

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 AIR CHARTER TERMINAL FACILITY LEASE  
KAISERAIR INC.  
KONA INTERNATIONAL AIRPORT AT KEAHOLE  
TMK: (3) 7-3-43: PORTION OF 003

HAWAII

REQUEST:

Issuance of a direct lease to Kaiserair Inc. to operate, maintain, and repair an air charter terminal facility at Kona International Airport at Keahole (KOA).

LEGAL REFERENCE:

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

APPLICANT:

Kaiserair Inc. (KAI), a Hawaii corporation

LOCATION AND TAX MAP KEY:

Portion of Kona International Airport at Keahole, Kailua-Kona, Island of Hawaii, identified by Tax Map Key: 3<sup>rd</sup> Division, 7-3-43: Portion of 003.

PREMISES:

EXHIBIT A

Area/ Space No. 800-101, containing an area of approximately 26,979 square feet of improved, paved land, and Building/ Room Nos. 347-101 thru -104, containing an area of approximately 3,235 square feet of floor space, and 2,828 square feet of office space

TERM OF LEASE:

Ten (10) years

**ITEM M-10**

BLNR – ISSUANCE OF A DIRECT AIR CHARTER TERMINAL FACILITY LEASE  
KAISERAIR INC.

Page 2

LEASE COMMENCEMENT DATE:

To be determined by the Director of Transportation

ANNUAL RENTALS AND RENTAL REOPENING:

Years 1 through 5: \$102,822.48

Years 6 through 10: Rental Reopening at Fair Market Rent determined by Independent Appraisal.

PERFORMANCE BOND:

Sum equal to the annual land rental then in effect

ZONING:

State Land Use District: Urban and Conservation  
County of Hawaii: Industrial (MG-1a) and Open

LAND TITLE STATUS:

Section 5(a), Hawaii Admission Act Ceded  
DHHL 30% entitlement lands Yes\_\_\_\_ No X

CURRENT USE STATUS:

Airport purposes

CHARACTER OF USE:

Operation, maintenance and repair of an air charter terminal facility

PROPERTY CHARACTERISTICS:

Utilities: All utilities are available at the site  
Improvements: All improvements exist at the site

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

BLNR – ISSUANCE OF A DIRECT AIR CHARTER TERMINAL FACILITY LEASE  
KAISERAIR INC.

Page 3

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 <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Registered business name confirmed:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
Good standing confirmed:	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

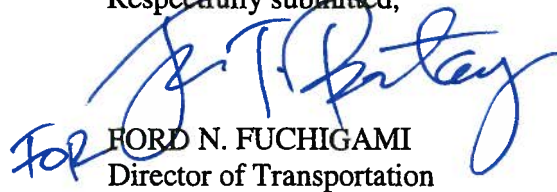
REMARKS:

In accordance with Subsection 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 KAI, for the operation, maintenance and repair of an air charter terminal facility. The DOT has determined that the issuance of this direct lease encourages competition and is essential to the aeronautical and airport-related industries at KOA.

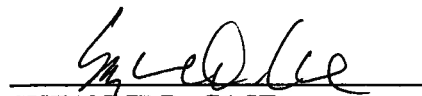
RECOMMENDATION:

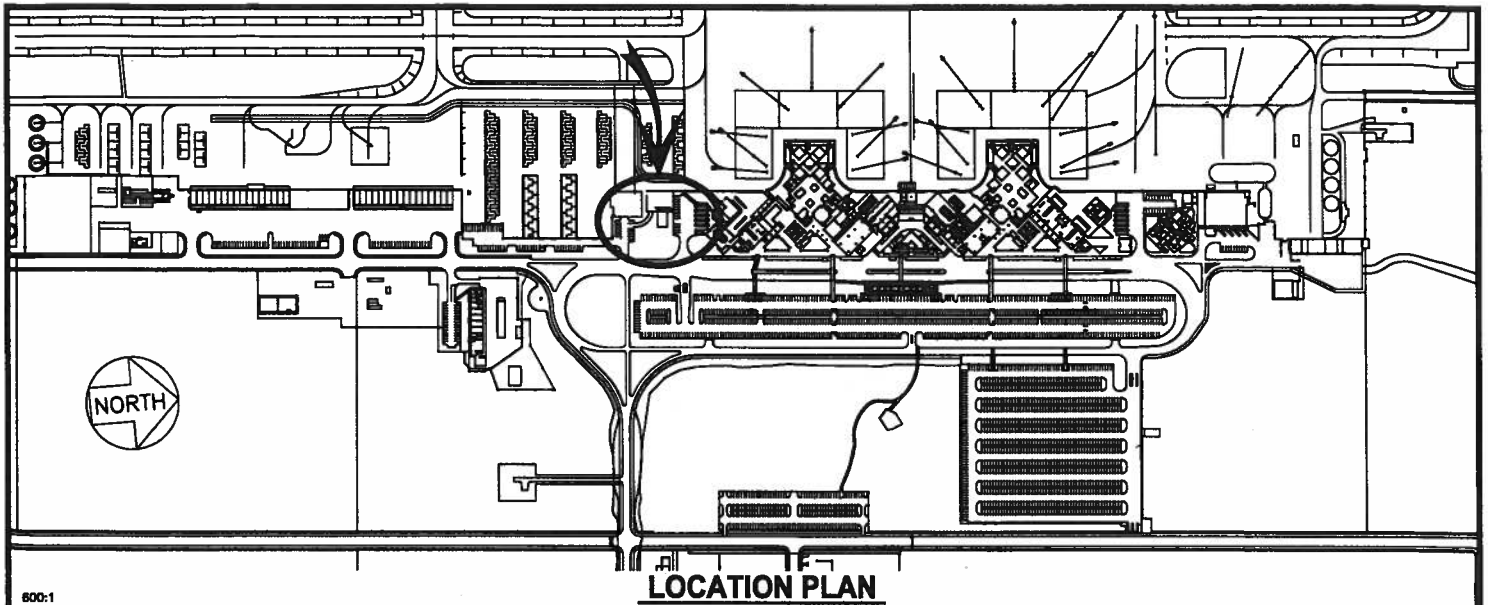
That the Board authorize the issuance of a direct lease for an air charter terminal facility to KAI at KOA, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve 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,

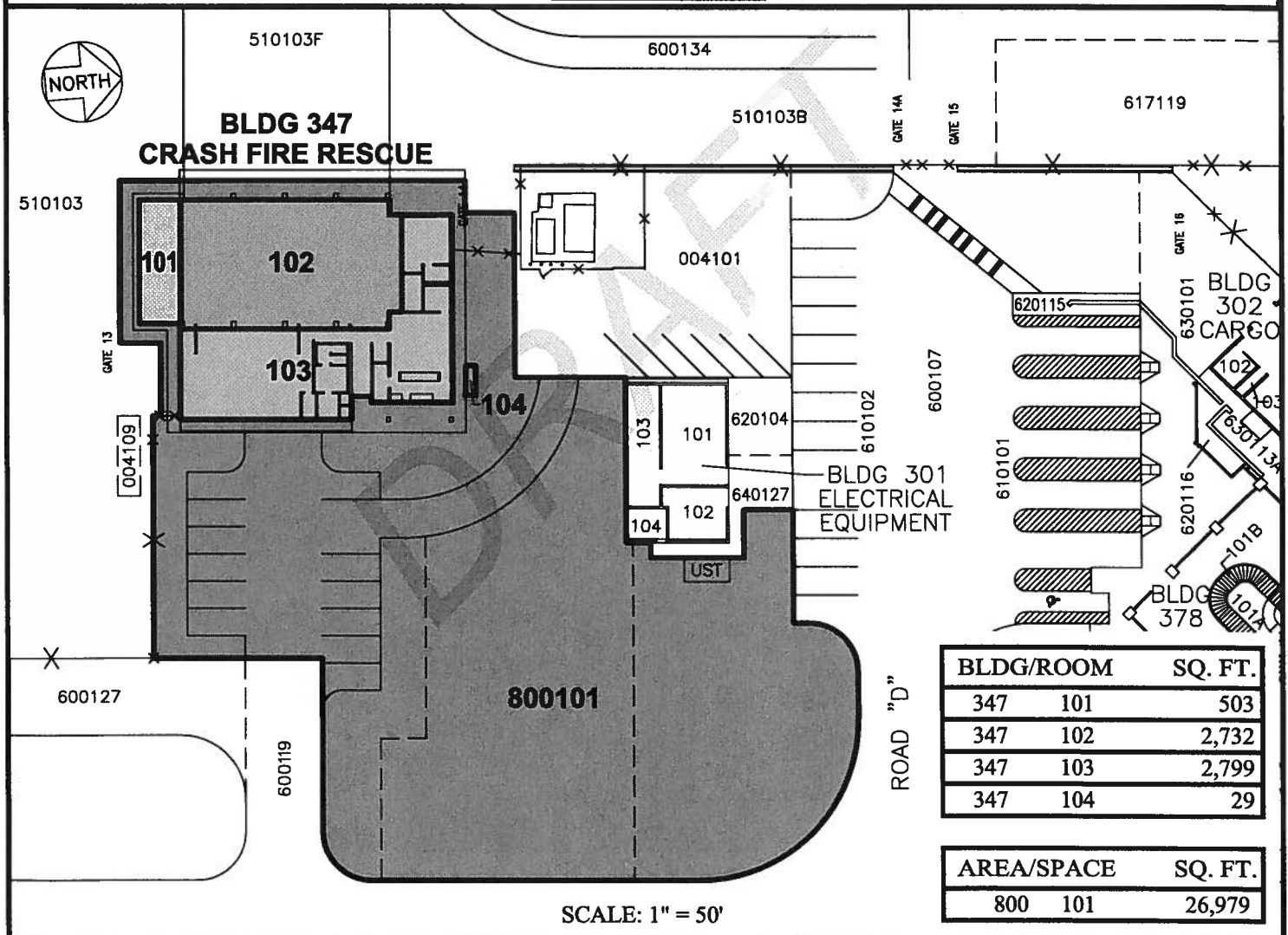
  
FORD N. FUCHIGAMI  
Director of Transportation

APPROVED FOR SUBMITTAL:

  
SUZANNE D. CASE  
Chairperson and Member




600:1



BLDG/ROOM	SQ. FT.
347 101	503
347 102	2,732
347 103	2,799
347 104	29

AREA/SPACE	SQ. FT.
800 101	26,979

<b>DRAFT</b>	DATE : NOVEMBER 2015	EXHIBIT: <b>A</b>	
 Airports Division	KAISERAIR, INC.	<b>BUILDING 347 CRASH FIRE RESCUE GROUND LEVEL</b>	<b>347101- 347104 800101</b> PLATS D1, 39, 59

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**KONA INTERNATIONAL AIRPORT AT KEAHOLE**