

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
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DARRELL T. YOUNG

IN REPLY REFER TO:

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

ISSUANCE OF A REVOCABLE PERMIT FOR LAND TO ACCOMMODATE THE EXPANSION OF A FLIGHT SCHOOL AND TOUR OFFICE OPERATION HAWAII PACIFIC AVIATION INC.
ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEĀHOLE TAX MAP KEY: (3) 7-3-43: PORTION OF 40

<u>HAWAI'I</u>

LEGAL REFERENCE:

Sections 171-11 and 171-55, Hawai'i Revised Statutes.

APPLICANT:

Hawaii Pacific Aviation Inc. (HPA), whose business address 73-310 U'u Street, Kailua-Kona, Hawai'i 96740.

LOCATION AND TAX MAP KEY:

Portion of Ellison Onizuka Kona International Airport at Keāhole (KOA), Kailua-Kona, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 7-3-43: Portion of 40.

AREA:

Area/Space No. 006-122A, containing an area of approximately 26,871 square feet shown on the attached Exhibit A.

ZONING:

State Land Use District:

Urban & Conservation

County of Hawai'i:

Industrial (MG-1a) and Open

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LAND TITLE STATUS:

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

CURRENT USE STATUS:

Airport and aeronautical purposes.

CHARACTER OF USE:

Land to stage a trailer office, and grade an area for vehicle parking for students and employees to accommodate the expansion of a flight school and tour office operation.

COMMENCEMENT DATE:

To be determined upon the complete execution of the revocable permit.

MONTHLY RENTAL:

\$2,664.71

SECURITY DEPOSIT:

\$7,994.13

HOLDOVER TENANCY:

\$88.82

DCCA VERIFICATION:

| Place of business registration confirmed: | YES X | NO |
|---|-------|----|
| Registered business name confirmed: | YES X | NO |
| Good standing confirmed: | YES X | NO |

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

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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. The DOTA consulted with the U.S. Federal Aviation Administration as to the appropriateness of the citation of the Environmental Exemption Class from the Comprehensive list for the Department of Transportation dated November 15, 2000. The FAA concurred on the appropriateness.

REMARKS:

HPA's flight school was established in 1995. At that time, there were two instructors, one helicopter, and eight students. Today, HPA is regarded as one of only three world-class helicopter training flight schools in the country. HPA has grown to a fleet of 15 helicopters, a staff of 40 employees, and a current enrollment of well over 100 students.

HPA also offers helicopter tours, which operate out of KOA, Līhu'e, and Daniel K. Inouye International Airports. HPA is experiencing record growth in its tour operations. For 2017, tours have experienced a 26% growth. Given the present business environment, HPA plans for more growth.

HPA has expanded its locations on Oahu, Kaua'i and Alabama. With these locations and HPA's headquarters at KOA, HPA struggles to operate out of two office trailers, on a lot of approximately 10,000 square feet with common area vehicle parking at KOA's Commuter Terminal. In the past, HPA attempted to obtain additional space at KOA without success. HPA is overcrowded. Each office trailer accommodates up to three people. HPA is presently using picnic tables outside of the trailers for classroom space. The common area parking lot is always full so HPA encourages flight school students to carpool or purchase mopeds.

This request for land adjacent to HPA's lot allows it to operate a facility that a flight school and tour operation its present and future size needs.

The Department of Transportation (DOT) has no objections to HPA's request and therefore, in accordance with Sections 171-11 and 171-55, HRS, relating to <u>Public Purposes</u> and <u>Permits</u>, respectively, and therefore, the DOT proposes to issue a month-to-month revocable permit to HPA to accommodate the expansion of its flight school and tour office operation.

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RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a month-to-month revocable permit to HPA, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; and (2) such additional terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State.

Respectfully submitted,

FORD N. FUCHICAMI Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE

Chairperson and Member

