

DAVID Y. IGE
GOVERNOR



FORD N. FUCHIGAMI
DIRECTOR

Deputy Director
ROSS M. HIGASHI

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

IN REPLY REFER TO:

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

AMENDMENT NO. 1 TO STATE LEASE NO. DOT-A-13-0015
FOR ADDITIONAL SPACE
ABLE FREIGHT SERVICES, INC.
KONA INTERNATIONAL AIRPORT AT KEAHOLE
TAX MAP KEY: (3) 2-1-12: PORTION OF 90

HAWAII

The Department of Transportation, Airports Division (DOTA) and Able Freight Services, Inc. entered into State Lease No. DOT-A-13-00015 (referred to as the "Lease"), dated September 10, 2013, to operate and maintain its air cargo, freight forwarding, and import/export operations at Kona International Airport at Keahole (KOA), Island of Hawaii

REQUEST:

Able Freight Services, Inc. desires to amend the Lease previously approved by the Land Board by adding Space Nos. 103-112 and 103-113 to the Lease.

APPLICANT:

ABLE FREIGHT SERVICES, INC. (AFS), a California corporation, authorized to do business in the State of Hawaii

LEGAL REFERENCE:

Subsection 171-59(b), Hawaii Revised Statutes (HRS), as amended

LOCATION AND TAX MAP KEY:

Portion of KOA, Kona, Island of Hawaii, identified by
Tax Map Key: 3rd Division, 2-1-12: Portion of 90

ITEM M-4

AREAS:

Original: Bldg/Room No. 103-111, and Area/Space No. 516-101C, containing an area of approximately 975 and 400 square feet, respectively, of cargo building and uncovered ramp areas, respectively, as shown and delineated on the attached Exhibit B, dated August 2013

As Amended: Bldg/Room Nos. 103-111, -112, -113, and Area/Space No. 516-101C, containing an area of approximately 975; 1,000; 1,000, and 400 square feet, respectively, of cargo building and uncovered ramp areas, as shown and delineated on the attached Exhibit C dated December 2014

ZONING:

State Land Use: Urban
County: Industrial (ML-20)

LAND TITLE STATUS:

Section 5(a), Hawaii Admissions Act: Non-ceded
DHHL, 30% entitlement lands Yes _____ No X

CURRENT USE STATUS:

Airport purposes

CHARACTER OF USE:

Operate and maintain an air cargo, freight forwarding, and import/export operation

TERM OF LEASE:

Ten (10) years

LEASE COMMENCEMENT DATE

November 1, 2013

ANNUAL LAND RENTALS:

<u>Original:</u>		<u>As Amended:</u>	
Lease years 1-5:	\$10,219.20	Lease years 1-5:	\$52,393.20
Lease years 6-10:	\$11,752.08	Lease years 6-10:	\$60,252.24

REOPENING OF ANNUAL LAND RENTALS:

None

PERFORMANCE BOND:

Sum equal to the annual land rentals in effect

MINIMUM IMPROVEMENTS REQUIREMENT:

None

ANNUAL LAND RENTAL COMMENCEMENT:

The Lessee is current on its payment of the annual rental. Upon execution of the amendment, Lessee shall be responsible for paying the amended rental amount.

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site
Improvements: Operate and maintain an air cargo, freight forwarding, and import/export operation

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements, because the proposed action falls within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii, Department of Transportation, dated November 15, 2000, as approved by the Environmental Quality Council. Exemption Class #1 covers operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving negligible or no expansion or change of use beyond that previously existing.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u> </u>
Registered business name confirmed:	YES <u>X</u>	NO <u> </u>
Good standing confirmed:	YES <u>X</u>	NO <u> </u>

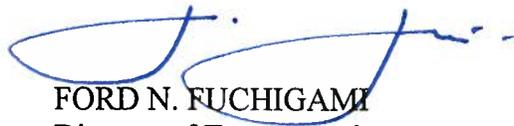
REMARKS:

The DOTA and AFS entered into the Lease dated September 10, 2013, to operate and maintain an air cargo, freight forwarding, and import/export operation at KOA. The original issuance of the direct Lease by negotiation was determined to encourage competition within the aeronautical, airport-related industries, and therefore, met the requirement set forth in Subsection 171-59(b), HRS, as amended. AFS now requests Space Nos. 103-112 and 103-113 be added to the Lease to operate and maintain an air cargo, freight forwarding, and import/export operation at KOA. The DOTA, in the public interest, has no objection to AFS' request.

RECOMMENDATION:

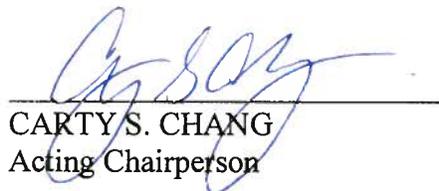
That the Board approves Amendment No. 1 to the Lease subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Interim Director of Transportation to best serve the interests of the State; and, (3) review and approval of the Department of the Attorney General as to the amendment's form and content.

Respectfully submitted,

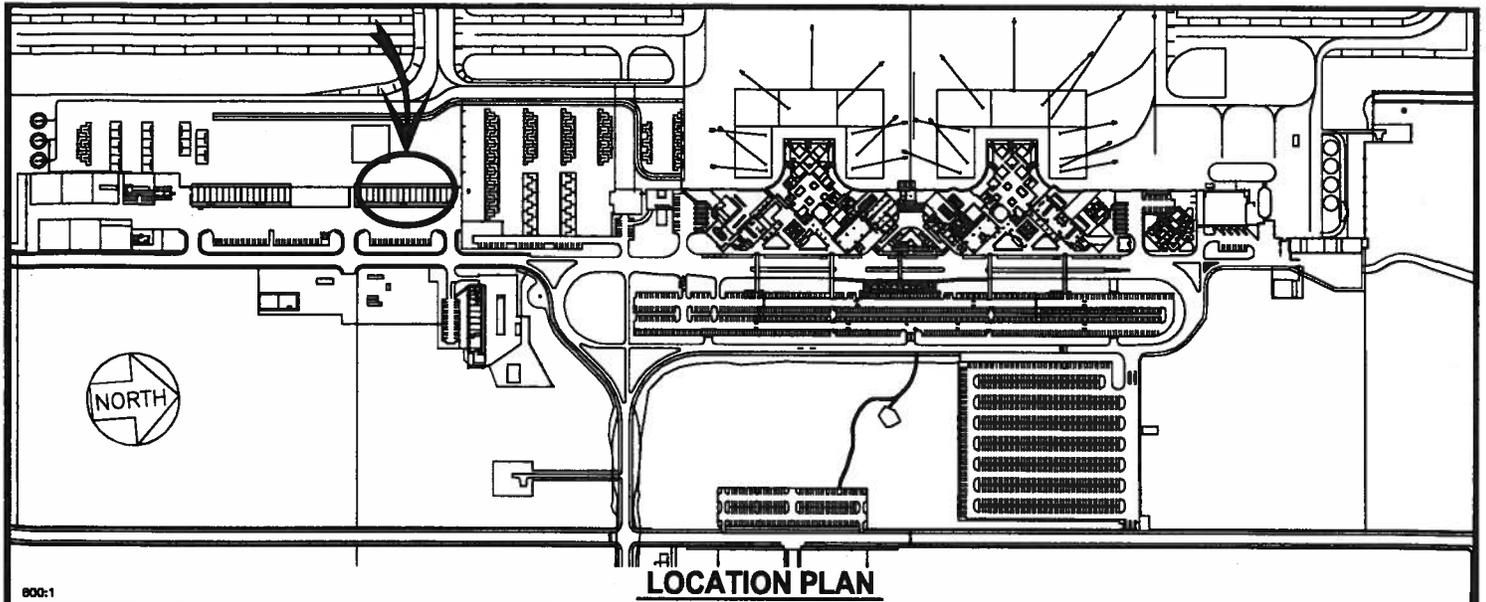


FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:

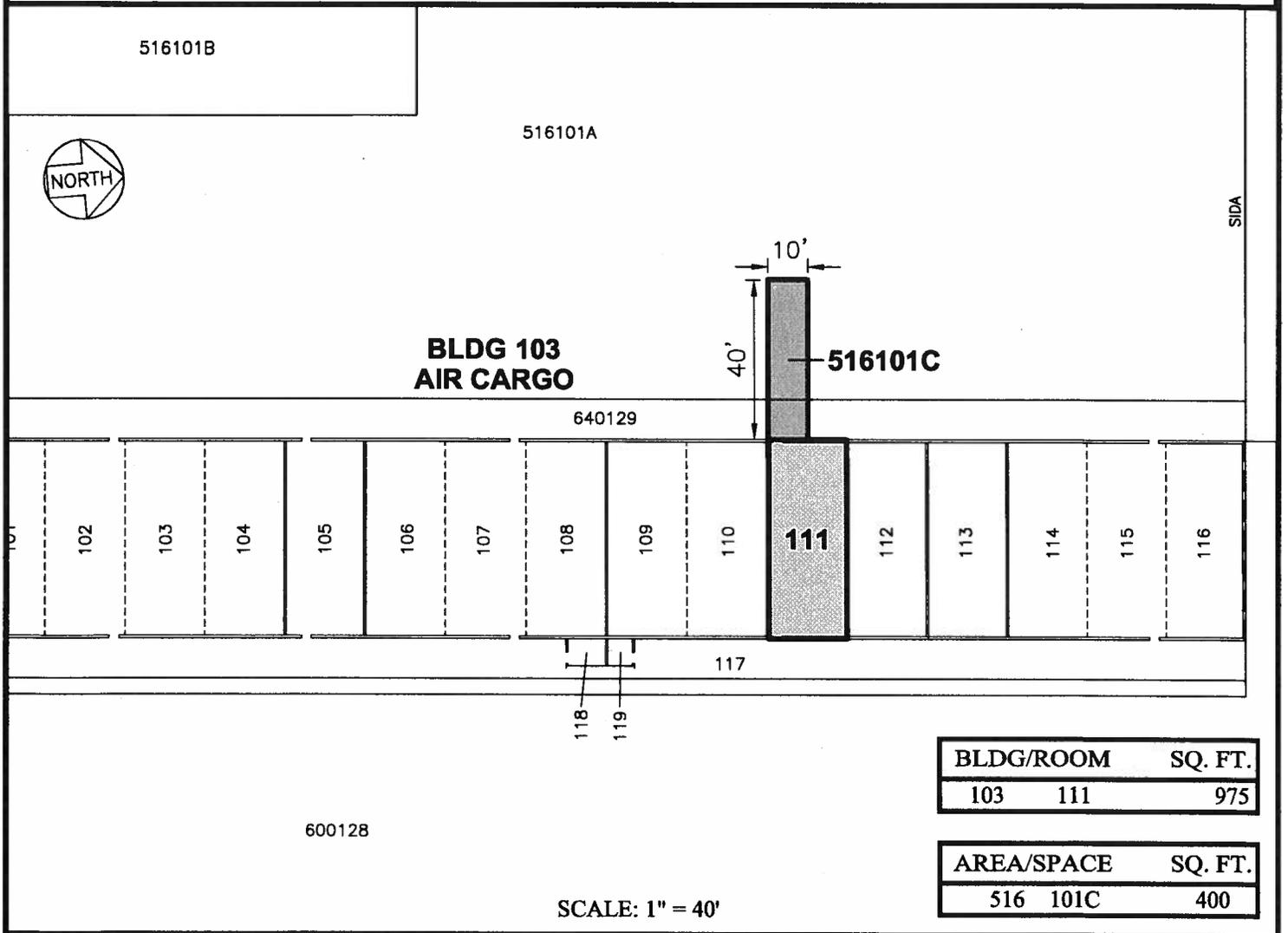


CARTY S. CHANG
Acting Chairperson



LOCATION PLAN

800:1



**BLDG 103
AIR CARGO**

516101C

SIDA

BLDG/ROOM	SQ. FT.
103 111	975

AREA/SPACE	SQ. FT.
516 101C	400

SCALE: 1" = 40'

DOTA-13-0015

DATE : AUGUST 2013

EXHIBIT: **B**

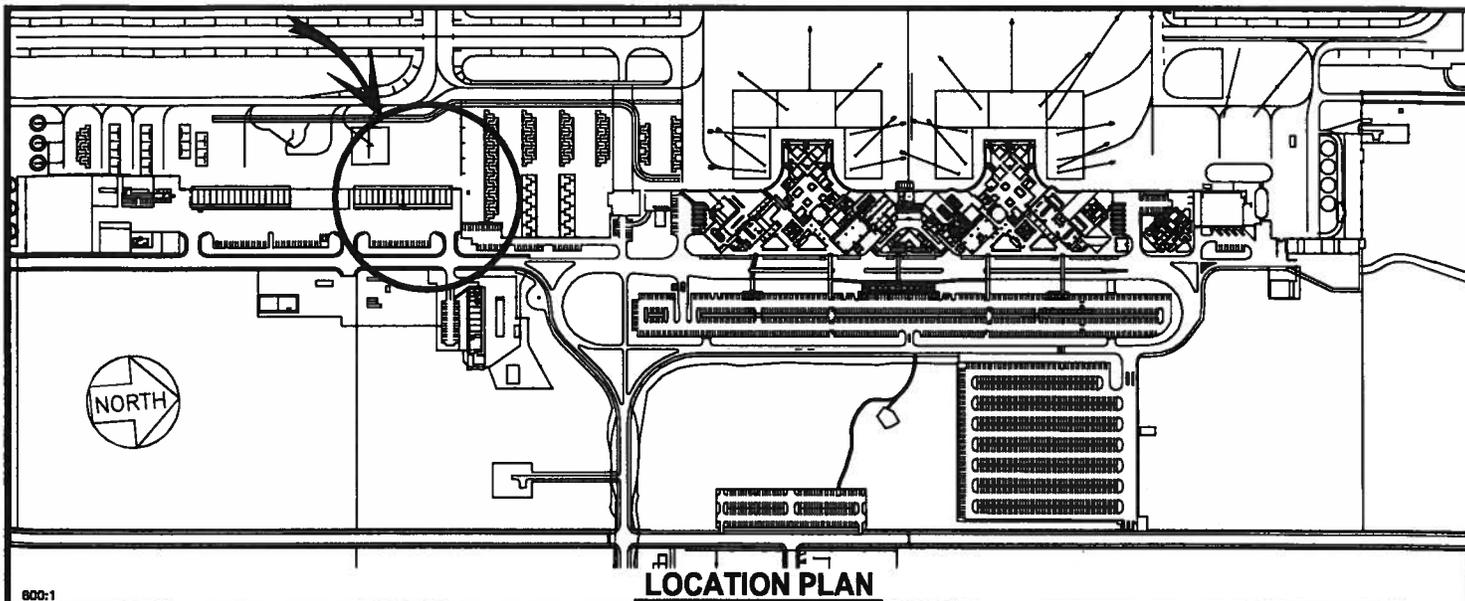


**ABLE FREIGHT
SERVICES, INC.**

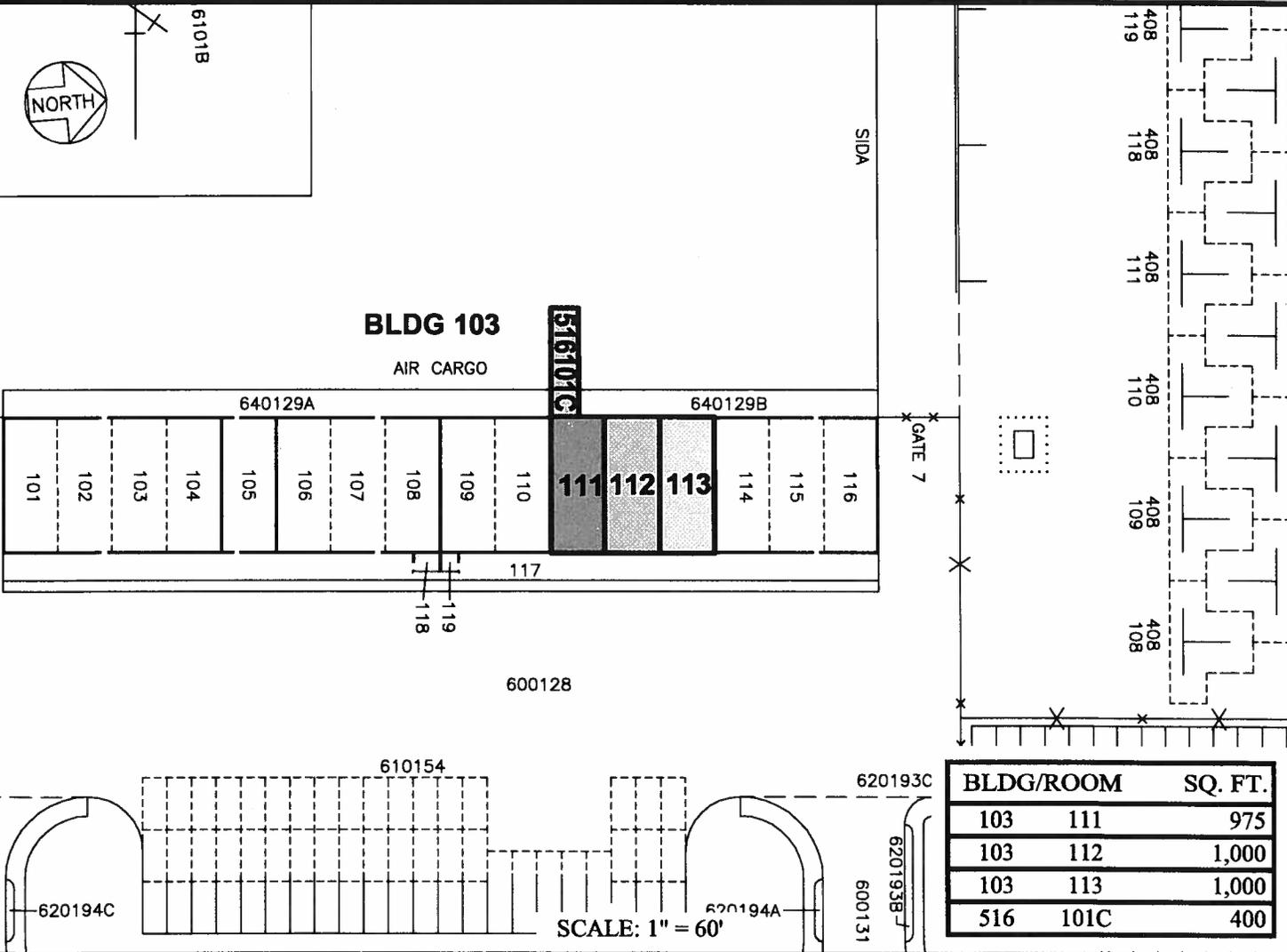
**BUILDING 103
AIR CARGO
GROUND LEVEL**

**103111
516101C
PLATS C1, 39**

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800:1



DOT-A-13-0015 Amendment No. 1

DATE : DECEMBER 2014

EXHIBIT: **C**



Airports Division

ABLE FREIGHT SERVICES, INC

BUILDING 103
AIR CARGO
GROUND LEVEL

103111-113,
516-101C
PLATS C1, 39

KONA INTERNATIONAL AIRPORT AT KEAHOLE

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