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

ISSUANCE OF A DIRECT LEASE FOR A HANGAR FACILITY TO SUPPORT FEDERAL PUBLIC HEALTH AND MEDICAL EMERGENCY OPERATIONS, AND TRAINING EXERCISES TO PREPARE FOR SUCH CATASTROPHIC EMERGENCY RESPONSE THE UNITED STATES OF AMERICA, DEPARTMENT OF HUMAN SERVICES, OFFICE OF THE PREPAREDNESS AND RESPONSE, ACTING BY AND THROUGH THE NATIONAL INSTITUTE OF HEALTH HANGAR 110 (BUILDING 400) KALAELOA AIRPORT O‘AHU TAX MAP KEY: (1) 9-1-13: PORTION OF 32

APPLICANT/LESSEE

The United States of America, Department of Health and Human Services, Office of the Assistant Secretary for Preparedness and Response (HHS ASPR), acting by and through its designated representative of the NATIONAL INSTITUTE OF HEALTH (NIH), whose mailing address is 9000 Rockville Pike, Building 13, Room 2E47, MSC 5738, Bethesda, Maryland 20892-5738.

LEGAL REFERENCE:

Section 171-59 (b), Hawai‘i Revised Statutes (HRS), as amended.

LOCATION AND TAX MAP KEY:

Building/Room No. 400, Hangar 110, at Kalaeloa Airport, Kapolei, Island of O‘ahu, State of Hawai‘i, identified by Tax Map Key: 1st Division, 9-1-13: portion of 32.

ITEM M-7
AREA:

Building/Room No. 400-100, containing an area of approximately 93,189 square feet, as shown and delineated on the attached map labeled Exhibit "A"; and
Building/Room No. 400-201, containing an area of approximately 1,001 square feet;
Building/Room No. 400-202, containing an area of approximately 1,010 square feet;
Building/Room No. 400-203, containing an area of approximately 501 square feet;
Building/Room No. 400-204, containing an area of approximately 1,041 square feet;
Building/Room No. 400-205, containing an area of approximately 261 square feet;
Building/Room No. 400-206, containing an area of approximately 469 square feet;
Building/Room No. 400-207, containing an area of approximately 439 square feet;
Building/Room No. S01, containing an area of approximately 69 square feet;
Building/Room No. S03, containing an area of approximately 66 square feet;
Building/Room No. S04, containing an area of approximately 28 square feet;
Building/Room No. S05, containing an area of approximately 29 square feet;
Building/Room No. S07, containing an area of approximately 23 square feet;
Building/Room No. S09, containing an area of approximately 109 square feet; and
Building/Room No. S11, containing an area of approximately 17 square feet, as shown and delineated on the attached map labeled Exhibit “B”.

ZONING:

State Land Use District: Urban
City and County of Honolulu LUO: P-2 (To be rezoned in the future)

LAND TITLE STATUS:

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

CURRENT USE STATUS:

Land presently encumbered by Governor’s Executive Order No. 3861, setting aside Kalaeloa Airport under the control and management of the Department of Transportation, Airports Division (DOTA), State of Hawai‘i, for Airport Purposes.

CHARACTER OF USE:

Hangar Facility to support federal public health and medical emergency operations, and training exercises to prepare for catastrophic emergency response.
TERM OF LEASE:

Twenty (20) years [with an initial term of five (5)-years], which shall automatically renew for a maximum of three (5)-year terms, unless LESSEE provides written notice of its intent not to renew at least one hundred and eighty (180) days prior to such renewal.

COMMENCEMENT DATE:

To be determined by the Director of Transportation at a later date.

ANNUAL LEASE RENTAL:

Annual Lease Rental for Years 1-5: Beginning upon the commencement date of the Lease the Annual Lease Rental shall be $1,296,926.40 (based on a rate of $13.20 per square foot, per annum, as determined from the DOTA schedule of rates and charges established by appraisal of Airports property statewide);

Annual Lease Rental for the Remaining Three (3), Five (5)-Year Lease Periods: To be determined.

CHAPTER 343. HRS - ENVIRONMENTAL ASSESSMENT:

The subject land area is covered by the Final Environmental Assessment for the Kalaeloa Airfield Development Plan Improvements, State Project No. AO5011-02 dated June 2010. This Environmental Assessment was prepared by Wilson Okamoto Corp., for the State of Hawai‘i, DOTA, in part to evaluate the environmental effects of the recommended Kalaeloa Airfield Master Plan to meet existing and forecast general aviation demands.

REMARKS:

HHS ASPR and representatives of the State of Hawai‘i collaborated and discussed capabilities required to respond to a catastrophic natural or manmade disasters. Key discussions was expanding Hawai‘i’s critical care bed capacity and ability to quickly execute aeromedical operations. Kalaeloa Airport and the infrastructure at Kalaeloa Airport was deemed a critical location to support public health and medical emergency operations due to its location, isolation, security, and airfield capability.

The use of Hangar 110 would provide direct access to general aviation operations to conduct federal public health and medical aeromedical operations. Kalaeloa Airport is capable of landing and supporting Department of Defense aircraft as large as a C-17, as well as equivalent commercial aircraft, to include potential patient treatment operations on the airport grounds.
DOTA considers the proposed lease in the best interest of the State of Hawai‘i, and in accordance with the underlying intent of Section 171-59(b), HRS.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a direct lease to HHS ASPR, acting by and through its designated representative of the NIH, 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 the lease form and content.

Respectfully submitted,

JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE
Chairperson and Member