STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

May 8, 2015

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii 15KD-030

Kauai

Consent to Extension of Sublease under General Lease No. S-3852, United States of America, Department of the Navy, Sublessor, to New Cingular Wireless PCS, LLC dba AT & T Mobility, Sublessee, Waimea, Kekaha, Kauai, Tax Map Key: (4) 1-2-002:por. 026.

APPLICANT:

United States of America, Department of the Navy, as Sublessor, to New Cingular Wireless PCS, LLC dba: AT & T Mobility, as Sublessee.

LEGAL REFERENCE:

Section 171-36(a)(6), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Kekaha, Waimea, Kauai, identified by Tax Map Key: (4) 1-2-002:por. 026, as shown on the attached map labeled Exhibit A.

AREA:

216 square feet, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

LEASE CHARACTER OF USE:

Military and scientific purposes of the government, road access and utility right-of-way.

TERM OF LEASE:

65 years, commencing on August 20, 1964 and expiring on August 19, 2029.

ANNUAL LEASE RENTAL:

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SUBLEASE CHARACTER OF USE:

Telecommunication Equipment purposes.

TERM OF SUBLEASE:

The term of the existing sublease is 5 years, commencing on November 29, 2010 and expiring on November 28, 2015. Extensions are for the following periods through the end of the lease term under General Lease No. S-3852:

1st Extension:

11/29/15 to 11/28/20

2nd Extension:

11/29/20 to 11/28/25

3rd Extension:

11/29/25 to 8/19/29

Staff is seeking Board approval for all the extensions now, in the event the sublessee exercises the second and third extension options.

ANNUAL SUBLEASE RENTAL:

Currently, \$21,600.00 payable in advance in monthly installments of \$1,800.00, due by the first day of each and every month.

For the sublease extension periods, staff recommends sublessee be charged fair market rent to be determined by independent appraiser, subject to review and approval by the Chairperson. The appraiser will be contracted for by the Department of Land and Natural Resources, but the cost of the appraisal shall be borne by the sublessee.

DCCA VERIFICATION:

SUBLESSOR: The Navy is not required to register with the Department of Commerce and Consumer Affairs.

SUBLESSEE:

Place of business registration confirmed:

YES

Registered business name confirmed:

YES

Good standing confirmed:

YES

REMARKS:

General Lease No. S-3852 was issued to the United States of America for sixty-five (65) years commencing on August 20, 194 and expiring on August 19, 2029.

On October 25, 2002, under Item D-5, the Board approved the United States of America, Department of the Navy's request to amend General Lease No. S-3852 to allow subleasing of the demised premises for privately owned telecommunication equipment.

As part of this agreement and because the Navy pays no rent for the land, all of the revenues collected under the subleases are paid to the State.

On January 9, 2004, under Item D-22, the Land Board approved the Conservation District Use Application (KA-3150B) to develop a telecommunications facility at PMRF for Nextel Partners.

On March 12, 2004, under Item D-11, the Land Board approved the Consent to Sublease General Lease No. S-3852, United States of America, Department of the Navy, Sublessor, to Nextel WIP Lease Corp. dba Nextel Partners, Sublessee, for the installation, operation, maintenance, repair and replacement of wireless communication equipment, including a monopole, equipment shelter, antennas transmitters, cables and appurtenant equipment.

On November 14, 2008, under Item D-1, the Board approved a sublease between the Navy and New Cingular Wireless PCS. LLC (Navy License No. N62710RP00019) for the purposes of collocating panel antennas on Nextel's existing monopole. Both New Cingular Wireless and Nextel share the common monopole facility.

This sublease to New Cingular Wireless PCS, LLC dba AT & T Mobility, is for telecommunication equipment purposes including nine panel antennas on Nextel's existing monopole. Five radio equipment cabinets are placed at the base of the pole and connect to the antenna by a coaxial cable. The cabinets sit on a poured concrete slab pad occupying a land area of 216 square feet. All Cingular facilities are collocated with existing Nextel facilities.

Staff has no objection to the extension of sublease to New Cingular Wireless PCS dba AT & T Mobility for telecommunications equipment purposes. Furthermore, the annual sublease rent is paid directly to the Department of Land and Natural Resources.

AT & T Mobility is in compliance with all lease terms and conditions.

Cingular Wireless PCS, LLC dba AT & T Mobility has not had a lease, permit, easement or other disposition of State lands terminated within the last five years, due to non-compliance with such terms and conditions.

There are no outstanding rental reopening issues.

No government agencies or interested groups were solicited for comment, as there will be no new dispositions or change in land use.

RECOMMENDATION:

That the Board consent to the sublease extensions under General Lease No. S-3852 between United States of America, Department of the Navy, as Sublessor, and New Cingular Wireless PCS, LLC dba AT & T Mobility, as Sublessee, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following terms and conditions:

- 1. The Sublessor and Sublessee shall comply with CDUA KA-3150B;
- 2. The standard terms and conditions of the most current consent to sublease form, as may be amended from time to time;
- 3. Review and approval by the Department of the Attorney General; and
- 4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

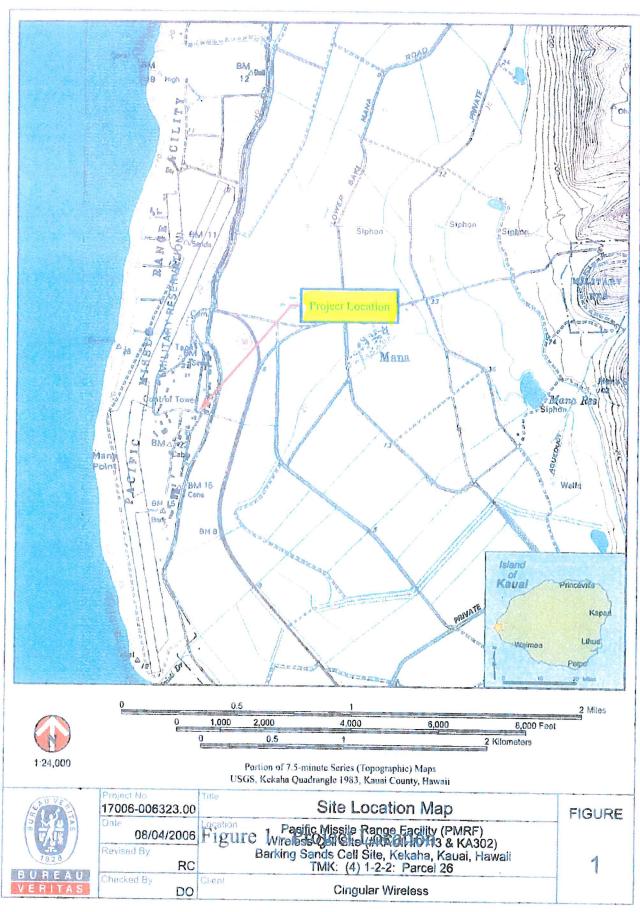
Respectfully Submitted,

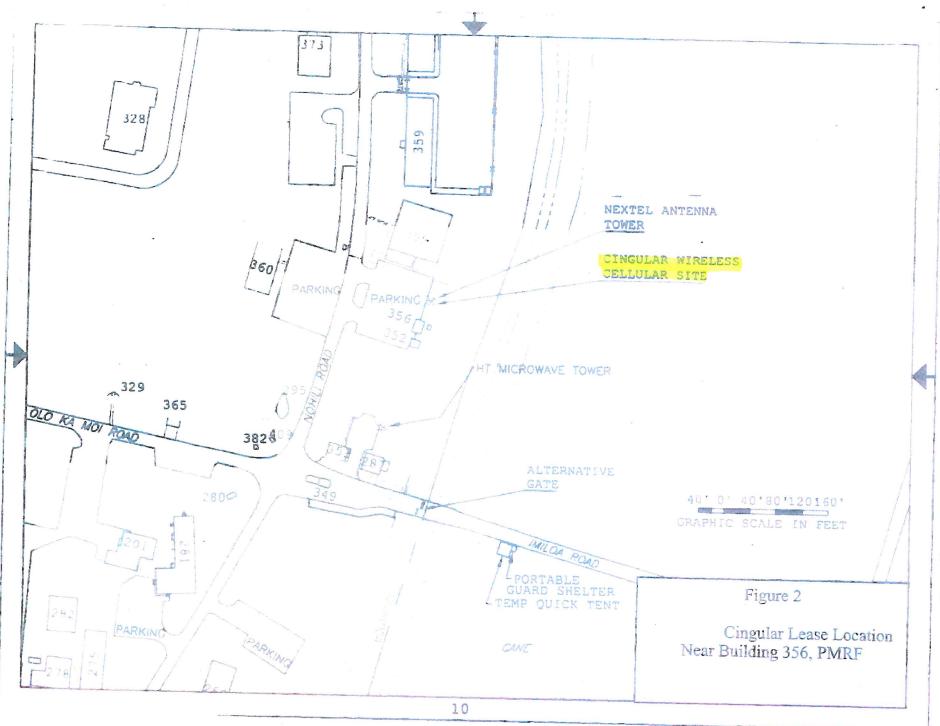
Marvin Mikasa

District Land Agent

APPROVED FOR SUBMITTAL:

Carty S. Chang, Acting Chairperson





Leased Premises

Attachment A

