

NOTICE OF SALE

PUBLIC AUCTION SALE OF STATE OF HAWAII LEASES
ON THE ISLAND OF HAWAII

The Department of Land and Natural Resources (DLNR), Land Division will be conducting public auction sales of four (4) leases for State lands on the following date and location:

ISLAND OF HAWAII

DATE & TIME: Tuesday, August 23, 2016; 10:00 a.m.

PLACE: State Office Building, 75 Aupuni Street, Hamakua Lanai,
Hilo, Hawaii 96720.

The Leases intended to be auctioned on the above date are as follows:

Item I.

LOCATION: Lot C-1, Waiakea, South Hilo, Island of Hawaii, and further identified by TAX MAP KEY: (3) 2-2-032:064; AREA: 14,753 square feet, more or less; SPECIFIC USE: Solely for business and/or commercial purposes as allowed under County of Hawaii zoning; TERM: 30 years; UPSET MINIMUM ANNUAL LEASE RENTAL: \$14,280.00 per annum, payable semi-annually in advance each year for the first ten-year period; FIXED INCREASES: Subsequent ten-year period: Previous rent multiplied by 1.30 (escalation value of 30%); RENTAL REOPENING: At the end of the 20th, year of the lease term; PERFORMANCE BOND: Amount equal to two times the annual rental payable; WAIVER OF LEASE RENT: The rent may be waived for a maximum period of twelve (12) calendar months upon completion of substantial improvements to the subject parcel. "Substantial improvements" for the purpose of the lease shall mean renovations or new construction with a value equal to at least 50% of the appraised value of the existing improvements; IMPROVEMENT BOND: Amount of the improvements, but not less than \$81,050 if lessee elects to make "Substantial improvements";

Item II.

LOCATION: Waiakea, South Hilo, Hawaii, as further identified as TAX MAP KEY: (3) 2-2-048:001; AREA: 7.810 acres, more or less; SPECIFIC USE: Solely for intensive agriculture purposes; TERM: 30 years; UPSET MINIMUM ANNUAL LEASE RENTAL: \$11,720.00 per annum, payable semi-annually in advance; RENTAL REOPENING: At the end of the 10th and 20th years of the lease term. PERFORMANCE BOND: Amount equal to two times the annual rental payable.

Item III

LOCATION: Hakalau-iki, South Hilo, Hawaii, as further identified as TAX MAP KEY: (3) 2-9-002:047; AREA: 6.793 acres, more or less; SPECIFIC USE: Solely for intensive agriculture purposes; TERM: 30 years; UPSET MINIMUM ANNUAL LEASE RENTAL: \$1,700.00 per annum, payable semi-annually in advance; RENTAL REOPENING: At the end of the 10th and 20th years of the lease term. PERFORMANCE BOND: Amount equal to two times the annual rental payable.

Item IV

LOCATION: Kapapala, Parcel 3, Kapapala, Ka'u, Hawaii, as further identified as TAX MAP KEY: (3) 9-8-001:002; AREA: 5,820.96 acres, more or less; SPECIFIC USE: Solely for pasture purposes; TERM: 30 years; UPSET MINIMUM ANNUAL LEASE RENTAL: \$8,300.00 per annum, payable semi-annually in advance; RENTAL REOPENING: At the end of the 10th and 20th years of the lease term. PERFORMANCE BOND: Amount equal to two times the annual rental payable.

Any person wishing to bid and purchase a lease for the items listed above must first qualify to bid under the general qualifying criteria and the pre-qualifying criteria as described in the **Public Auction Bid Packet** ("**Bid Packet**"). Eligibility to bid shall be determined by the information supplied by prospective bidders in the Application and Qualification Questionnaire form ("Application").

Applications by prospective bidders for the above listed items must be **received** by the DLNR no later than **4:30 p.m. (HST), on Thursday, July 21, 2016** at any one of the District Land Offices listed below. Any person who has failed to submit an Application and all required attachments by this date and time will not be allowed to bid. Each applicant shall be informed in writing in advance of the auction date as to his/her eligibility to bid at the public auction. See Public Auction Bid Packet for further instructions.

The Bid Packet, which describes the auction sale procedures, bidder qualification requirements and other requirements, and contains the Application form, memorandum of lease, and other relevant information, and a draft of the lease document which contains a survey map and descriptions of the subject properties, may be examined at any of the District Land Offices listed below or downloaded from the DLNR website at www.dlnr.hawaii.gov/ld/, click on Public Hearings and Notices. Any person requiring special accommodation or information in an alternate format is asked to contact the Hawaii District Land Office at (808) 961-9590.

DLNR LAND DIVISION OFFICES:

**Oahu District Land Office
Kalanimoku Building
1151 Punchbowl Street, Room 220
Honolulu, Oahu 96813**

Tel. 587-0433

**Maui District Land Office
State Office Building
54 High Street, Room 101
Wailuku, Maui 96793**

Tel. 984-8103

**Hawaii District Land Office
State Office Building
75 Aupuni Street, Room 204
Hilo, Hawaii 96720**

Tel. 961-9590

**Kauai District Land Office
State Office Building
3060 Eiwa Street, Room 208
Lihue, Kauai 96766**

Tel. 274-3491

Prospective bidders are responsible to thoroughly read and understand the covenants, terms, reservations and conditions contained in the Public Auction Bid Packet, and draft lease documents. Each property is to be leased in an "as is" condition, and prospective bidders are responsible to inspect the property of interest and complete their due diligence prior to submitting an Application.

All bidders or authorized representatives must be present in person at the auction. The DLNR reserves the right to cancel or postpone the public auction, to reject any and all Applications and to waive any defects when, in the opinion of the Chairperson of the Board of Land and Natural Resources, such action will be in the best interest of the State.

DONE at the office of the Department of Land and Natural Resources, State of Hawaii this 27th day of May, 2016.

BOARD OF LAND AND NATURAL RESOURCES

By: 

Suzanne D. Case, Chairperson

Statewide coverage
_____, 2016