

JADE T. BUTAY DIRECTOR

Deputy Directors
LYNN A.S. ARAKI-REGAN
DEREK J. CHOW
ROSS M. HIGASHI
EDWIN H. SNIFFEN

IN REPLY REFER TO:

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

> ISSUANCE OF AN INDUSTRIAL LAND LEASE BY NOTICE OF PUBLIC AUCTION (SPACE NO. 008-119B) KAHULUI AIRPORT TAX MAP KEY: (2) 3-8-01: PORTION OF 19

<u>M</u>AUI

REQUEST:

Issuance of an Industrial Land Lease for aeronautical, airport related and commercial purposes at Kahului Airport (OGG) by notice of 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 OGG, Maui, Island of Maui, County of Maui, identified by Tax Map Key: 2nd Division, 3-8-01: Portion of 19.

AREA:

Area/Space No. 008-119B, containing an area of approximately 48,240 square feet, as shown on the attached Exhibit "A-1".

ZONING:

State Land Use District:

Urban

County of Maui:

Airport

BLNR – SALE OF AN INDUSTRIAL LAND LEASE BY NOTICE OF PUBLIC AUCTION KAHULUII AIRPORT PAGE 2

LAND TITLE STATUS:

Section 5(a) lands of the Hawai'i Admission Act: Non-ceded

DHHL 30% entitlement lands pursuant to Hawai'i Admission Act YES NO X

CURRENT USE STATUS:

Aeronautical, airport related purposes.

CHARACTER OF USE:

Commercial and business purposes.

PROPERTY CHARACTERISTICS:

Utilities:

All utilities are available at the premises

Improvements:

The real property is vacant

TERM OF LEASE:

Fifteen (15) years.

COMMENCEMENT DATE:

Upon execution of the Lease.

MINIMUM UPSET ANNUAL RENTAL AND RENTAL REOPENING:

Years 1 thru 5

\$189,100.80

Years 6 thru 10

115% x the rental for year 5

Years 11 thru 15

115% x the rental for year 10

PERFORMANCE BOND:

An amount equal to the annual rent then in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The proposed use of airport land was included in the September 1997 Final Federal and State Environmental Impact Statement (EIS) which was prepared in support of (1) the Federal actions consisting of approval of the Airport Layout Plan and (2) the State of Hawai'i actions consisting of state environmental approval and construction of proposed Kahului Airport Improvements. The EIS complied with the requirements of Chapter 343

BLNR – SALE OF AN INDUSTRIAL LAND LEASE BY NOTICE OF PUBLIC AUCTION KAHULUII AIRPORT PAGE 3

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

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 industrial land lease by notice of public auction at OGG.

RECOMMENDATION:

That the Board authorize the DOT to issue an industrial land lease by notice of 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,

JADE T. BUTA

Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE

Chairperson and Member

