



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

IN REPLY REFER TO:

FEBRUARY 25, 2022

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

ISSUANCE OF A HANGAR FACILITIES LEASE FOR CARGO OPERATIONS
BY NOTICE OF PUBLIC AUCTION
DANIEL K. INOUE INTERNATIONAL AIRPORT
TAX MAP KEY: (1) 1-1-72: 22

O'AHU

REQUEST:

Issuance of an existing hangar facility for aeronautical cargo operations, at the Daniel K. Inouye International Airport (Airport) 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:

99 Mokuia Place, Honolulu, Hawai'i, Island of O'ahu, State of Hawai'i, identified by Tax Map Key: 1st Division, 1-1-72: portion of 22.

AREA:

Building/Room No. 213-101, containing a footprint of approximately 14,351 square feet;
Building/Room No. 213-102, containing a footprint of approximately 2,476 square feet;
Area Space No. 009-117A, containing approximately 10,477 square feet;
Area/Space No. 009-117B, containing approximately 10,350 square feet; and
Area/Space No. 009-117C, containing approximately 11,095 square feet of improved, paved land, as shown and delineated on the attached map labeled Exhibit A.

ZONING:

State Land Use District: Urban
City and County of Honolulu: I-2 (Industrial)

ITEM M-2

BLNR – ISSUANCE OF A HANGAR FACILITIES LEASE FOR AERONAUTICAL CARGO
OPERATIONS BY NOTICE OF PUBLIC AUCTION

Page 2

LAND TITLE STATUS:

Section 5(b) lands (ceded) of the Hawai‘i Admission Act.

DHHL 30% entitlement lands pursuant to the Hawai‘i Admission Act: YES ___ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor’s Executive Order No. 3201, setting aside a portion of the Airport under the control and management of the Department of Transportation, Airports Division (DOTA), State of Hawai‘i, for Airport Purposes.

CHARACTER OF USE:

Aeronautical hangar for the purpose of cargo operations.

TERM OF LEASE:

Ten (10) years.

COMMENCEMENT DATE:

Upon execution of the Lease.

MINIMUM UPSET ANNUAL RENTAL AND RENTAL REOPENINGS:

Years 1 – 5 \$262,501.20 per annum (as determined from the DOTA schedule of rates and charges established by appraisal of Airports property statewide).

Years 6 – 10 115% x the annual rent for year five (5) of the Lease term.

PERFORMANCE BOND:

The sum equal to three (3) times the monthly annual rental in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The environmental impacts of the proposed action to the subject land area are covered by the Honolulu International Airport Master Plan Update and Noise Compatibility Program Environmental Assessment (EA), State Project No. AO1011-03. The EA is a joint State and Federal document dated September 1989, and published in the October 23, 1989 issue of the OEQC Bulletin. Accordingly, relevant mitigation from the EA and DOTA environmental best management practice will address minimal impacts from this action.

BLNR – ISSUANCE OF A HANGAR FACILITIES LEASE FOR AERONAUTICAL CARGO
OPERATIONS BY NOTICE OF PUBLIC AUCTION

Page 3

REMARKS:

In accordance with Sections 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 a Hangar Facilities Lease for aeronautical cargo operations.

RECOMMENDATION:

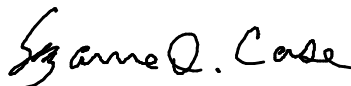
That the Board authorize the DOT to issue a Hangar Facilities Lease by Notice of Public Auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; and (2) such additional terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval of the Department of the Attorney General as to the lease form and content.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member

