Board of Land and Natural Resources
State of Hawaiʻi
Honolulu, Hawaiʻi

ISSUANCE OF REVOCABLE PERMITS FOR TEMPORARY SPACE FOR STORAGE AND MAINTENANCE OF AIRCRAFT FOR DISPLACED T-HANGAR TENANTS
ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEĀHOLE
TAX MAP KEY: (3) 7-3-43:003 (PORTION)

REQUEST:

Issuance of Revocable Permits for temporary space for storage and maintenance of aircraft for T-Hangar tenants displaced by State Project No. AH2062-15, Federal Inspection Services Building (Project). Due to the project being built in the current T-Hangar location, tenants are being temporarily relocated for a six-month period until permanent T-Hangars become available.

LEGAL REFERENCE:

Sections 171-55, Hawaiʻi Revised Statutes (HRS).

APPLICANTS:

<table>
<thead>
<tr>
<th>TENANT</th>
<th>BUSINESS ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>AEROSLEEK, LLC</td>
<td>P.O. BOX 3481, KAILUA-KONA, HAWAIʻI 96745</td>
</tr>
<tr>
<td>BIG ISLAND AIR, INC</td>
<td>73-103 U‘U STREET, KAILUA-KONA, HAWAIʻI 96740</td>
</tr>
<tr>
<td>HAWAII PACIFIC AVIATION, INC. DBA MAUNA LOA HELICOPTERS</td>
<td>73-310 U‘U STREET, KAILUA-KONA, HAWAIʻI 96740</td>
</tr>
<tr>
<td>CIVIL AIR PATROL, HAWAII WING</td>
<td>419 LELE STREET, HONOLULU, HAWAIʻI 96819</td>
</tr>
<tr>
<td>K &amp; S HELICOPTERS, INC.</td>
<td>P.O. BOX 5371, KAILUA-KONA, HAWAIʻI 96745</td>
</tr>
</tbody>
</table>

ITEM M-11
BLNR – ISSUANCE OF REVOCABLE PERMITS FOR TEMPORARY SPACE FOR STORAGE AND MAINTENANCE OF AIRCRAFT FOR DISPLACED T-HANGAR TENANTS, ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEĂHOLE

<table>
<thead>
<tr>
<th>TENANT</th>
<th>BUSINESS ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>KONA FLYERS, LTD</td>
<td>78-6799 WALUA ROAD, KAILUA-KONA, HAWAI'I 96740</td>
</tr>
<tr>
<td>MICHAEL J. LAROY DBA TROPICBIRD FLIGHT SERVICE</td>
<td>P.O. BOX 1415, KAILUA-KONA, HAWAI'I 96745</td>
</tr>
<tr>
<td>MOKULELE FLIGHT SERVICE, INC.</td>
<td>355 HUKILIKE STREET #103, KAHULUI, HAWAI'I 96732</td>
</tr>
<tr>
<td>N288HP, LLC</td>
<td>62-3648 MOANI PIKAKA WAY, KAMUELA, HAWAI'I 96743</td>
</tr>
<tr>
<td>SKYCRAFT AIR MAINTENANCE, LTD</td>
<td>73-310 U'I STREET, KAILUA-KONA, HAWAI'I 96740</td>
</tr>
<tr>
<td>WILLIAM WILTON</td>
<td>P.O. BOX 415, KAILUA-KONA, HAWAI'I 96740</td>
</tr>
</tbody>
</table>

LOCATION AND TAX MAP KEY:

Portion of Ellison Onizuka Kona International Airport at Keahole (KOA), Kailua-Kona, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 7-3-43:003 (Portion).

AREA:

Area/Space Nos. 517-108A and 517-108B, each containing an area of 4,108 square feet; Area/Space No. 517-108C containing an area of 2,864 square feet; and Area/Space Nos. 517-108D, 517-108E and 517-108F, each containing an area of 2,861 square feet, as shown and delineated on the attached Exhibit A.

ZONING:

State Land Use District: Urban & Conservation  
County of Hawai'i: Industrial (MG-1a) and Open

LAND TITLE STATUS:

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

CURRENT USE STATUS:

Airport and aeronautical purposes.

CHARACTER OF USE:

Aircraft parking and maintenance.
BLNR – ISSUANCE OF REVOCABLE PERMITS FOR TEMPORARY SPACE FOR STORAGE AND MAINTENANCE OF AIRCRAFT FOR DISPLACED T-HANGAR TENANTS, ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEĀHOLE
Page 3

COMMENCEMENT DATE:

Upon execution of the revocable permits.

MONTHLY RENTAL:

$1,057.81 for Space Nos. 517-108A and 517-108B (as determined from the Department of Transportation, Airports Division [DOTA] schedule of rates and charges established by appraisal of Airports property statewide).

$737.48 for Space No. 517-108C (as determined from the DOTA schedule of rates and charges established by appraisal of Airports property statewide).

$736.71 for Space Nos. 517-108D, 517-108E, and 517-108F (as determined from the DOTA schedule of rates and charges established by appraisal of Airports property statewide).

SECURITY DEPOSIT:

Three (3) times the monthly rental in effect.

DCCA VERIFICATION (FOR COMMERCIAL ENTITIES):

Places of business registration confirmed: YES X  NO __
Registered business names confirmed: YES X  NO __
Good standing confirmed: YES X  NO __

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

In accordance with Chapter 11-200.1-15 (General types of actions eligible for exemption) of the 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, HRS, dated December 18, 2018.

The proposed action falls within the following Exemption:

Chapter 11-200.1-15 (c) (1) Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving minor expansion or minor change of use beyond that previously existing.

This request would qualify under the above exemption because the Applicants would be using existing paved areas for aircraft maintenance and storage, which does not require any changes beyond what is currently existing.
The DOTA consulted with the U.S. Federal Aviation Administration (FAA) as to the appropriateness of the citation of the Environmental Exemption from Chapter 11-200.1-15 (General types of actions eligible for exemption) dated December 18, 2018. The FAA concurred on the appropriateness.

REMARKS:

Due to the Project being built in the current T-Hangar location at KOA, the current T-hangar buildings will be demolished. The T-Hangar tenants displaced by the Project will be temporarily relocated for approximately six months until the new T-Hangars are ready for occupancy. Upon completion of the new T-hangar buildings, tenants will need to apply for new space and obtain Land Board approval prior to taking occupancy.

In accordance with Section 171-55, HRS, relating to Permits, the Department of Transportation proposes to issue month-to-month Revocable Permits to the displaced T-Hangar tenants for temporary space for storage and maintenance of aircraft at KOA.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue month-to-month Revocable Permits to the displaced tenants, 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,

JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE
Chairperson and Member