAM), please see Exhibit B for details
  - 4b. Common Area Restroom (CAM), please see Exhibit B for details
5. Storage along warehouse at Pier 21

**Area 1 – Office Space**



AREA	DESCRIPTION	TYPE	DIMENSIONS	SQ. FT.
1	Office space	Office	(32' x 39' = 1,248) (20' x 17' = 340)	1,588



**Area 2 – Mezzanine Office Space**



AREA	DESCRIPTION	TYPE	DIMENSIONS	SQ. FT.
2	Mezzanine Office Space	Office	(19' x 32' = 608) (14' x 32' = 448) (13' x 10' = 130)	1,186



**Area 3 – Mezzanine Warehouse Space**



AREA	DESCRIPTION	TYPE	DIMENSIONS		SQ. FT.
3	Mezzanine Warehouse Space	Warehouse	43'	12'	516





**Area 4 – Warehouse space for maintenance of tugs/barges and storage of equipment and  
 Common Area Restroom (CAM)**



AREA	DESCRIPTION	TYPE	DIMENSIONS		SQ. FT.
4	Warehouse space for maintenance of tugs/barges and storage of equipment	Warehouse	(45' x 109' = 4,905) (8' x 22' = 176) (12' x 11 = 132) - (12' x 20' = 240)		4,973
4a	Common Area Restroom	CAM charge	12'	20'	240
4b	Common Area Restroom	CAM charge	15'	9'	135



**Area 5 – Storage along warehouse at Pier 21**



AREA	DESCRIPTION	TYPE	DIMENSIONS		SQ. FT.
5	Storage along warehouse at Pier 21	Improved Land-paved	153'	10'	1,530

