

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 COMMERCIAL USE OF A T-HANGAR FOR STORAGE AND MAINTENANCE OF AIRCRAFT AND AN OFFICE TO SUPPORT COMMERCIAL HELICOPTER TOUR OPERATIONS HAWAII PACIFIC AVIATION INC.

ELLISON ONIZUKA KONA INTERNATIONAL AIRPORT AT KEĀHOLE TAX MAP KEY: (3) 7-3-43: PORTION OF 03

HAWAI¹I

LEGAL REFERENCE:

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

APPLICANT:

Hawaii Pacific Aviation Inc. (HPA) whose business address is 73-310 U'u Street, Kailua-Kona, Hawai'i 96740.

LOCATION AND TAX MAP KEY:

Portion of Ellison Onizuka Kona International Airport at Keāhole (KOA), Kailua-Kona, Island of Hawai'i, identified by Tax Map Key: 3rd Division, 7-3-43: Portion of 03.

AREA:

Building/Room No. 421-101, containing an area of approximately 1,471 square feet; and Building/Room No. 421-114, containing an area of approximately 515 square feet, as shown and delineated on the attached Exhibit A.

ZONING:

State Land Use District: County of Hawai'i:

Urban & Conservation Industrial (MG-1a) and Open BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR COMMERCIAL USE OF A T-HANGAR FOR STORAGE AND MAINTENANCE OF AIRCRAFT AND AN OFFICE TO SUPPORT COMMERCIAL HELICOPTER TOUR OPERATIONS HAWAII PACIFIC AVIATION INC.
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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:

Airport and aeronautical purposes.

CHARACTER OF USE:

HPA will use the spaces for storage and maintenance of aircraft (1989 Linthicum Jerry A, Glassair III, N109JL) and an office for commercial purposes to support its commercial helicopter tour operations.

COMMENCEMENT DATE:

Upon execution of the revocable permit.

MONTHLY RENTAL:

DOTA is in the process of determining the annual fair market lease rental values and commercial use rental values for new T-hangars at KOA.

SECURITY DEPOSIT:

Three 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:

The State of Hawai'i, Department of Transportation, Airports Division (DOTA), has determined the subject land areas are covered by the Final Environmental Assessment (EA)/Finding of No Significant Impact (FONSI), Airfield, Terminal, and Facility Improvements for the Kona International Airport at Keāhole, published by the Office of Environmental Quality Control (OEQC) in the March 23, 2013, issue of The

BLNR – ISSUANCE OF A REVOCABLE PERMIT FOR COMMERCIAL USE OF A T-HANGAR FOR STORAGE AND MAINTENANCE OF AIRCRAFT AND AN OFFICE TO SUPPORT COMMERCIAL HELICOPTER TOUR OPERATIONS HAWAII PACIFIC AVIATION INC.
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Environmental Notice. Accordingly, all relevant mitigation from the EA and best management practices will be implemented to address the minimum impacts of this action.

REMARKS:

In accordance with Section 171-55 HRS, relating to <u>Permits</u>, the Department of Transportation proposes to issue a month-to-month revocable permit to HPA for commercial use of a T-hangar for the storage and maintenance of aircraft and an office to support its commercial helicopter tour operations.

The DOTA is constructing new T-hangars at KOA under State Project No. AH2023-16, furnish and deliver new T-hangars, KOA at Ellison Onizuka Kona International Airport at Keāhole, Kailua-Kona (Project). The Project is nearly completed, and DOTA has solicited for appraisal services to determine the fair market lease rental values and commercial use rental values for the new T-hangars at KOA. While DOTA waits for the appraisal report to determine the monthly rental, DOTA is requesting Land Board approval to issue a month-to-month revocable permit to HPA.

RECOMMENDATION:

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

Samo Q. Case

SUZANNE D. CASE Chairperson and Member

