

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

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IN REPLY REFER TO:

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

ISSUANCE OF A HELICOPTER FACILITY LEASE BY NOTICE OF PUBLIC AUCTION
GENERAL AVIATION SUBDIVISION LOTS (SPACE NOS. 004-127 AND 004-128)
LĪHU'E AIRPORT
TAX MAP KEY: (4) 3-5-001: PORTION OF 8 KAUAI

REQUEST:

To issue a Helicopter Facility Lease for aeronautical and business purposes in the General Aviation Subdivision Lots at Līhu'e Airport (LIH) by notice of public auction.

LEGAL REFERENCE:

Section 171-14, -16, -17, -41, and other applicable sections of Chapter 171, Hawai'i Revised Statutes (HRS), as amended.

LOCATION AND TAX MAP KEY:

Portion of Līhu'e Airport (LIH), Līhu'e, Island of Kaua'i, identified by Tax Map Key: (4) 3-5-001:008.

AREA:

Area/Space Nos. 004-127 and 004-128, each containing an area of approximately 18,287 square feet for an approximate total area of 36,574 square feet of improved, unpaved general aviation lands as shown on the attached Exhibit "B".

ZONING:

State Land Use District:	Urban
County of Kaua'i:	Industrial (IG-STP)

BLNR – ISSUANCE OF A HELICOPTER FACILITY LEASE BY NOTICE OF PUBLIC AUCTION
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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: No

CURRENT USE STATUS:

Vacant - aeronautical purposes.

CHARACTER OF USE:

Commercial helicopter tours, charters and fueling operations.

LEASE TERM:

Thirty (30) years.

COMMENCEMENT DATE:

Upon complete execution of the lease.

MINIMUM UPSET ANNUAL RENT:

*Should there be substantial leasehold improvements constructed on the premises, the annual lease rental for the first year shall be waived at the beginning of the lease pursuant to Section 171-6 Powers, HRS.

Years 1* thru 5 \$84,851.68 (as determined from the DOTA schedule of rates & charges established by an appraisal of Airports property statewide)

Years 6 thru 10 115% x the annual rental for year 5

Years 11 thru 15 115% x the annual rental for year 10

Years 16 thru 20 Reopening at fair market rent determined by independent appraisal

Years 21 thru 25 115% x the annual rental of year 20

Years 26 thru 30 Reopening at fair market rent determined by independent appraisal

PERFORMANCE BOND:

An amount equal to the annual rent then in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The subject land areas are covered by the Environmental Assessment for Lihue Airport Ahukini Road Realignment and General Aviation Subdivision dated March 6, 1997. This Environmental Assessment evaluated the environmental effects of the recommended Airport Plan to realign Ahukini Road and the development of a General Aviation Subdivision. The assessment was prepared by the State of Hawai‘i, Department of Transportation, Airports Division.

REMARKS:

In accordance with Section 171-14, -16, -17, -41, and other applicable sections of Chapter 171, HRS, as amended, relating generally to Management 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 way of a sale of a helicopter facility lease by notice of public auction at Līhu‘e Airport.

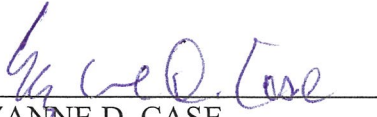
RECOMMENDATION:

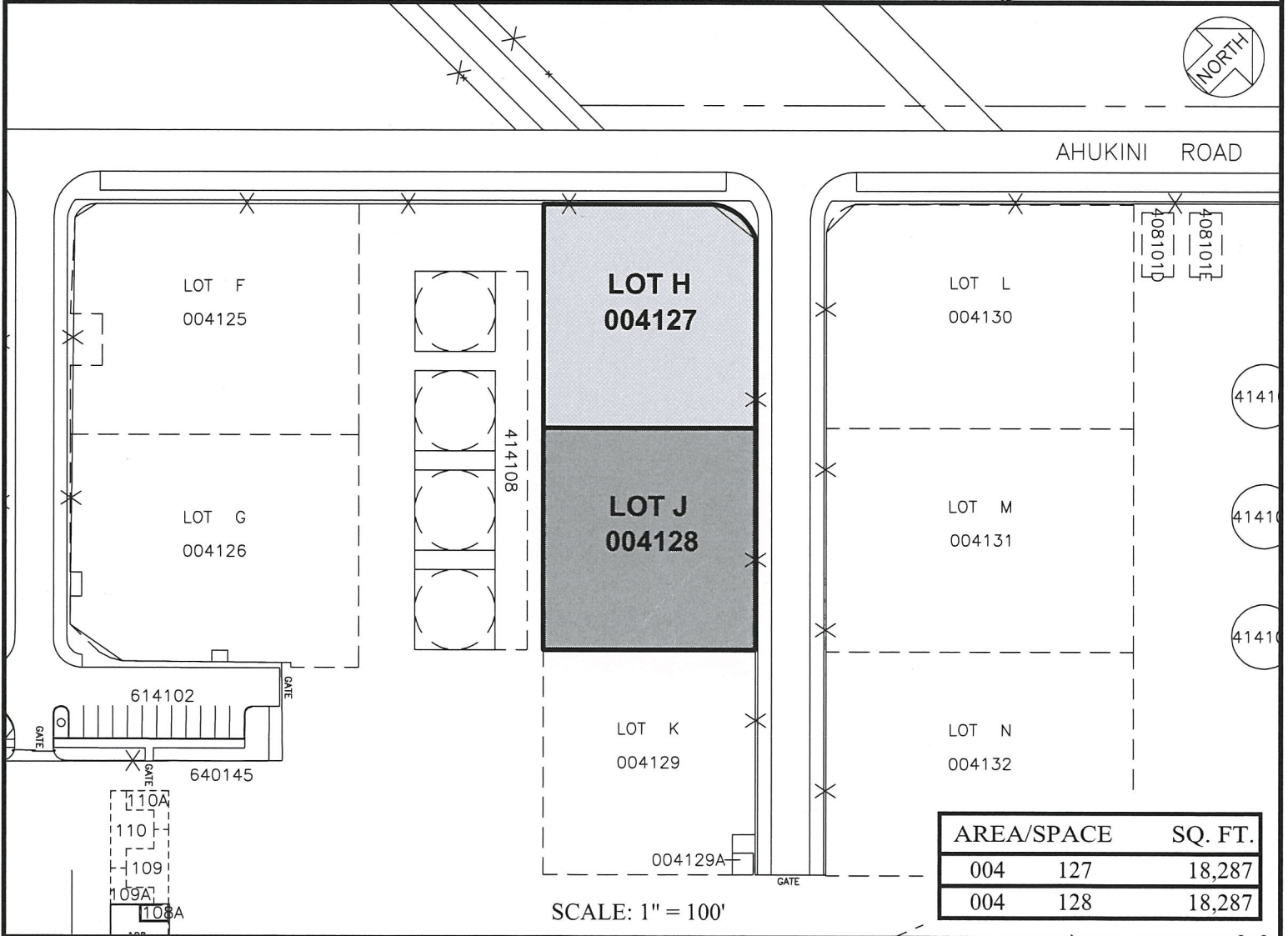
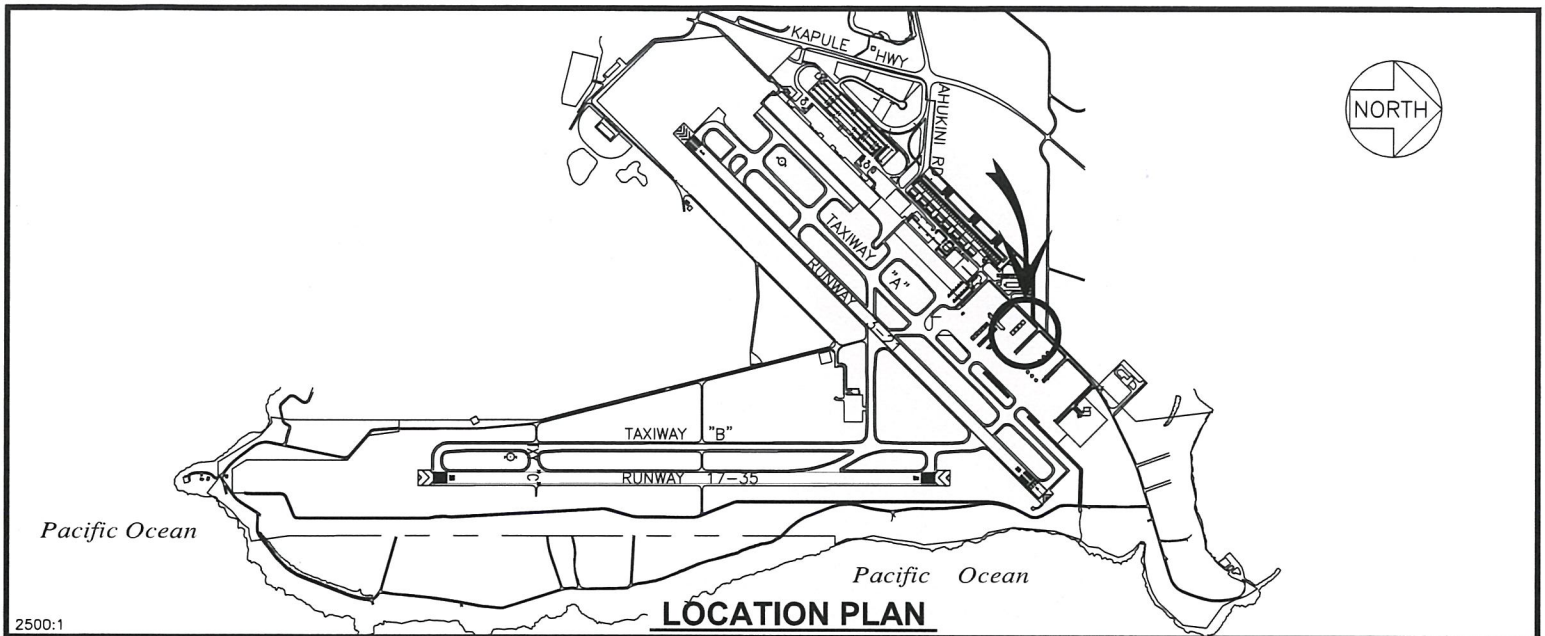
That the Board authorizes the Department of Transportation to sell a helicopter facility lease by notice of public auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation 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. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:


SUZANNE D. CASE
Chairperson and Member



DATE : AUGUST 2019

EXHIBIT: **B**

<p>Airports Division</p>	<p>DOTA</p>	<p>LOTS</p>	<p>004127 004128 PLATS E1,35</p>
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