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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
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IN REPLY REFER TO:
AIR-PM

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

ISSUANCE OF A HANGAR FACILITY LEASE BY PUBLIC AUCTION
WAIMEA KOHALA AIRPORT
TAX MAP KEY: (3) 6-7-0001: PORTION OF 08

HAWAII

REQUEST:

Issuance of Hangar Facility Lease by notice of public auction for the development construction, operation, maintenance, and repair of a hangar and related facilities at Waimea-Kohala Airport (MUE).

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 Waimea Kohala Airport, Kamuela, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 6-7-001: Portion of 08.

AREA:

Area/space No. 800-108, containing a total area of approximately 10,478 square feet of improved, paved land, as shown and delineated on the attached Exhibit B.

TERM OF LEASE:

Thirty-five (35) years

COMMENCEMENT DATE:

Upon execution of the Lease

ITEM M-11

MINIMUM UPSET ANNUAL RENT AND RENTAL REOPENINGS:

- Years 1 through 5: \$4,400.76 (as determined from the DOTA schedule of rates and charges established by appraisal of Airports' property statewide)
- Years 6 through 10: 115% x the minimum upset annual rental
- Years 11 through 15: 115% x the annual rental for year 10
- Years 16 through 20: Reopening at fair market rent determined by independent appraisal
- Years 21 through 25: 115% x the annual rental for year 20
- Years 26 through 30: Reopening at fair market rent determined by independent appraisal
- Years 31 through 35: 115% x the annual rental for year 30

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: Agricultural District
County of Hawai'i: A-40A Agriculture

TRUST LAND STATUS:

Section 5(a), Hawai'i Admission Act Non-Ceded
DHHL 30% entitlement lands Yes _____ No X

CURRENT USE STATUS:

Vacant and unencumbered

CHARACTER OF USE:

Development, construction, operation, maintenance and repair of a hangar and related facilities for personal and recreational purposes

PROPERTY CHARACTERISTICS:

Utilities: All utilities available at the site
Improvements: The requested land area is vacant

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 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 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 a hangar facility lease through notice of public auction for the purpose of developing, constructing, operating, maintaining and repairing a hangar and related facilities at MUE. 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 MUE.

RECOMMENDATION:

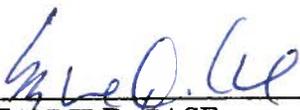
That the Board authorize the DOT to issue a hangar facility lease through notice of public auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the 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

