

NOTICE OF SALE

PUBLIC AUCTION SALE OF ONE (1) STATE OF HAWAII LEASE ON THE ISLAND OF OAHU
The **Department of Land and Natural Resources ("DLNR")**, Division of Boating & Ocean Recreation, Planning & Coordination Office, will be conducting a public auction sale of one (1) lease for State land at the following date & location:

DATE & TIME: Tuesday, August 4, 2020, at 10:00 AM (HST) PLACE: 4 Sand Island Access Road, Honolulu, Hawaii 96819. The above date, time, and/or place of auction are subject to change by DLNR. The lease to be auctioned on the above date covers the following parcel located at He'eia-Kea Harbor. LOCATION: Portions of Government Lands situated at He'eia, Ko'olaupoko, Island of Oahu, Hawaii as shown and described on Government Survey Map C.S.F. No. 24,986, 24,987 dated September 9, 2010. TAX MAP KEY: (1) 4-6-006:067 (Portion). LAND AREA: Parcel 1: 980 sq ft; Parcel 2: 1,020 sq ft; Parcel 3: 2,244 sq ft; Pipeline Easement: Containing an area of 970 sq ft. PERMITTED USES: Dockside fuel sales, convenience store, over-the-counter snack bar, non-exclusive easement for pipelines for the transmission of petroleum products and sale of ice. LEASE TERM: Thirty-Five (35) years. COMMENCEMENT DATE: No more than thirty (30) calendar days from the date DLNR transmits the lease to the successful bidder for execution; provided that if such date is not on the first day of any month, the commencement date shall be the first day of the month following such date; and further provided that the Chairperson may amend the commencement date for good cause. UPSET MINIMUM ANNUAL BASE RENT: \$21,600/annum, payable monthly or 5% of gross receipts, payable quarterly, whichever is greater. FIXED INCREASES IN MINIMUM ANNUAL BASE RENT: Fifteen (15) years of known rent subject to fixed increases in the minimum annual base rent: Yrs 1 to 5, \$21,600/annum vs 5%; Yrs 6 to 10, \$24,500/annum vs 5%; Yrs 11 to 15, \$27,700/annum vs 5%; Yrs 16 to 25 & Yrs 26 to 35, FMR/annum. PERFORMANCE BOND: Equal to two times the annual rental payable. IMPROVEMENT BOND: Equal to the value of improvements, if any. ENCUMBRANCES: Refer to the draft lease document and the exhibits to the lease for encumbrances to the lease, including but not limited to existing easements. APPLICATION AND BIDDING INFORMATION: Any person wishing to bid and purchase the lease described 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 ("Application") provided as Appendix A of the Bid Packet.

Applications by prospective bidders for the above listed lease must be **received** by DLNR no later than; **Tuesday, July 7, 2020, 4:00 PM (HST)** at any one of the District Offices listed below. Applicants shall submit one (1) original and three (3) copies of the Application (including copies of all required attachments). Any person who has failed to submit the completed Application and all required attachments (and required copies) 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 the Applicant's eligibility to bid at the public auction. See Bid Packet for further instructions.

The Bid Packet describes the auction sale procedures, bidder qualifications and other requirements, and contains the Application form, memorandum of lease, draft lease document (including survey map and descriptions of the subject premises), and other relevant information. The Bid Packet may be examined at any of the District Offices listed below or downloaded from the DLNR website at

www.hawaii.gov/dlnr/dobor/dobor-pm. Any person requiring special accommodation or information in an alternate format is asked to contact the Division of Boating and Ocean Recreation at (808) 587-1978.

Administrative Office: 4 Sand Island Access Rd, Hon, HI 96819, T: (808) 587-1964

Oahu District Office: 4 Sand Island Access Rd, Hon, HI 96819, T: (808) 832-3520

Maui District Office: 101 Maalaea Harbor Rd, Wailuku, HI 96793, T: (808) 243-5824

Hawai'i District Office: Honokohau Small Boat Harbor, 74-380 Kealahou Pkwy, Kailua-Kona, HI 96740-2704, T: (808) 327-3690

Kauai District Office: 2494 Niualu Rd, Lihue, HI 96766, T: (808) 241-3111

Prospective bidders are responsible to thoroughly read and understand the covenants, terms, reservations, and conditions contained in the Bid Packet and draft lease document. The premises are to be leased in an "as is" condition, and prospective bidders are solely responsible to complete their own due diligence.

All bidders or authorized representatives must be present in person at the auction. DLNR reserves the right to cancel the public auction, to postpone or change the date of the public auction or any other deadlines, to reject any and all Applications or request the submittal of additional information, and to waive any defects when, in the opinion of the Chairperson, 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 3rd day of June 2020.

BOARD OF LAND AND NATURAL RESOURCES

By: /s/ Suzanne D. Case

Suzanne D. Case, Chairperson