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

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IN REPLY REFER TO:

HAR-PM.0001359.23

March 20, 2023

Ms. Dawn N. S. Chang, Chairperson
Board of Land and Natural Resources
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii 96813

Dear Ms. Chang:

OAHU

Request for Authorization to issue two month-to-month Revocable Permits to Hawaii Resource Group LLC, for equipment storage, Pier 26, Honolulu Harbor, island of Oahu, Tax Map Key Nos. (1) 1-5-038:001 (P) and (1) 1-5-038:072, Governor's Executive Order No. 2903.

LEGAL REFERENCE:

Sections 171-6, 171-13, 171-17, 171-35, 171-36, 171-53, 171-55, and 171-59, Hawaii Revised Statutes, as amended.

APPLICANT:

Hawaii Resource Group LLC (Applicant) is a domestic limited liability company whose mailing address is 123 Ahui Street, Honolulu, Hawaii 96813.

CHARACTER OF USE:

Equipment and maintenance equipment storage in support of the Applicant's dry dock.

LOCATION:

Portion of Government lands adjacent to Pier 26, Honolulu Harbor, island of Oahu, Tax Map Key Nos. (1) 1-5-038:001 (P) and (1) 1-5-038:072, see enclosed Exhibit A.

ZONING:

State Land Use Commission:
City and County of Honolulu:

Urban
I-3 (Waterfront Industrial)

ITEM M-25

AREA: See enclosed Exhibit A

AREA	TAX MAP KEY NO.	DESCRIPTION	TYPE	SQ. FT.	RATE	RENTAL	SECURITY DEPOSIT
1	(1) 1-5-038:001 (P)	Equipment Storage	Paved-Improved Land	1,840	\$ 0.82	\$ 1,508.80	\$ 3,017.60
2	(1) 1-5-038:072	Maintenance Equipment Storage	Paved-Improved Land	1,000	\$ 0.82	\$ 820.00	\$ 1,640.00
						\$ 2,328.80	\$ 4,657.60
						Total Monthly Rental	Total Security Deposit

CONSIDERATION:

Month-to-month rent determined by appraisal as of January 1, 2021, for Revocable Permits in Honolulu Harbor.

LAND TITLE STATUS:

Governor's Executive Order No. 2903 for expansion of Maritime and Maritime related use, to be under the control and management of the State of Hawaii, Department of Transportation, Harbors (DOTH).

TRUST LAND STATUS:

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

CURRENT USE STATUS:

The area is currently vacant.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

This use is exempt from the Office of Planning and Sustainable Development, and Environmental Review Program 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, 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, No. A1.”

REMARKS:

The Hawaii Resource Group LLC’s (HRG) operations consist of maritime activities such as ship construction, vessel repair and maintenance, and vessel charter. HRG operates its small shipyard facility at Kewalo Basin and provides services such as: designing, building, maintaining and repairing vessels such as tugboats, workboats, catamarans, fishing vessels, and other commercial boats utilizing a marine railway to haul and launch vessels. HRG’s fleet of harbor tugs now services every major port in Hawaii, including Naval Station Pearl Harbor, Nawiliwili Harbor, Kalaeloa Barbers Point Harbor, Honolulu Harbor, Kahului Harbor, Hilo Harbor, and Kawaihae Harbor.

HRG’s floating dry dock at Pier 26 services its fleet of tugs as well as all other commercial tugs within the dry dock’s lifting and size capacity for regular maintenance, regulatory, and unscheduled repair dry dockings. Additionally, HRG also provides dry dock services to specialized vessels working with the U. S. Navy and at the offshore petroleum moorings operated by Par Hawaii and Island Energy Services.

RECOMMENDATION:

Based on this submittal, testimony, and facts presented, the Department of Transportation recommends that the Board finds that approving the issuance of two month-to-month Revocable Permits to the Applicant, including their conditions and rent, will serve the best interest of the State.

Sincerely,



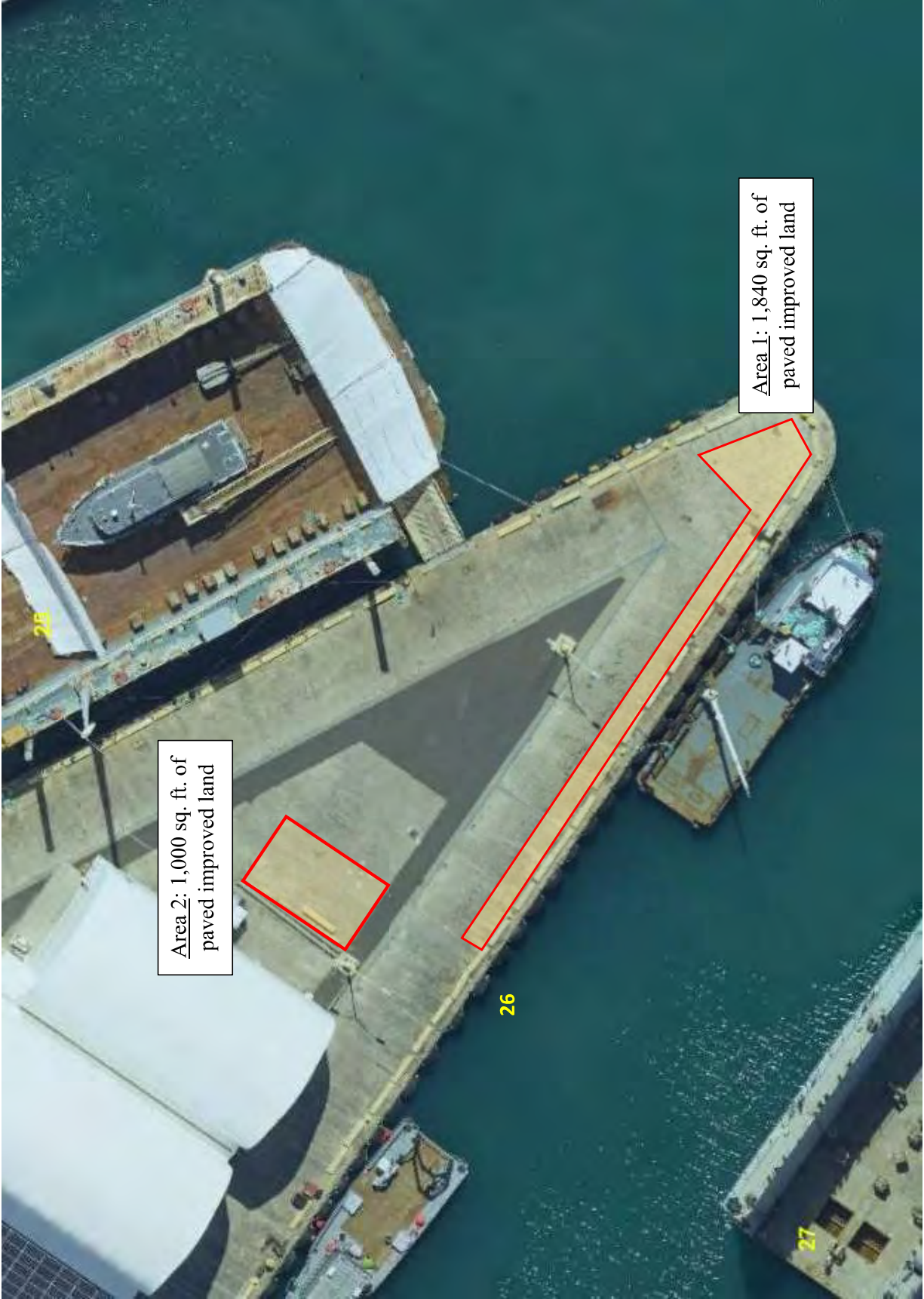
EDWIN H. SNIFFEN
Director of Transportation

APPROVED FOR SUBMITTAL:



DAWN N. S. CHANG, Chairperson

Enclosures



Area 2: 1,000 sq. ft. of paved improved land

Area 1: 1,840 sq. ft. of paved improved land

Area 3: 1,840 sq. ft. of paved improved land