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**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII**  
**DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU**  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

December 21, 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

Authorize a one-year holdover of Harbor Lease No. H-89-14 to AES Kalaeloa Venture, L.L.C., successor to Hawaii Pacific Industries, Inc., for removal of improvements, situated at Kalaeloa Barbers Point Harbor, island of Oahu, Tax Map Key (TMK) Nos. (1) 9-1-014:028 (P), and (1) 9-1-014:024 (P), Governor's Executive Order No. 3383

LEGAL REFERENCE:

Hawaii Revised Statutes, Sections 171-6, 171-11, 171-13, 171-17, 171-35, 171-36, and 171-40, as amended.

APPLICANT:

AES Kalaeloa Venture, L.L.C. (Applicant), is a foreign limited liability company whose mailing address is 91-086 Kaomi Loop, Kapolei, Hawaii 96707.

CHARACTER OF USE:

While in operation, the Applicant used the area under the Lease for their conveyor, bulk facility and easements to unload coal from vessels and transport it to their nearby power plant.

ONE-YEAR HOLDOVER PERIOD:

January 27, 2024 to January 26, 2025

**ITEM M-9**

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LOCATION:

Portion of governmental lands at Kalaeloa Barbers Point Harbor, island of Oahu, TMK Nos. (1) 9-1-014:028 (P) and (1) 9-1-014:024 (P), as shown on the enclosed map labeled Exhibit A.

AREA: See enclosed Exhibit A.

CONSIDERATION:

One-year holdover: Annual rental of \$179,815.00.

ZONING:

State Land Use Commission:	Urban
City and County of Honolulu:	A-2 (Medium-density Apartment District)
	B-2 (Community Business District)
	I-2 (Intensive Industrial District)
	I-3 (Waterfront Industrial District)
	P-2 (General Preservation District)

TRUST LAND STATUS:

Public Land Trust Information System list TMK No. (1) 9-1-014:024 (P) as multiple and TMK No. (1) 9-1-014:028 (P) as acquired after August 1959.

CURRENT USE STATUS:

The area is currently encumbered by the Applicant under Harbor Lease No. H-89-14.

LAND TITLE STATUS:

Under the control and management of the Hawaii Department of Transportation (HDOT), through issuance of Governor's Executive Order No. 3383.

CHAPTER 343 – ENVIRONMENTAL ASSESSMENT:

This use is exempt from the Office of Planning and Sustainable Development, and Environmental Review Program requirements pursuant to Hawaii Administrative Rules (HAR), Subchapter 11-200.1, that exempts the following:

“Exemption Type 6: Demolition of structures, except those structures that are listed on the National Register or Hawaii Register of Historic Places.”

The HDOT deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with HAR, Section 11-200.1-16 (b). The exemption declaration for the action described above is based on the Exemption List for the HDOT, reviewed and concurred to by the Environmental Advisory Council on February 1, 2022, is as follows:

Exemption Type 6, Part 1:

- No. 1. “Demolition or removal of structures, facilities, equipment, impounded property or other improvements that are abandoned and no longer required or maintained, including but not limited to:
  - a. Structures such as buildings, sheds, warehouses and other similar structures.
  - b. Improvements such as airfield, yard and roadway pavements, light poles, and electrical connections, fencing and other similar improvements.
  - c. Improvements such as electrical, communication, heating, ventilation, air condition and water systems, wastewater, sewer, septic tank systems; above or underground storage tanks, fuel systems and other similar improvements.
  - d. Equipment such as machinery, vehicles, experimental devices, and other similar equipment.”

REMARKS:

The Applicant has discontinued the use of coal conveyor and related facilities in September 2022, and is requesting a one-year holdover to remove improvements under their current Lease. Preliminary plans have been submitted and HDOT is waiting for additional site-specific plans and appropriate permits so the Applicant can remove improvements. The Applicant continues to support the State’s energy needs with renewable energy projects, including wind and solar, throughout the island.

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RECOMMENDATION:

Based on this submittal, testimony and facts presented, the HDOT recommends that the Board finds that the issuance of a one-year holdover for Harbor Lease No. H-89-14 for the period of January 27, 2024, to January 26, 2025, to the Applicant including its conditions and rent, under the terms and conditions cited above, which are referenced herein and further subject to the following: (1) The standard terms and conditions of the most current holdover of lease form, as it may be amended from time to time; (2) review and approval by the Department of the Attorney General; and (3) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State.

Sincerely,



EDWIN H. SNIFFEN  
Director of Transportation

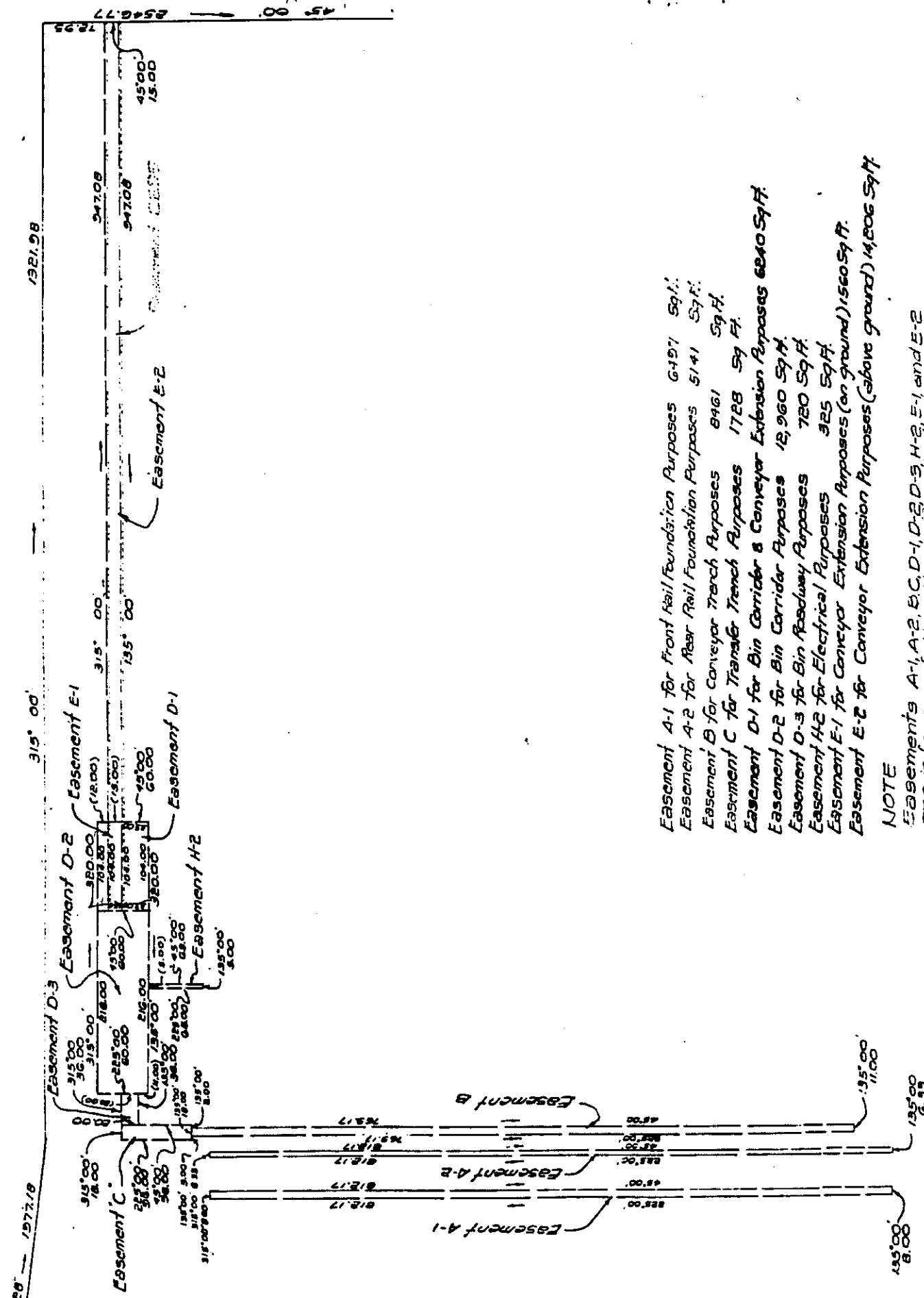
APPROVED FOR SUBMITTAL:



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DAWN N. S. CHANG, Chairperson

Enclosures



- Easement A-1 for Front Rail Foundation Purposes 6127 Sq. Ft.
- Easement A-2 for Rear Rail Foundation Purposes 5141 Sq. Ft.
- Easement B for Conveyor Trench Purposes 8461 Sq. Ft.
- Easement C for Transfer Trench Purposes 1728 Sq. Ft.
- Easement D-1 for Bin Corridor & Conveyor Extension Purposes 6210 Sq. Ft.
- Easement D-2 for Bin Corridor Purposes 12,960 Sq. Ft.
- Easement D-3 for Bin Roadway Purposes 720 Sq. Ft.
- Easement E-1 for Electrical Purposes 325 Sq. Ft.
- Easement E-2 for Conveyor Extension Purposes (on ground) 11560 Sq. Ft.

**NOTE**

Easements A-1, A-2, B, C, D-1, D-2, D-3, E-1, and E-2 are in favor of Hawaii Pacific Industries, Inc.

**EXHIBIT "A"**