Land Use at Harbors: Young Brothers Lease, and Revocable Permits, and Use Charges Pursuant to Hawaii Administrative Rules 19-44

November 2020
Leases

Hawaii Revised Statutes
HRS 171-59 Disposition by Negotiations
Leases

• §171-59 Disposition by negotiation. (a) A lease of public land may be disposed of through negotiation upon a finding by the board of land and natural resources that the public interest demands it.

• "Maritime-related" means a purpose or activity that requires and is directly related to the loading, off-loading, storage, or distribution of goods and services of the maritime industry.
## Leases - YB

<table>
<thead>
<tr>
<th>Island</th>
<th>Harbor</th>
<th>Reference</th>
<th>Term (YRS)</th>
<th>Effective Date</th>
<th>Expiration Date</th>
<th>Premises</th>
<th>Ann Rent 1/</th>
<th>Reopening</th>
<th>Notes</th>
<th>Next Reopening</th>
</tr>
</thead>
<tbody>
<tr>
<td>Molokai</td>
<td>Kaunakakai Harbor</td>
<td>H-93-4</td>
<td>35</td>
<td>11/1/1993</td>
<td>10/31/2028</td>
<td>4,059</td>
<td>$ 475</td>
<td>11/1/2023</td>
<td>Electrical Easement - Refer plugs</td>
<td>None</td>
</tr>
</tbody>
</table>

1/ Subject to Dispute Resolution process
Month to Month Permits

Hawaii Revised Statutes
HRS 171-55 Permits
Month to Month Permits

• Purpose
  • To comply with HRS 171-55, Permits where month to month permits are approved by the Board of Land and Natural Resources; and rents are determined pursuant to HRS 171-17, Appraisals.

<table>
<thead>
<tr>
<th>Honolulu Harbor</th>
<th>1-Apr-18 2.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent/ sq ft month</td>
<td></td>
</tr>
<tr>
<td>Industrial Warehouse/Building</td>
<td>$ 1.28</td>
</tr>
<tr>
<td>Industrial Office</td>
<td>$ 1.28</td>
</tr>
<tr>
<td>Improved Land - Unpaved</td>
<td>$ 0.74</td>
</tr>
<tr>
<td>Improved Land - paved</td>
<td>$ 0.78</td>
</tr>
<tr>
<td>Unimproved land of Unpaved</td>
<td>$ 0.18 $ 0.37</td>
</tr>
<tr>
<td>25% 50%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Kalaeloa Barbers Point Harbor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent/ sq ft month</td>
</tr>
<tr>
<td>Industrial Warehouse/Building</td>
</tr>
<tr>
<td>Industrial Office</td>
</tr>
<tr>
<td>Improved Land - Unpaved</td>
</tr>
<tr>
<td>Improved Land - paved</td>
</tr>
<tr>
<td>Unimproved land of Unpaved</td>
</tr>
<tr>
<td>25% 50%</td>
</tr>
</tbody>
</table>
## Month to Month Permits

<table>
<thead>
<tr>
<th>REVOCABLE PERMITS</th>
<th>Island</th>
<th>Harbor</th>
<th>Premises</th>
<th>Monthly Rent</th>
<th>Annual Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>OH-40-1 to 12</td>
<td>Oahu</td>
<td>Honolulu Harbor</td>
<td>7,719</td>
<td>$ 7,069.14</td>
<td>$ 84,829.68</td>
</tr>
<tr>
<td>OH-39-2 to 17</td>
<td>Oahu</td>
<td>Honolulu Harbor</td>
<td>11,791</td>
<td>$ 8,997.82</td>
<td>$107,973.84</td>
</tr>
<tr>
<td>H-99-2175</td>
<td>Oahu</td>
<td>Honolulu Harbor</td>
<td>16,162</td>
<td>$ 5,417.00</td>
<td>$ 65,004.00</td>
</tr>
<tr>
<td>KN-3-19-1 to 6</td>
<td>Kauai</td>
<td>Nawiliwili Harbor</td>
<td>8,420</td>
<td>$ 3,799.26</td>
<td>$ 45,591.12</td>
</tr>
<tr>
<td>H-KW-19-9 to 19</td>
<td>Hawai`i</td>
<td>Kawaihae Harbor</td>
<td>5,116</td>
<td>$ 920.88</td>
<td>$ 11,050.56</td>
</tr>
<tr>
<td>HH-3-20-28 to 31</td>
<td>Hawai`i</td>
<td>Hilo Harbor</td>
<td>2,720</td>
<td>$ 544.00</td>
<td>$ 6,528.00</td>
</tr>
<tr>
<td>H-96-1895</td>
<td>Molokai</td>
<td>Kaunakakai Harbor</td>
<td>4,059</td>
<td>$ 364.11</td>
<td>$ 4,369.32</td>
</tr>
<tr>
<td>H-00-2114</td>
<td>Maui</td>
<td>Kahului Harbor</td>
<td>14,927</td>
<td>$ 4,203.75</td>
<td>$50,445.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>70,914</td>
<td>$31,315.96</td>
<td>$375,791.52</td>
</tr>
</tbody>
</table>
Proposed Distinction Permits

• Issuance of month to month permits (Revocable Permits)
  • Granting of Land Dispositions Examples:
    • Use of land where items don’t move (e.g. containers used as storage, guard shacks)
    • Where terms of an RP protects the interests of the State (e.g. environmental concerns such as where equipment is maintained, or potential wear and tear on piers)
  • Use requires improvements such as electricity connections
  • Generally, not in cargo yards
Hilo Harbor Piers 2 & 3, Young Brothers, LTD. RP: H-98-2118, pg 1

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION
79 South Nimitz Highway
Honolulu, Hawaii 96813

REVOCABLE PERMIT NO. H-98-2118

The STATE OF HAWAII, hereinafter called the "STATE," hereby grants to the "PERMITTEE" permission to enter, use and occupy on a month-to-month basis the premises described in item 2, and designated on Exhibit "A," attached hereto and made a part hereof, for the purpose(s) specified in item 4, and the PERMITTEE agrees to pay the rental specified in item 5 and to perform all other obligations imposed upon it by the Terms and Conditions hereof.

1. PERMITTEE
   Young Brothers, Ltd.
   P. O. Box 3288
   Honolulu, Hawaii 96801

2. PREMISES:
   1,080 square feet of warehouse space
   2,500 square feet of open-unserved land
   2,204 square feet of open-paved land

3. LOCATION:
   Adjacent to Piers 2 and 3, Hilo Harbor, Kailo Bay
   Waikele, South Hilo, Island of Hawaii
   Tax Map Key No. 1-1-01
   Governor’s Executive Order No. 10-6-80, Section 6

4. PURPOSE(S):
   Inter-island barge operations and related activities

5. RENTAL:
   $928.00 per month

6. SECURITY DEPOSIT:
   $1,856.00 (as per Performance Bond No. 26278293)

7. EFFECTIVE DATE:
   March 15, 1998

Dated at Honolulu, Hawaii, March 15, 1998

BOARD OF LAND AND NATURAL RESOURCES
By: N/A
Chairperson and Member
Approved by the Board
N/A
at its meeting held on

STATE OF HAWAII
By: Harbors Administrator
PERMITTEE
YOUNG BROTHERS, LTD.
By: N/A

Open Storage: containers
Open Storage: fuel tank

ReVocable Permit
Admin Rules

Hawaii Revised Statutes
HRS 266 Storage, Mobile Equipment, and Stevedoring Equipment
Proposed Distinction HAR vs RP

• Charges for storage will be based HAR:
  • §19-44-43 Storage of stevedoring and other equipment.
  • (a) Stevedoring equipment.
  • (c) Mobile equipment for handling cargo
  • (d) Shipping devices
Hawaii Administrative Rules 19-44

• §19-44-43 Storage of stevedoring and other equipment. (a) Stevedoring equipment of all kinds such as net slings, box slings, hand trucks, chutes, pallets, etc., may, at the discretion of the harbor master, be stored on state wharves. All stevedoring equipment shall be assessed storage charges at fifty per cent of the rates specified in section 19-44-42 except that there shall be a minimum charge of $27.50 per month.

  • §19-44-42 Storage space. Except as provided otherwise, the rental for storage space upon or near state wharves shall be per month as follows:

    • (1) Honolulu

      • Open storage on paved area per square foot $0.50
Hawaii Administrative Rules 19-44

• §19-44-43 Storage of stevedoring and other equipment. (c) Mobile equipment for handling cargo such as truck tractors, hustlers, forklifts, straddle trucks, tractors, trailers, truck cranes, trucks, etc., may be left idle on state property in an area designated by the harbor master; provided that any mobile equipment shall be removed if the harbor master determines that it interferes with cargo handling. Mobile equipment shall be assessed for storage space occupied at fifty per cent of the rates set forth in section 19-44-42 except that there shall be a minimum charge of $27.50 per month.

• §19-44-42 Storage space. Except as provided otherwise, the rental for storage space upon or near state wharves shall be per month as follows:
  • (1) Honolulu
    • Open storage on paved area per square foot $0.50
Hawaii Administrative Rules 19-44

• §19-44-43 Storage of stevedoring and other equipment. (d) Shipping devices may be stored on state property as designated by the harbor master. The charges for the storage of shipping devices shall be as follows:
  • (1) Honolulu and Barbers Point:
    • Per linear foot per day for the first five calendar days - $0.13
    • Per linear foot per day for the next five calendar days - $0.28

• §19-41-2 Definitions; general. "Shipping device" means a non-self-propelled, rigid, non-disposable, returnable, cargo-carrying device with or without wheels, enclosed or otherwise and includes but is not limited to any container, trailer, chassis, platform, specially constructed skid, pallet, mount, or combination thereof, and which is designed to be transported integrally as one unit directly and mechanically between vessels and piers so as to eliminate intermediate rehandling and storage of cargo and having overall dimensions of eight feet maximum width, thirteen feet six inches maximum height, and ten feet minimum length.
Generators are stored for more than 30 days & then mobilized as needed.

On the RP’s Exhibit, Miscellaneous Storage Shown in one area.

Example of miscellaneous storage scattered throughout the yard.
Kahului Harbor, Piers 2&3; Young Brothers RP: H-00-2214 p. 3

Hawaii Admin Rules

Hyster Top Pick

Hyster Truck Forklift & Rope Dunnage
Honolulu Harbor, Pier 27 Sause Bros. RP: H-01-2261 p. 1

DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION
79 South Nimitz Highway
Honolulu, Hawaii 96813

RECEIVABLE PERMIT NO. H-01-2261

The STATE OF HAWAII, hereinafter called the "STATE," hereby grants to the "PERMITTEE" permission to enter, use and occupy on a month-to-month basis, the premises described in item 2, and designated on Exhibit "A," attached hereto and made a part hereof, for the purpose(s) specified in item 4; and the PERMITTEE agrees to pay the rental specified in item 5, and to perform all other obligations imposed upon it by the Terms and Conditions hereof.

1. PERMITTEE:
SAUSE BROS., INC.
705 NORTH NIMITZ HIGHWAY, 2ND FLOOR
HONOLULU, HAWAII 96817

2. PREMISES:
16,152 square feet of open paved land, 10,440 square feet for warehouse space for maintenance operations and 5,712 square feet of parking & storage.

3. LOCATION:
Pier 27, Honolulu Harbor, Island of Oahu, Hawaii, Tax Map Key No. 1et/1-5-38:1 (Portion), Governor’s Executive Order No. 2003 as shown in Exhibit “A”

4. PURPOSES:
Storing containers, materials, conduct maintenance operations and provide employee parking

5. RENTAL:
$3,714.96 per month

6. SECURITY DEPOSIT:
$7,429.92

7. EFFECTIVE DATE:
April 1, 2001

Dated at Honolulu, Hawaii, December 28, 2004

BOAD OF LAND AND NATURAL
RESOURCES
By N/A
Chairperson and Member
Approved by the Board
at its meeting held on
N/A
Approved as to Form:
N/A

STATE OF HAWAII
By
Harbors Administrator
SAUSE BROS., INC.

By

DRAFT
Hilo Harbor Piers 2 & 3, Young Brothers RP: H-98-2118, pg. 2

Ramp Storage

Open Storage: stevedore equipment

Hawaii Admin Rules
Questions?