



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

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IN REPLY REFER TO:

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

ISSUANCE OF A FIXED-BASE FACILITY LEASE
HELICOPTER CONSULTANTS OF MAUI, LLC
LIHUE AIRPORT
TAX MAP KEY: (4) 3-5-01: PORTION OF 8

KAUAI

REQUEST:

Issuance of a fixed-base facility (FBO) lease to Helicopter Consultants of Maui, LLC for the development, construction, operation, use and maintenance of a fueling and parking facility, and for its storage of equipment for commercial helicopter operations at Lihue Airport.

APPLICANT:

HELICOPTER CONSULTANTS OF MAUI, LLC (HCML), a Hawaii Limited Liability Company, authorized to do business in the State of Hawaii.

LEGAL REFERENCE:

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

LOCATION AND TAX MAP KEY:

Portion of Lihue Airport, Lihue, Island of Kauai, identified by
Tax Map Key: 4th Division, 3-5-01: Portion of 8

AREAS:

Area/Space No. 004-133 and 004-134, containing a land area of approximately 19,912 square feet each of improved/ unpaved general aviation lands as shown and delineated on the attached exhibit labeled "Exhibit A".

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BLNR – ISSUANCE OF A FIXED-BASE FACILITY LEASE
HELICOPTER CONSULTANTS OF MAUI, LLC
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ZONING:

State Land Use: Urban
County: Industrial (IG-STP)

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:

Development, construction, operation, use and maintenance of a fixed-base facility for fueling and parking, and for equipment storage for commercial helicopter operations

TERM OF LEASE:

Twenty-two (22) years

LEASE COMMENCEMENT DATE:

To be determined by the Director of Transportation

ANNUAL LAND RENTALS:

Lease years 1-5: \$ 69,293.76
Lease years 6-10: \$ 79,687.82
Lease years 11-15: \$ 91,641.00
Lease years 16-20: Fair market rental determined by an independent appraisal
Lease years 21 & 22: 115% of the annual lease rental of Lease year 20

PERFORMANCE BOND:

Sum equal to the annual land rental then in effect

ANNUAL LAND RENTAL COMMENCEMENT:

The annual land rental payable to DOTA shall commence on the day the lessee first physically occupies and uses the demised premises for the character of use stated above, or twelve (12) months from the effective date of the lease, whichever occurs sooner.

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site

Improvements: HCML desires to develop, construct, operate, use and maintain a fixed base facility for fueling, parking and equipment storage for commercial helicopter operations on the proposed leased premises.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

The subject land areas are covered by the Environmental Assessment for Lihue Airport Ahukini Road Realignment and General Aviation Subdivision dated March 6, 1997. This Environmental Assessment evaluated the environmental effects of the recommended Airport Plan to realign Ahukini Road and the development of a General Aviation Subdivision. The assessment was prepared by the State of Hawaii, Department of Transportation, Airports Division.

DCCA VERIFICATION:

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

REMARKS:

In accordance with Section 171-59(b), HRS, relating to Management and Disposition of Public Lands and relating specifically to Disposition by Negotiation, the Department of Transportation proposes to issue a FBO lease to HCML for the purpose of developing, constructing, operating, using and maintaining a fixed-base facility for its commercial helicopter operations.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a FBO lease to HCML 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 the lease form and content.

Respectfully submitted,



FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member

