



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

Deputy Directors
JADE T. BUTAY
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IN REPLY REFER TO:

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

ISSUANCE OF AN ADVERTISING CONCESSION AGREEMENT
TO PACIFIC RADIO GROUP, INC. AT KAHULUI AIRPORT (OGG),
KONA INTERNATIONAL AIRPORT AT KEĀHOLE (KOA),
HILO INTERNATIONAL AIRPORT (ITO) AND LĪHU'E AIRPORT (LIH)
TAX MAP KEYS:

OGG: (2) 3-8-01: PORTION OF 19	MAUI
KOA: (3) 7-3-43: PORTION OF 003	HAWAI'I
ITO: (3) 2-1-12: PORTION OF 90	HAWAI'I
LIH: (4) 3-5-01: PORTION OF 8	KAUA'I

The Department of Transportation (DOT) proposes to issue a Concession Agreement for Display Advertising at Kahului Airport, Kona International Airport at Keāhole, Hilo International Airport, and Līhu'e Airport.

LEGAL REFERENCE:

Section 102-2, Hawaii Revised Statutes.

APPLICANT:

Pacific Radio Group, Inc.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO _____
Registered business name confirmed:	YES <u>X</u>	NO _____
Good standing confirmed:	YES <u>X</u>	NO _____

BLNR – ISSUANCE OF AN ADVERTISING CONCESSION AT KAHULUI AIRPORT,
KONA INTERNATIONAL AIRPORT AT KEĀHOLE, HILO INTERNATIONAL AIRPORT,
AND LĪHU‘E AIRPORT TO PACIFIC RADIO GROUP, INC.

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LOCATION:

Various spaces within the Terminal Building Complexes at OGG, KOA, ITO and LIH.
Specific spaces to be agreed upon by the Concessionaire and the DOT.

ZONING:

State Land Use District:	Urban
County of Maui:	Airport
State Land Use District:	Urban and Conservation
County of Hawai‘i:	Industrial (MG-1a) and Open
State Land Use District:	Urban
County of Hawai‘i:	Industrial (ML-20)
State Land Use District:	Urban
County of Kaua‘i:	Industrial (IG-STP)

LAND TITLE STATUS:

Non-ceded and Ceded - Section 5(a) and 5(b) lands of the Hawai‘i Admission Act
DHHL 30% entitlement lands pursuant to Hawai‘i Admission Act YES ___ NO X

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a) Environmental Impact Statement Rules of the Department of Health, State of Hawai‘i, this disposition is exempt from the requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawai‘i 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 Hawai‘i, Department of Transportation, dated November 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.

CURRENT USE STATUS:

Airport, airport-related and aeronautical purposes.

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CHARACTER OF USE:

Display Advertising Concession

COMMENCEMENT DATE:

To be established at final execution of the Concession Agreement.

TERM:

Seven Years.

CONCESSION FEE:

For the first year of the Concession term, the greater of the Minimum Annual Guarantee (MAG) of \$275,000 or 30% of the gross receipts of the Concession.

For subsequent years, the MAG shall be 85% of what was paid and payable in the prior concession year.

SECURITY DEPOSIT:

Amount equal to three months of the MAG.

HOLDOVER TENANCY:

The DOT, at its sole determination may holdover the terms of the Concession Agreement for a period not to exceed one year. During such holdover period, the Concession Fee shall be equivalent to the greater of the Monthly MAG or percentage fee. DOT may amend the concession fee during a holdover period with 30 days' prior notification.

REMARKS:

The DOT issued a request for proposals to operate an advertising concession at Neighbor Island Airports. The applicant, based on the proposal submitted and its advertising experience in the Hawai'i market, particularly on the Neighbor Islands, was determined to be the most experienced and best qualified candidate to operate the concession.

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RECOMMENDATION:

That the Board authorize the DOT to issue a concession agreement to subject to:
(1) terms and conditions herein outlined, which are by reference incorporated herein;
(2) such additional terms and conditions as may be prescribed by the Director of
Transportation to best serve the interests of the State; and review and approval of the
Department of the Attorney General as to the lease form and content.

Respectfully submitted,

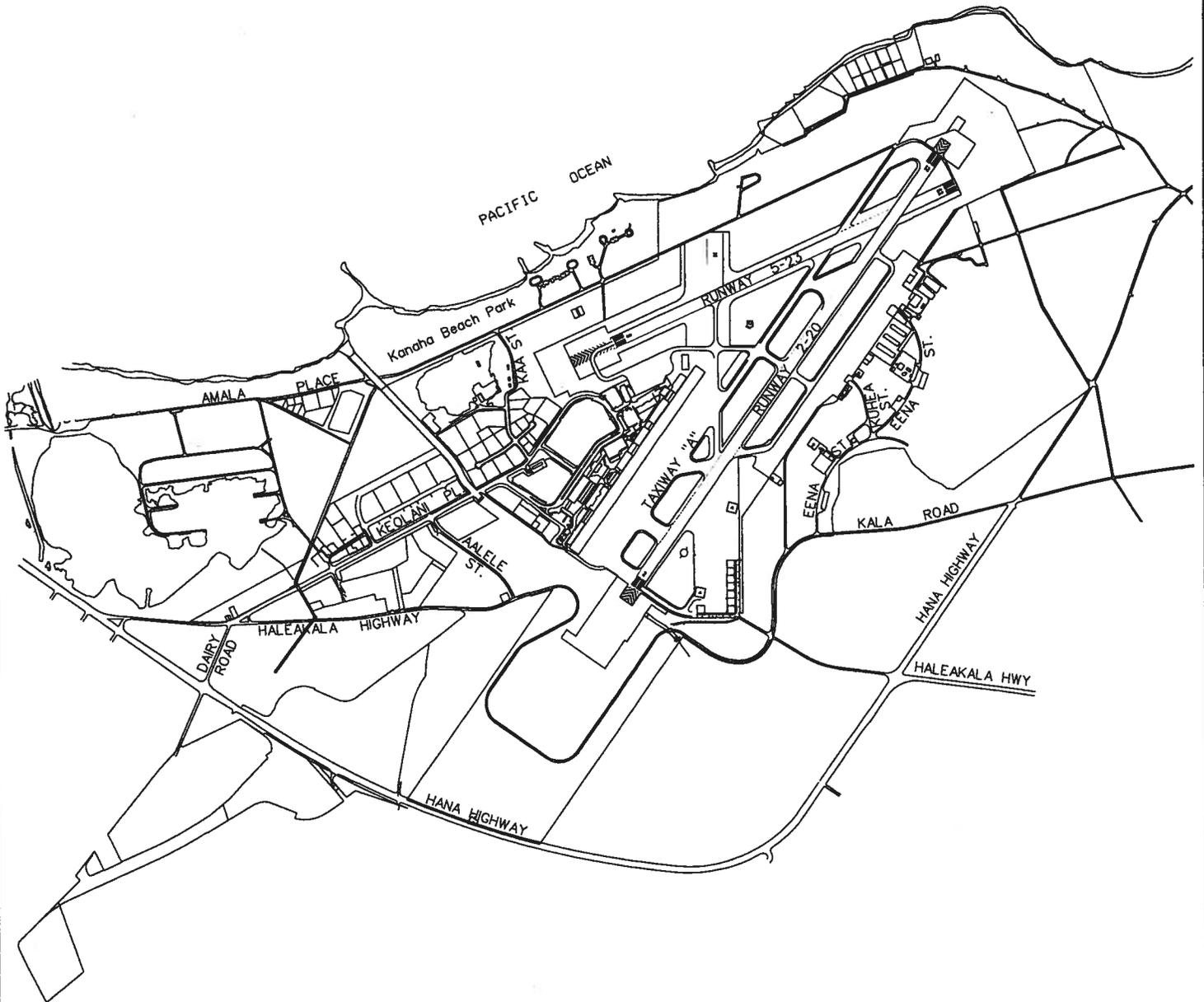


FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member



SCALE: 1" = 2000'

DATE :

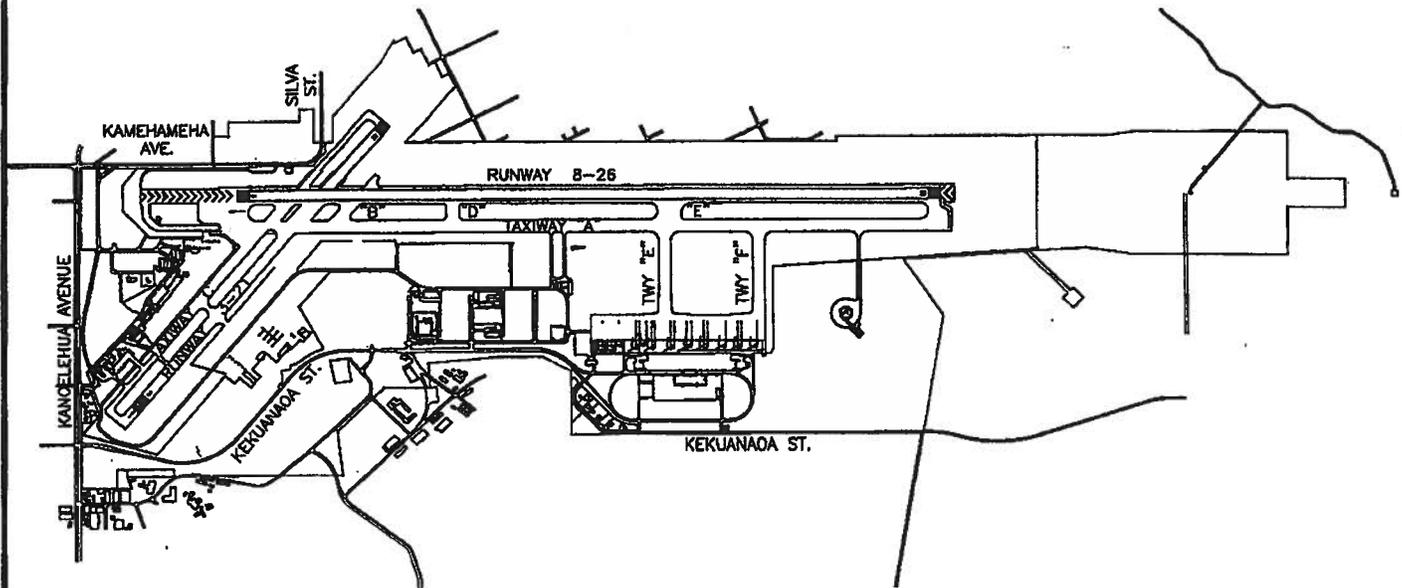
EXHIBIT: A



Airports Division

PLAT 01

KAHULUI AIRPORT



SCALE: 1" = 2500'

DATE :

EXHIBIT: **A**

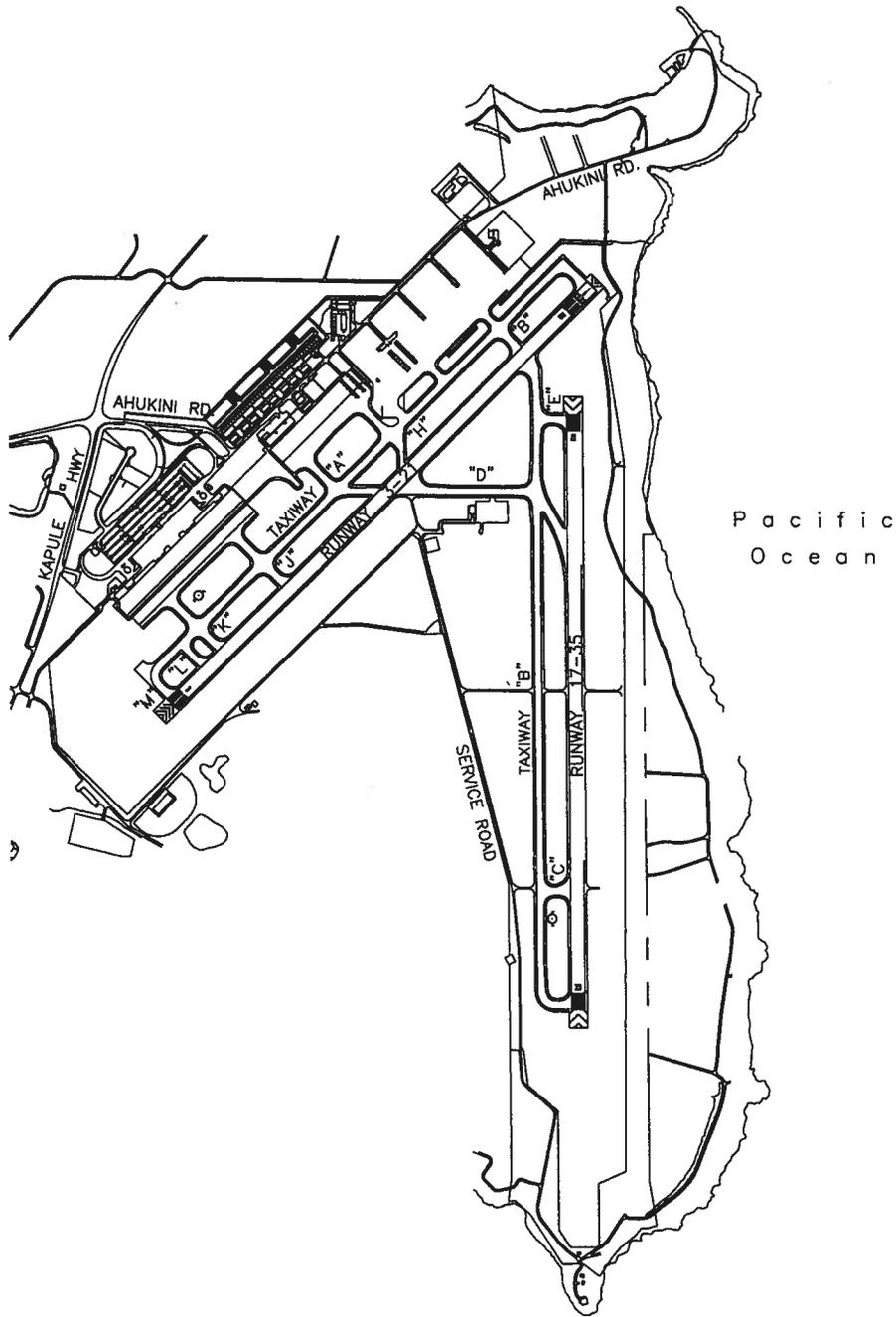


Airports Division

"AIRPORT"

PLAT 01

HILO INTERNATIONAL AIRPORT



SCALE: 1" = 2000'

DATE :

EXHIBIT: A



Airports Division

"AIRPORT"

PLAT 01

LIHUE AIRPORT

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