



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

IN REPLY REFER TO:

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

ISSUANCE OF A DIRECT LEASE TO MID PACIFIC STEEL, INC.
3169 UALENA STREET, HONOLULU INTERNATIONAL AIRPORT
TMK: (1) 1-1-14:104 & 106

OAHU

REQUEST:

Issuance of a direct lease to Mid Pacific Steel, Inc. for the operation and maintenance of a fabricated structural metal distribution business.

LEGAL REFERENCE:

Section 261-7 and 171-59, Hawaii Revised Statutes.

APPLICANT / LESSEE:

Mid Pacific Steel, Inc. a Hawaii corporation, authorized to do business in the State of Hawaii, whose business address is 3169 Ualena Street, Honolulu, Hawaii 96819.

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Island of Oahu, State of Hawaii, identified by Tax Map Key: 1st Division, 1-1-14:104 & 106.

AREA:

EXHIBIT A:

Area/Space No. 005-104B, consisting of approximately 37,847 square feet, and Area/Space No. 005-104C, consisting of approximately 20,490 square feet.

ZONING:

State Land Use District: Urban
City and County of Honolulu: I-2 (Industrial)

LAND TITLE STATUS:

Non-ceded - Direct purchase from private land owner.
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES __ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3894, setting aside a portion of Honolulu International Airport under the control and management of the Department of Transportation, Airports Division, State of Hawaii, for Airport purposes.

The Department of Transportation, Airports Division acquired the subject property together with most of the remaining properties (except one) along the ocean (makai) side of Ualena Street, between Lagoon Drive and Paiea Street, in the mid 1990's from Loyalty Enterprises, Ltd.

CHARACTER OF USE:

Operation and maintenance of a fabricated structural metal distribution business.

TERM OF LEASE:

Approximately five (5) years, commencing on the date of lease execution and ending on December 31, 2017.

LEASE COMMENCEMENT DATE:

Upon execution of the lease document.

ANNUAL GROUND LEASE RENTAL:

Property Lease Rental. Annual property lease rental in the sum of \$298,102.07, payable in monthly installments of \$24,841.84.

PERFORMANCE BOND:

Sum equal to three times the monthly lease rental in effect.

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.

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 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 Mid Pacific Steel, Inc., for the purpose of operating and maintaining a fabricated structural metal distribution business. The DOT has determined that the issuance of a direct lease to Mid Pacific Steel, Inc. will encourage competition within the airport-related industries at Honolulu International Airport.

RECOMMENDATION:

That the Board authorize the Department of Transportation to issue a direct lease to Mid Pacific Steel, Inc., 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,

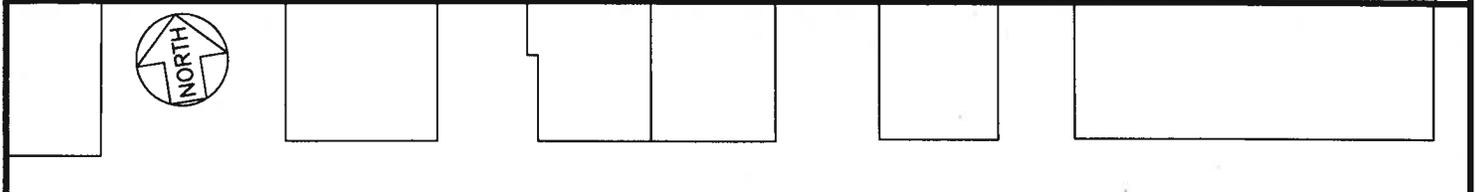
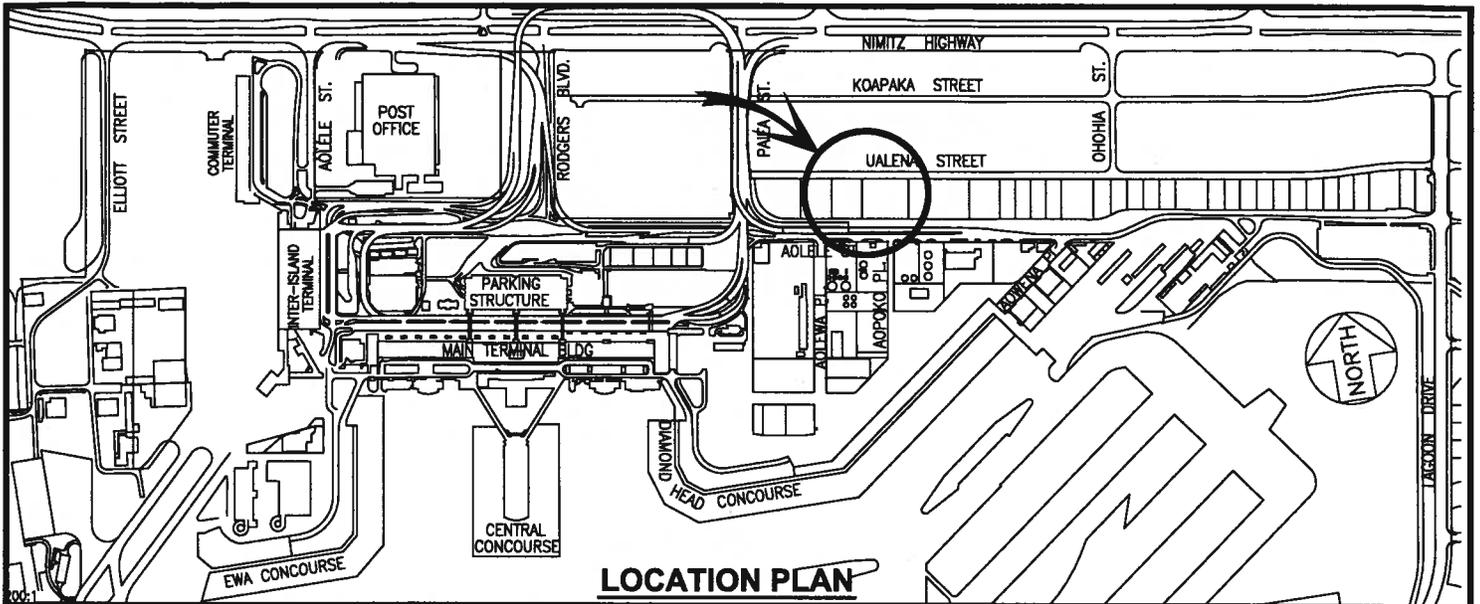


GLENN M. OKIMOTO, Ph.D.
Director of Transportation

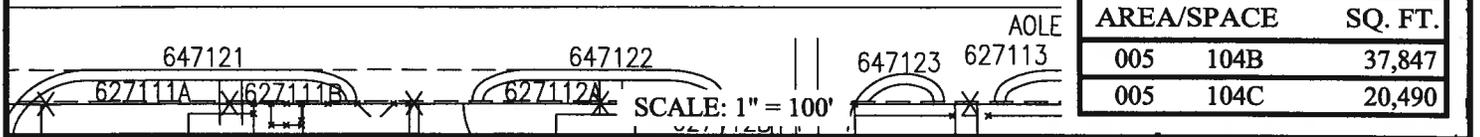
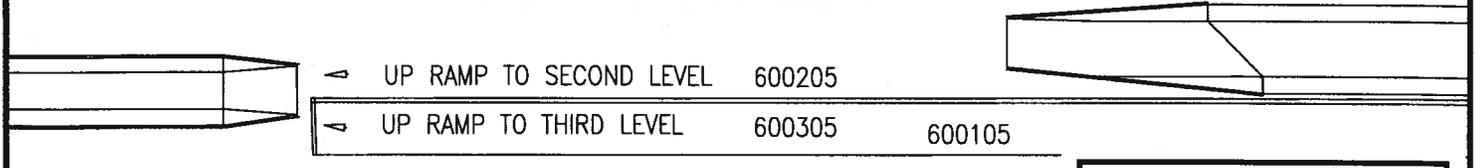
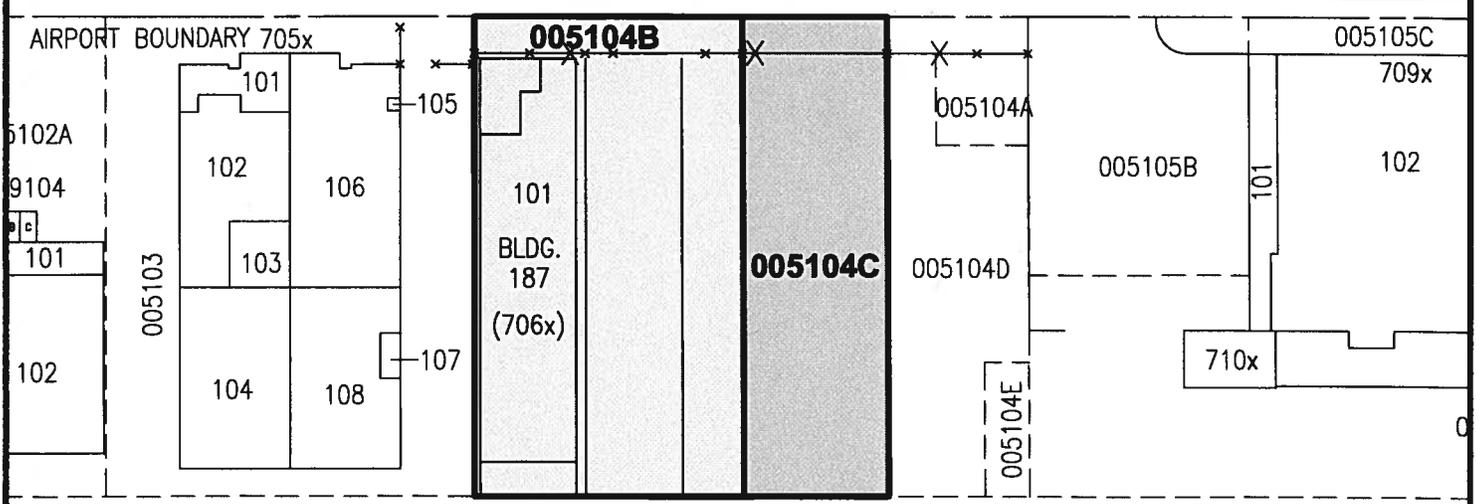
APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Chairperson and Member



UALENA STREET



AREA/SPACE	SQ. FT.
005 104B	37,847
005 104C	20,490

DATE : DECEMBER 2012 EXHIBIT: **A**

<p>Airports Division</p>	MID PACIFIC STEEL, INC.	3169 UALENA STREET	005104B,C
			PLAT 16