

DAVID Y. IGE
GOVERNOR



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

FORD N. FUCHIGAMI
DIRECTOR

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JADE T. BUTAY
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IN REPLY REFER TO:

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

ISSUANCE OF AN AIR TERMINAL FACILITY LEASE BY PUBLIC AUCTION
KONA INTERNATIONAL AIRPORT AT KEAHOLE
TMK: (3) 7-3-43: PORTION OF 003

HAWAII

REQUEST:

Issuance of an Air Terminal Facility Lease by notice of public auction for the operation, maintenance, and repair of an air terminal facility at Kona International Airport at Keahole (KOA)

LEGAL REFERENCE:

Sections 171-14, -16, -17, -41, and other applicable sections of Chapter 171, Hawaii Revised Statutes, as amended

LOCATION AND TAX MAP KEY:

Portion of Kona International Airport at Keahole, Kailua-Kona, Island of Hawaii, identified by Tax Map Key: 3rd Division, 7-3-43: Portion of 003.

AREAS:

Building/Room

347-101, -102, -103 and -104, containing a total area of approximately 6,063 square feet; and

Area/Space

800-101, containing a total area of approximately 26,979 square feet of improved, paved land, as shown and delineated on the attached Exhibit A

TERM OF LEASE:

Ten (10) years

ITEM M-7

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COMMENCEMENT DATE:

Upon execution of the Lease

MINIMUM UPSET ANNUAL RENT AND RENTAL REOPENING:

Years 1 through 5: \$102,822.48, as determined by an independent appraisal establishing fair market rent

Years 6 through 10: Rental Reopening at Fair Market Rent determined by independent appraisal

EFFECTIVE RENTAL:

The amount of the successful bid at public auction

PERFORMANCE BOND:

The sum equal to the total annual rental then in effect

ZONING:

State Land Use District: Urban and Conservation
County of Hawaii: Industrial (MG-1a) and Open

TRUST LAND STATUS:

Section 5(a), Hawaii Admission Act Ceded
DHHL 30% entitlement lands Yes____ No X

CURRENT USE STATUS:

Vacant and unencumbered

CHARACTER OF USE:

Operation, maintenance and repair of an air terminal facility for business and commercial purposes

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site
Improvements: All improvements exist at the site

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CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements, because the proposed action falls within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii, Department of Transportation, dated November 15, 2000, as approved by the Environmental Quality Council. Exemption Class #1 covers operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving negligible or no expansion or change of use beyond that previously existing.

REMARKS:

In accordance with Section 171-14, -16, -17, -41 and other applicable sections of Chapter 171, HRS, as amended, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by notice of public auction, the Department of Transportation (DOT) proposes to issue an air terminal facility lease through notice of public auction for the purpose of operating, maintaining and repairing of an air terminal facility at KOA. The DOT has determined that the issuance of this lease through notice of public auction encourages competition and is essential to the aeronautical and airport-related industries at KOA.

RECOMMENDATION:

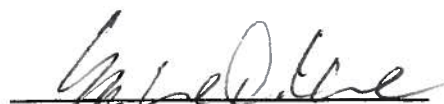
That the Board authorize the DOT to issue an air terminal facility lease through notice of public auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval by the Department of the Attorney General as to the lease form and content.

Respectfully submitted,

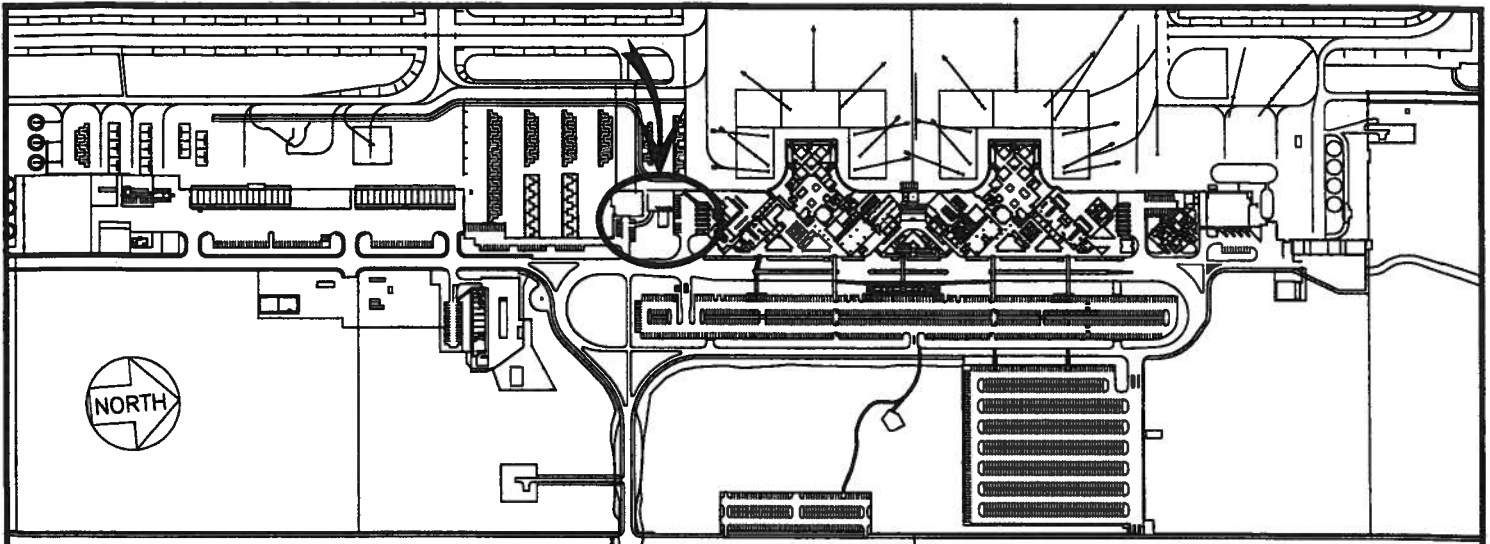


FORD N. FUCHIGAMI
Director of Transportation

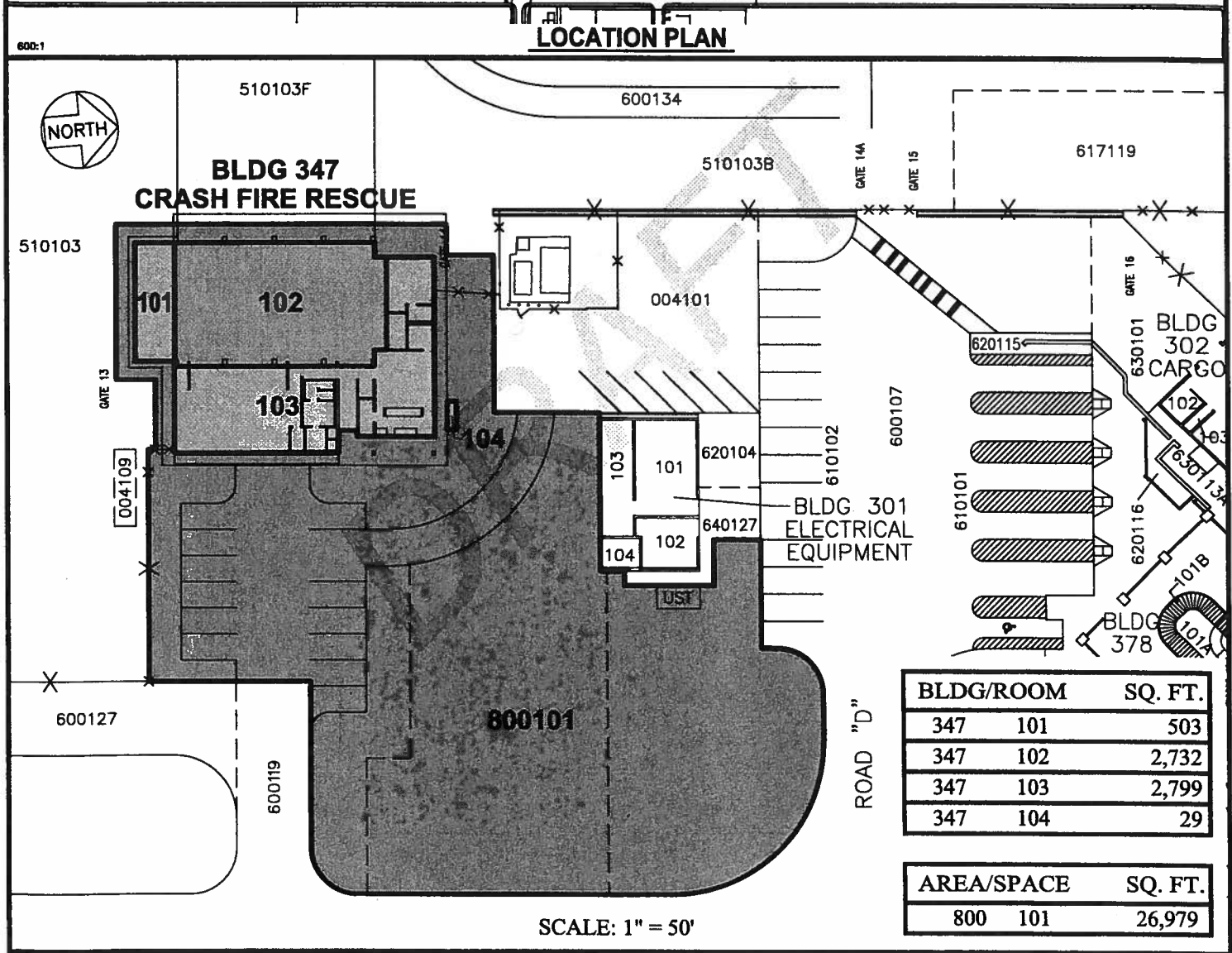
APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member



LOCATION PLAN



BLDG/ROOM	SQ. FT.
347 101	503
347 102	2,732
347 103	2,799
347 104	29

AREA/SPACE	SQ. FT.
800 101	26,979

SCALE: 1" = 50'

DRAFT DATE : NOVEMBER 2015 EXHIBIT: A



**BUILDING 347
CRASH FIRE RESCUE
GROUND LEVEL**

347101-
347104
800101
PLATS D1, 39, 59

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