

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

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 A REVOCABLE PERMIT FOR TERMINAL SPACES TO SUPPORT SIGNATORY AIRLINE CARRIER OPERATIONS SOUTHWEST AIRLINES CO.
HILO INTERNATIONAL AIRPORT
TAX MAP KEY: (3) 2-1-012: PORTION OF 009

APPLICANT/LESSEE:

SOUTHWEST AIRLINES CO. (Southwest), whose mailing address is 2702 Love Field Drive, Dallas, Texas 75235-1611.

LEGAL REFERENCE:

Section 171-55, Hawai'i Revised Statutes (HRS), as amended.

LOCATION AND TAX MAP KEY:

Portions of Hilo International Airport (ITO), Hilo, Island of Hawai'i, State of Hawai'i, identified by Tax Map Key: 3rd Division, 2-1-012: Portion of 009.

AREA:

Building/Room No. 306-119, containing an area of approximately 158 square feet, Building/Room No. 306-145A, containing an area of approximately 315 square feet, Building/Room No. 306-149, containing an area of approximately 3,113 square feet, Building/Room No. 307-107A, containing an area of approximately 116 square feet, Building/Room No. 307-107B, containing an area of approximately 26 square feet, Building/Room No. 307-107C, containing an area of approximately 43 square feet, Building/Room No. 307-107D, containing an area of approximately 29 square feet, Building/Room No. 307-108, containing an area of approximately 662 square feet, Building/Room No. 307-109, containing an area of approximately 212 square feet, and Building/Room No. 307-110, containing an area of approximately 668 square feet, as shown on the attached Exhibit "A".

ITEM M-4

BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR TERMINAL SPACES TO SUPPORT SIGNATORY CARRIER OPERATION SOUTHWEST AIRLINES CO., HILO INTERNATIONAL AIRPORT PAGE 2

ZONING:

State Land Use District:

Urban

County of Hawai'i:

Industrial (ML-20)

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:

Aeronautical, airport related purposes.

CHARACTER OF USE:

Southwest will use the terminal spaces for passenger check-in, back offices, equipment storage, and modular office units to support its signatory airline carrier operation at ITO.

COMMENCEMENT DATE:

Upon execution of the revocable permit.

MONTHLY RENTAL:

\$18,447.73 (as determined from the Airports Division Signatory Carrier Rates and Charges Hawai'i Airports System, effective July 1, 2019).

SECURITY DEPOSIT:

Three (3) times the monthly rental in effect.

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:

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:

BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR TERMINAL SPACES TO SUPPORT SIGNATORY CARRIER OPERATION SOUTHWEST AIRLINES CO., HILO INTERNATIONAL AIRPORT PAGE 3

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 Applicant would be using existing terminal areas for passenger check-in, back offices, equipment storage, and modular office units, 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:

In accordance with Section 171-55, HRS, relating to <u>Permits</u>, the DOT proposes to issue a month-to-month revocable permit to Southwest, for terminal spaces to support its signatory carrier operation at ITO.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a month-to-month revocable permit to Southwest, 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

Same Q. Case

Chairperson and Member

