

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

EDWIN H. SNIFFEN DIRECTOR

Deputy Directors FORD N. FUCHIGAMI DREANALEE K. KALILI TAMMY L. LEE ROBIN K. SHISHIDO

IN REPLY REFER TO:

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

> ISSUANCE OF A LAND LEASE FOR AERONAUTICAL OR AIRPORT-RELATED PURPOSES BY NOTICE OF PUBLIC AUCTION DANIEL K. INOUYE INTERNATIONAL AIRPORT TAX MAP KEY: (1) 1-1-76: 002 (PORTION) **OAHU**

REQUEST:

Issuance of a Land Lease for the development, construction, use, operation and maintenance of a hangar or facility for aeronautical or airport-related purposes, at the Daniel K. Inouye International Airport (Airport) by Notice of Public Auction.

LEGAL REFERENCE:

Sections 171-14, -16, -17, -41, -59 and other applicable sections of Chapter 171, Hawaii Revised Statutes (HRS), as amended.

LOCATION AND TAX MAP KEY:

Located on the South Ramp of the Airport, Island of Oahu, State of Hawaii, identified by Tax Map Key: 1st Division, 1-1-76: 002 (portion).

AREA:

Area/Space No. 001-101A, containing an area of approximately 10,224 square feet of improved, paved land, as shown and delineated on the attached map labeled Exhibit A.

ZONING:

State Land Use District:

Urban

City and County of Honolulu: I-2 (Industrial)

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LAND TITLE STATUS:

Section 5(b) lands (ceded) of the Hawaii Admission Act.

DHHL 30% entitlement lands pursuant to the Hawaii Admission Act YES NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, dated June 8, 1983, setting aside 3,152.177 acres designated as Daniel K. Inouye International Airport under the control and management of the State of Hawaii, Department of Transportation (HDOT) for Airport Purposes.

CHARACTER OF USE:

Improved, paved land for the development, construction, use, operation and maintenance of a hangar or facility for aeronautical or airport-related purposes at the Airport.

TERM OF LEASE:

Ten (10) years.

COMMENCEMENT DATE:

Upon execution of the Lease.

MINIMUM UPSET ANNUAL RENTAL AND RENTAL REOPENINGS:

Years 1-5 \$72,999.36 per annum (as determined from the Schedule of Rates and Charges established by appraisal of Airports property statewide).

Years 6-10 115% x the annual rent for year five (5) of the Lease term.

PERFORMANCE BOND:

The sum equal to three (3) times the monthly annual rental in effect.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The environmental impacts of the proposed action to the subject land area are covered by the Honolulu International Airport Master Plan Update and Noise Compatibility Program Environmental Assessment (EA), State Project No. AO1011-03. The EA is a joint State and Federal document dated September 1989, and published in the October 23, 1989 issue of the OEQC Bulletin. Accordingly, relevant mitigation from the EA and HDOT environmental best management practice will address minimal impacts from this action.

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REMARKS:

In accordance with Sections 171-14, -16, -17, -41, -59 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 HDOT proposes to issue a Land Lease for aeronautical or airport-related purposes at the Airport.

171-59, HRS provides the following definition:

"Airport-related" means a purpose or activity that requires air transportation to achieve that purpose or activity; or an activity that generates revenue for the airport system as provided in section 261-7.

RECOMMENDATION:

That the Board authorize the HDOT to issue a Land Lease by Notice of Public Auction, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; and (2) such additional 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,

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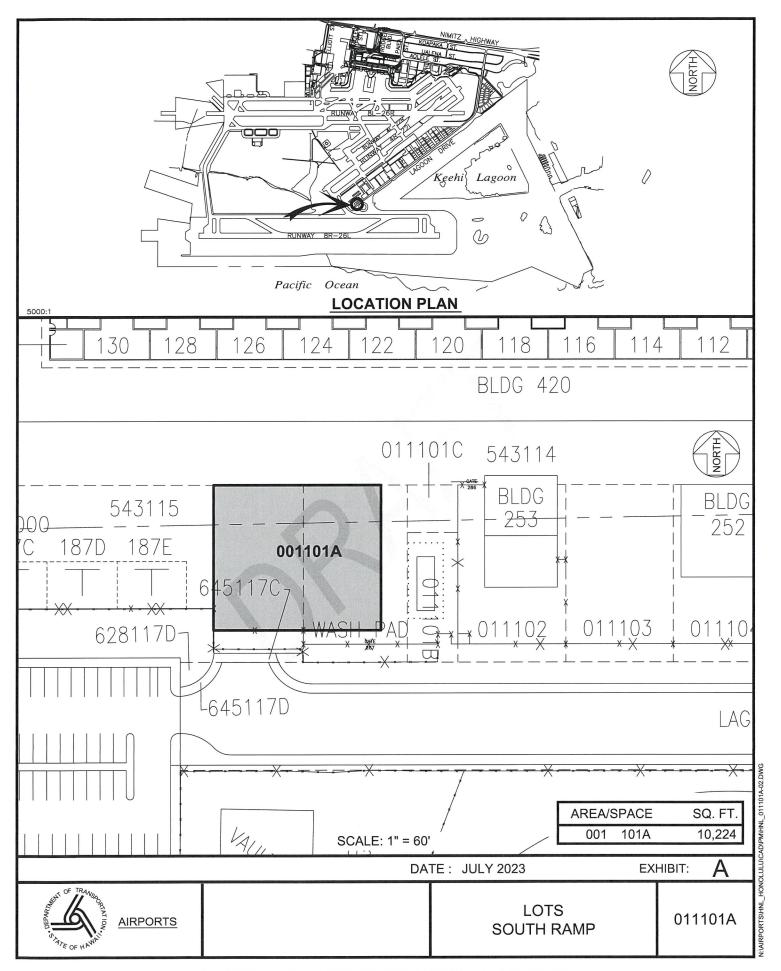
EDWIN H. SNIFFEN Director of Transportation

APPROVED FOR SUBMITTAL:

DAWN N. S. CHANG

Chairperson

Board of Land and Natural Resources



DANIEL K. INOUYE INTERNATIONAL AIRPORT