

DAVID Y. IGE  
GOVERNOR



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

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO:

Board of Land and  
Natural Resources  
State of Hawai'i  
Honolulu, Hawai'i

ISSUANCE OF AN AIR CARGO LEASE  
BY NOTICE AT PUBLIC AUCTION  
NEW CARGO BUILDING (SPACE NO. 139-110B)  
HILO INTERNATIONAL AIRPORT  
TAX MAP KEY: (3) 2-1-12: PORTION OF 90

HAWAI'I

REQUEST:

Issuance of an Air Cargo Lease for aeronautical and business purposes in the New Cargo Building at Hilo International Airport (ITO) by notice at public auction.

LEGAL REFERENCE:

Sections 171-14, -16, -17, -41, and other applicable sections of Chapter 171, Hawai'i Revised Statutes, as amended.

LOCATION AND TAX MAP KEY:

Portion of Hilo International Airport (ITO), Hilo, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 2-1-12: Portion of 90.

AREA:

Bldg/Room No. 139-110B, containing an area of approximately 877 square feet, as shown on the attached Exhibit "B".

ZONING:

State Land Use District:  
County of Hawai'i:

Urban  
Industrial (ML-20)

**ITEM M-7**

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LAND TITLE STATUS:

Section 5(a) lands of the Hawai'i Admission Act: Ceded  
DHHL 30% entitlement lands pursuant to Hawai'i Admission Act YES\_\_\_ NO X

CURRENT USE STATUS:

Airport purposes

CHARACTER OF USE:

Air cargo operations

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available in the premises  
Improvements: All improvements exist on the premises

TERM OF LEASE:

Fifteen (15) years

COMMENCEMENT DATE:

Upon execution of the Lease

MINIMUM UPSET ANNUAL RENTAL:

Years 1 thru 5	\$13,155.00
Years 6 thru 10	115% x the annual rental for Year 5
Years 11 thru 15	115% x the annual rental for Year 10

PERFORMANCE BOND:

An amount equal to the annual rent then in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The new cargo building at ITO was included in the April 2003 Final Environmental Assessment (FEA). The FEA was prepared in support of: (1) Federal actions consisting of approval of the Airport Layout Plan in July 2013, and (2) the State of Hawai'i actions consisting of environmental approval and construction of proposed Hilo International Airport Improvements. The FEA was prepared pursuant to Chapter 343, Hawai'i

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Revised Statutes and the Administrative Rules, Title 11, Chapter 200 of the State of  
Hawai'i Department of Health.

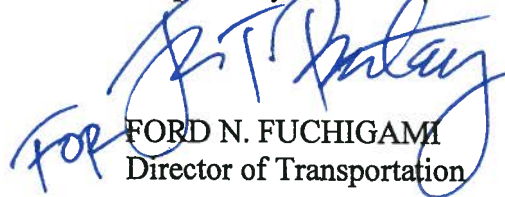
REMARKS:

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 cargo lease by notice at public auction  
in its new cargo building at ITO.

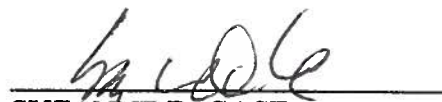
RECOMMENDATION:

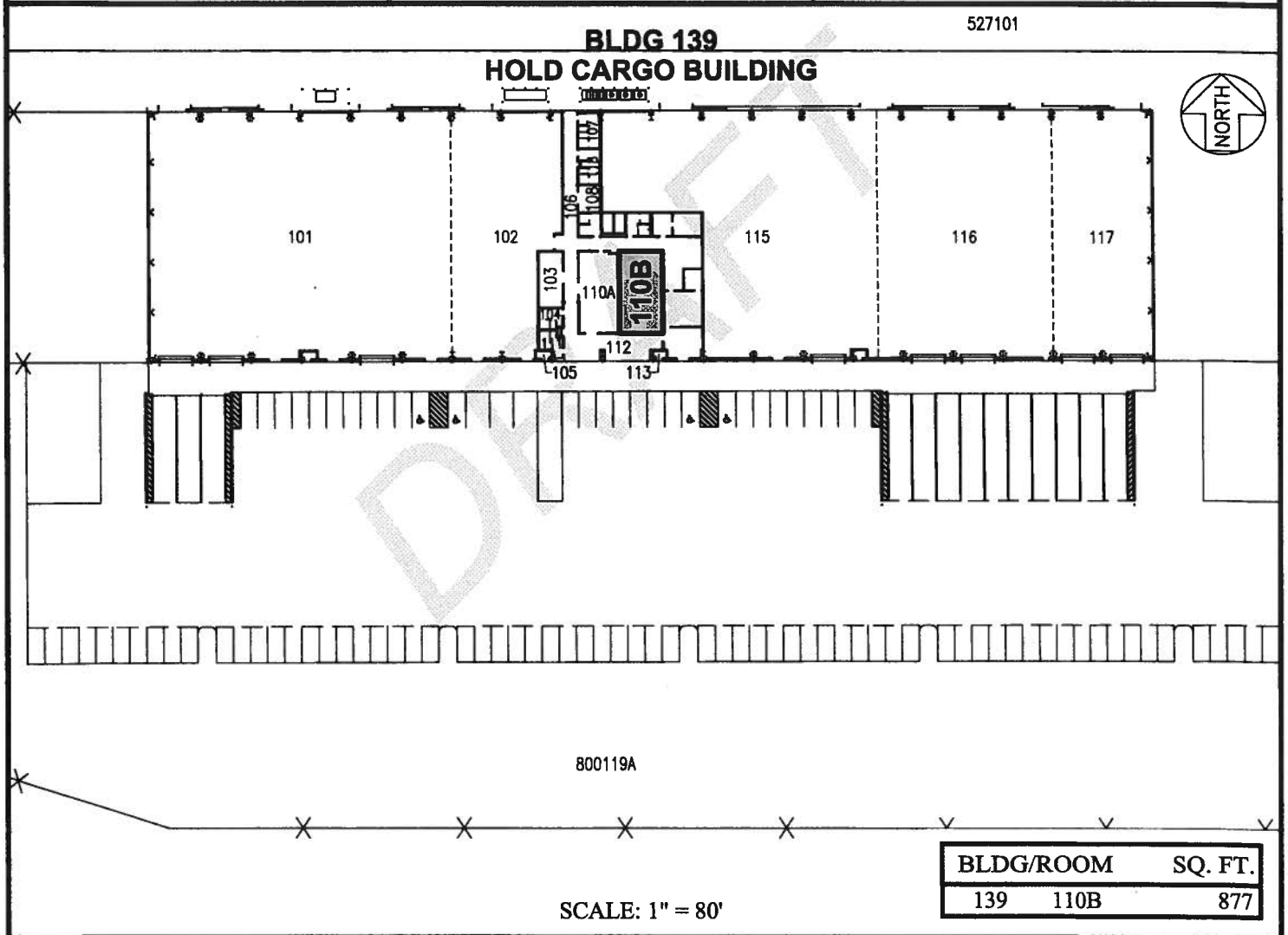
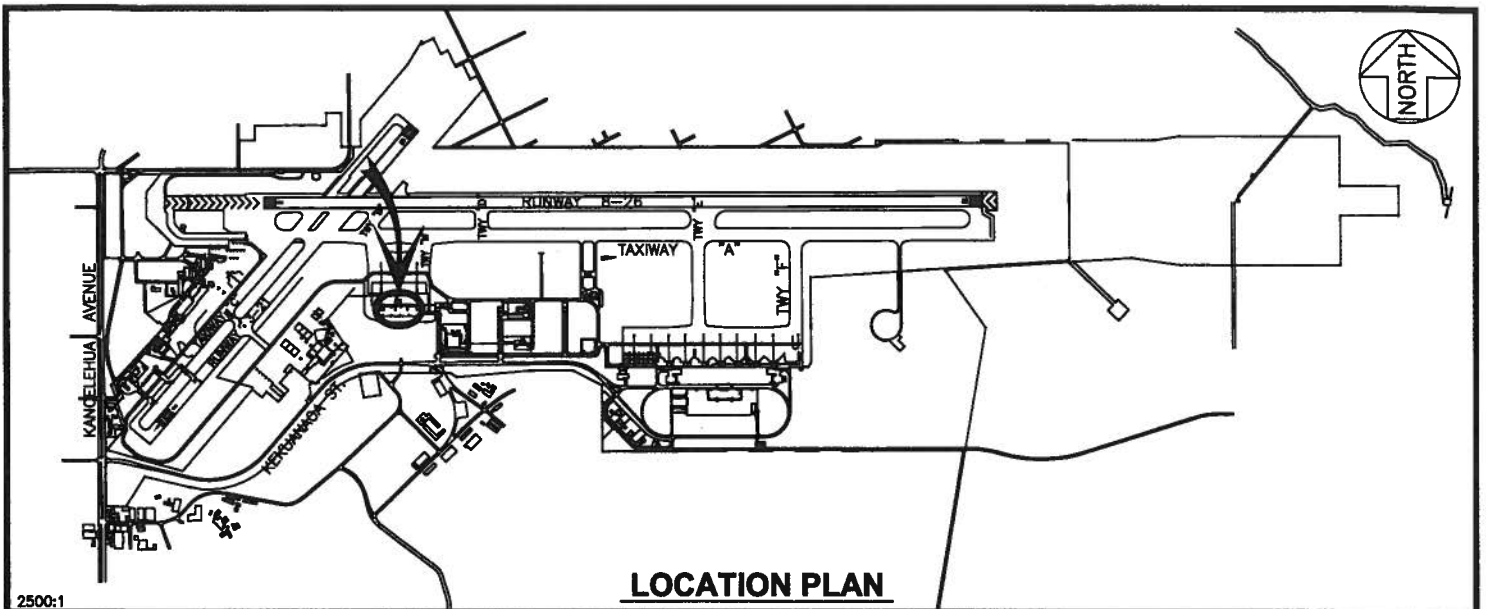
That the Board authorize the DOT to issue an air cargo lease by notice at public auction,  
subject to: (1) terms and conditions herein outlined, which are by reference incorporated  
herein; (2) such other terms and conditions as may be prescribed by the Director of  
Transportation to best serve the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


Respectfully submitted,

  
FORD N. FUCHIGAMI  
Director of Transportation

APPROVED FOR SUBMITTAL:

  
SUZANNE D. CASE  
Chairperson and Member



DRAFT	DATE : MAY 2016	EXHIBIT: <b>B</b>
 Airports Division	BUILDING 139 HOLD CARGO GROUND LEVEL	139110B  PLAT 31

**HILO INTERNATIONAL AIRPORT**