

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  
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IN REPLY REFER TO:

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

ISSUANCE OF AN AIR TERMINAL FACILITY LEASE BY PUBLIC AUCTION  
KONA INTERNATIONAL AIRPORT AT KEAHOLE  
TMK: (3) 7-3-43: PORTION OF 003

HAWAII

REQUEST:

Issuance of an Air Terminal Facility Lease by notice of public auction for the operation, maintenance, and repair of an air terminal facility at Kona International Airport at Keahole (KOA)

LEGAL REFERENCE:

Sections 171-14, -16, -17, -41, and other applicable sections of Chapter 171, Hawaii Revised Statutes, as amended

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.

AREAS:

Building/Room

347-101, -102, -103 and -104, containing a total area of approximately 6,063 square feet; and

Area/Space

800-101, containing a total area of approximately 26,979 square feet of improved, paved land, as shown and delineated on the attached Exhibit A

TERM OF LEASE:

Ten (10) years

**ITEM M-15**

COMMENCEMENT DATE:

Upon execution of the Lease

MINIMUM UPSET ANNUAL RENT AND RENTAL REOPENING:

Years 1 through 5: \$102,822.48, as determined by an independent appraisal establishing fair market rent

Years 6 through 10: Rental Reopening at Fair Market Rent determined by independent appraisal

EFFECTIVE RENTAL:

The amount of the successful bid at public auction

PERFORMANCE BOND:

The sum equal to the total annual rental then in effect

ZONING:

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

TRUST LAND STATUS:

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

CURRENT USE STATUS:

Vacant and unencumbered

CHARACTER OF USE:

Operation, maintenance and repair of an air terminal facility for business and commercial purposes

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 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.

REMARKS:

In accordance with Section 171-14, -16, -17, -41 and other applicable sections of Chapter 171, HRS, as amended, relating generally to Management and Disposition of Public Lands and relating specifically to Disposition by notice of public auction, the Department of Transportation (DOT) proposes to issue an air terminal facility lease through notice of public auction for the purpose of operating, maintaining and repairing of an air terminal facility at KOA. The DOT has determined that the issuance of this lease through notice of public auction encourages competition and is essential to the aeronautical and airport-related industries at KOA.

RECOMMENDATION:

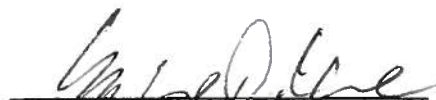
That the Board authorize the DOT to issue an air terminal facility lease through notice of public auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval by the Department of the Attorney General as to the lease form and content.

Respectfully submitted,

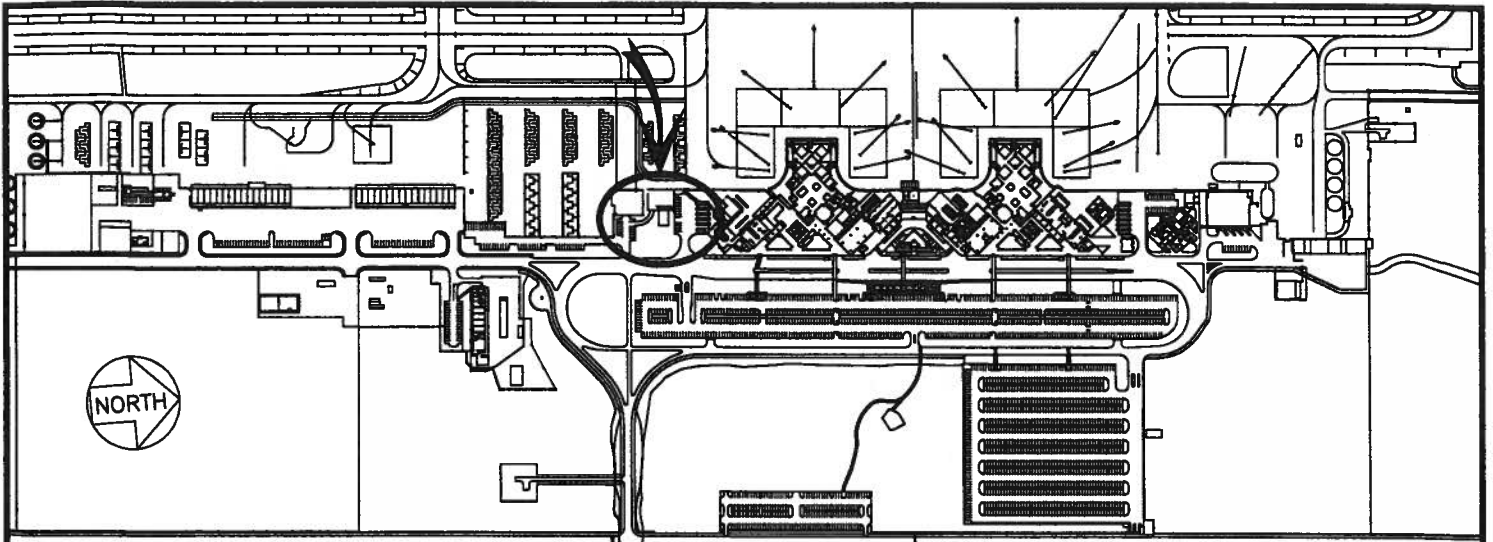


FORD N. FUCHIGAMI  
Director of Transportation

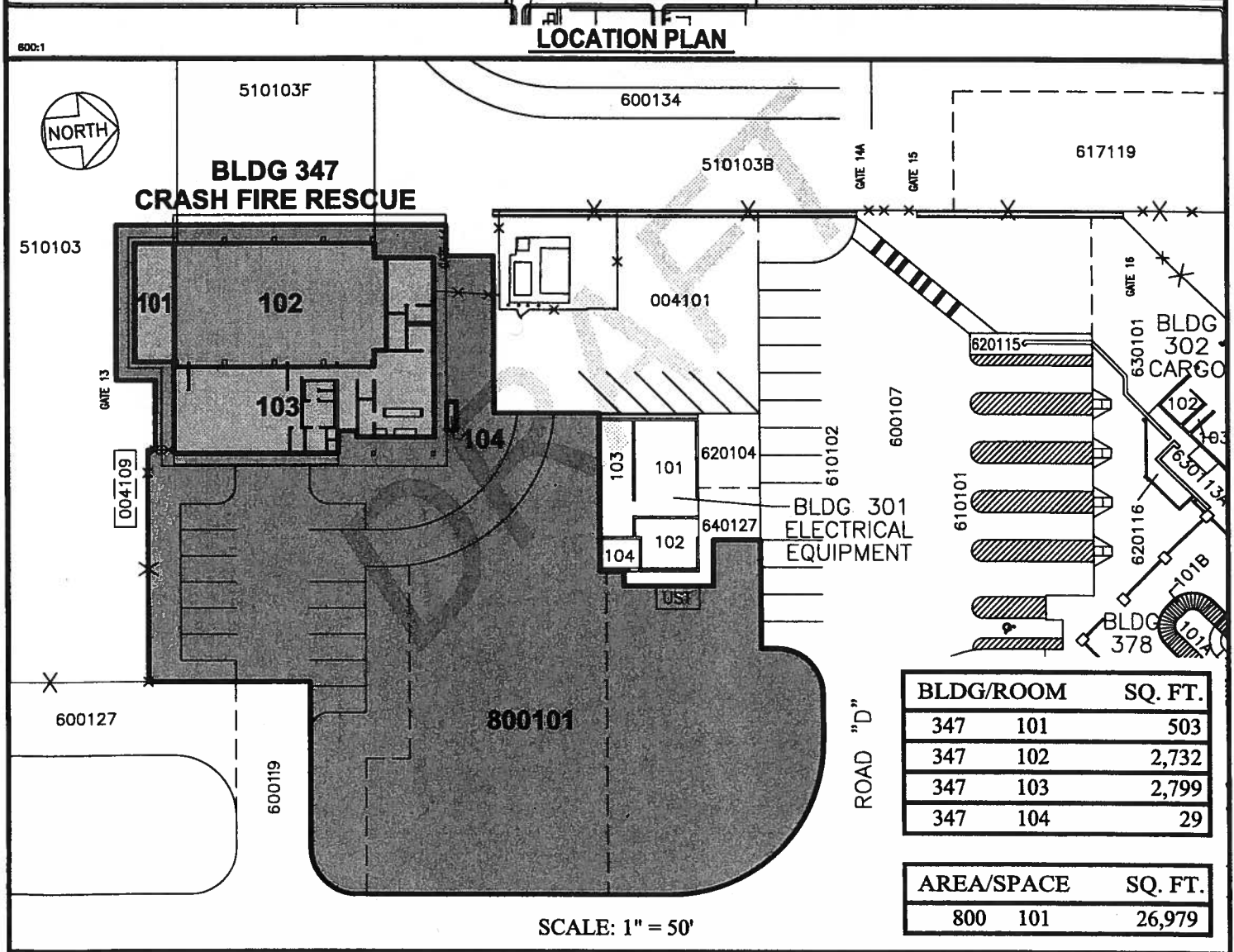
APPROVED FOR SUBMITTAL:



SUZANNE D. CASE  
Chairperson and Member



**LOCATION PLAN**



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

SCALE: 1" = 50'

DRAFT

DATE : NOVEMBER 2015

EXHIBIT: **A**



Airports Division

**BUILDING 347  
CRASH FIRE RESCUE  
GROUND LEVEL**

347101-  
347104  
800101  
PLATS D1, 39, 59