

DAVID Y. IGE  
GOVERNOR



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

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO:

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

ISSUANCE OF A DIRECT LEASE FOR SPACE  
FOR A PLANT AND ANIMAL QUARANTINE STATION  
NEW CARGO BUILDING  
STATE OF HAWAII, DEPARTMENT OF AGRICULTURE,  
HILO PLANT QUARANTINE BRANCH  
HILO INTERNATIONAL AIRPORT  
TAX MAP KEY: (3) 2-1-12: PORTION OF 90

HAWAII

REQUEST:

Issuance of a Direct Lease for a cargo space in the New Cargo Building at Hilo International Airport

LEGAL REFERENCE:

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

APPLICANT:

State of Hawaii, Department of Agriculture, Hilo Plant Quarantine Branch (SDA) whose business address is 16 East Lanikaula, Hilo, Hawaii, 96720

LOCATION AND TAX MAP KEY:

Portion of Hilo International Airport (ITO), Hilo, Island of Hawaii, identified by Tax Map Key: 3rd Division, 2-1-12: Portion of 90

AREA:

Bldg/Room Nos. 139-109 and 139-114, containing areas of approximately 693 and 1,552 square feet, respectively as shown on the attached Exhibit "B".

ZONING:

State Land Use District:  
County of Hawaii:

Urban  
Industrial (ML-20)

**ITEM M-12**

BLNR – ISSUANCE OF A DIRECT LEASE  
NEW CARGO BUILDING, STATE DEPARTMENT  
OF AGRICULTURE, HILO PLANT QUARANTINE BRANCH  
PAGE 2

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admission Act: Ceded  
DHHL 30% entitlement lands pursuant to Hawaii Admission Act YES \_\_\_ NO X

CURRENT USE STATUS:

Airport purposes

CHARACTER OF USE:

Plant and animal quarantine station

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available on the site  
Improvements: All improvements in place

TERM OF LEASE:

Thirty (30) years

COMMENCEMENT DATE:

To be determined by the Director of Transportation

ANNUAL RENTAL:

Years 1 thru 5	\$33,675.00
Years 6 thru 10	\$38,726.25
Years 11 thru 15	\$44,535.19
Years 16 thru 20	Reopening at fair market rent (FMR) thru independent appraisal
Years 21 thru 25	115% x rental of year 20
Years 26 thru 30	Reopening at fair market rent (FMR) thru independent appraisal

PERFORMANCE BOND:

None required

DCCA VERIFICATION:

Place of business registration confirmed:	Not applicable
Registered business name confirmed:	Not applicable
Good standing confirmed:	Not applicable

BLNR – ISSUANCE OF A DIRECT LEASE  
NEW CARGO BUILDING, STATE DEPARTMENT  
OF AGRICULTURE, HILO PLANT QUARANTINE BRANCH  
PAGE 3

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The new cargo building at ITO was included in the April 2003 Final Environmental Assessment (FEA). The FEA was prepared in support of: (1) Federal actions consisting of approval of the Airport Layout Plan in July 2013, and (2) the State of Hawaii actions consisting of environmental approval and construction of proposed Hilo International Airport Improvements. The FEA was prepared pursuant to Chapter 343, Hawaii Revised Statutes and the Administrative Rules, Title 11, Chapter 200 of the State of Hawaii Department of Health

REMARKS:

In accordance with Section 171-59(b), HRS, as amended, relating generally to Management and Disposition of Public lands and relating specifically to Disposition by negotiation, the Department of Transportation (DOT) proposes to issue a direct lease to SDA for the operation and maintenance of a plant and animal quarantine station at ITO. The DOT has determined the issuance of this direct lease encourages competition and is essential to the aeronautical and airport-related industries at ITO.

RECOMMENDATION:

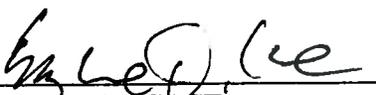
That the Board authorize the DOT to issue a direct lease to SDA, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3)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

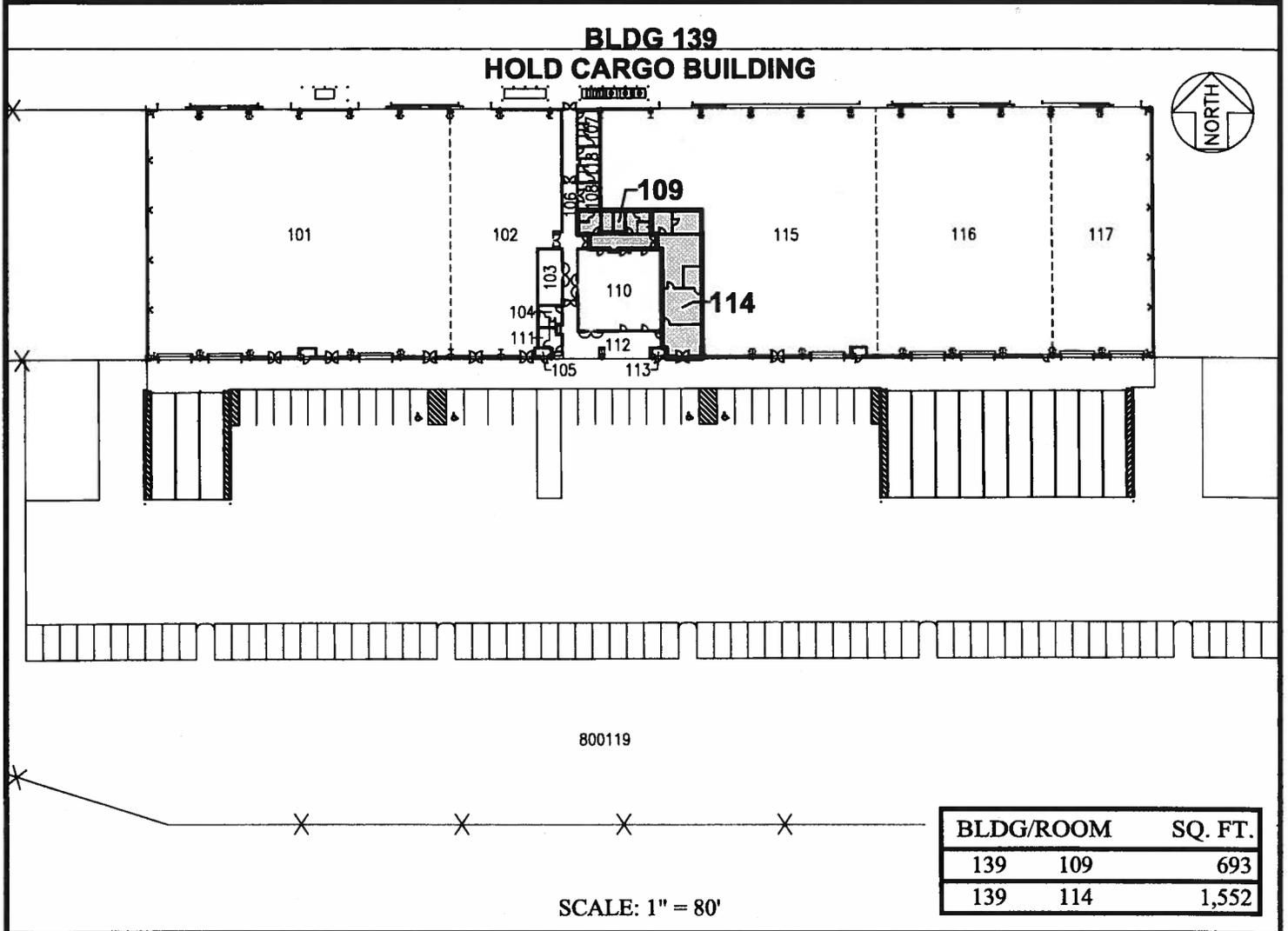
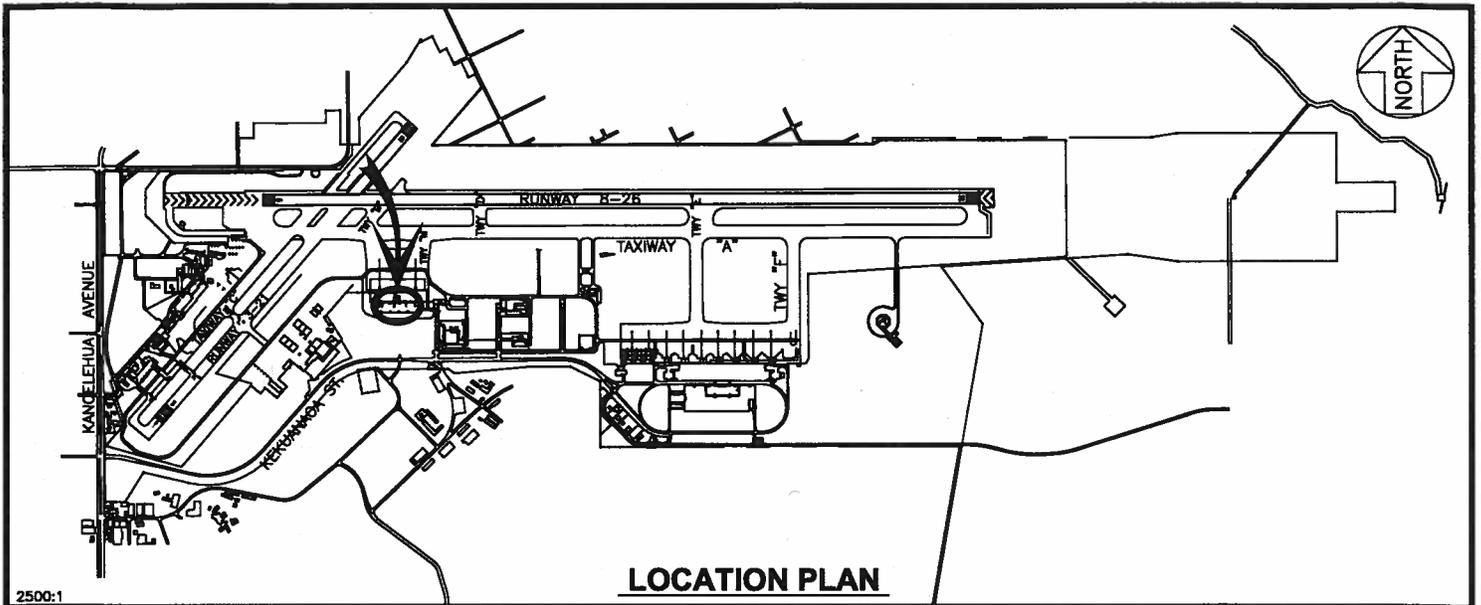
Respectfully submitted,



FORD N. FUCHIGAMI  
Director of Transportation

APPROVED FOR SUBMITTAL:

  
\_\_\_\_\_  
SUZANNE D. CASE  
Chairperson and Member



DATE : APRIL 2015 EXHIBIT: **B**

	STATE OF HAWAII, DEPARTMENT OF AGRICULTURE, HILO PLANT, QUARANTINE BRANCH	BUILDING 139 HOLD CARGO BUILDING GROUND LEVEL	139109 139114
			PLAT 31

**HILO INTERNATIONAL AIRPORT**