

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII**  
**DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU**  
**AIRPORTS**  
400 RODGERS BOULEVARD, SUITE 700  
HONOLULU, HAWAII 96819-1880

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IN REPLY REFER TO:

**AIR-PM 25.0452**

June 26, 2025

DOT Land Matters  
State of Hawaii  
Honolulu, Hawaii

ISSUANCE OF A DIRECTLY-NEGOTIATED LAND LEASE  
FOR FIXED-BASE OPERATIONS  
SIGNATURE FLIGHT SUPPORT LLC  
LIHUE AIRPORT  
TAX MAP KEY: (4) 3-5-001: PORTION OF 008 AND PORTION OF 158 KAUAI

APPLICANT:

Signature Flight Support LLC (Signature), whose mailing address is  
98 Kapalulu Place, Honolulu, Hawaii 96819.

LEGAL REFERENCE:

Hawaii Revised Statutes (HRS), Sections 26-19 and 171-2, as amended.

LOCATION AND TAX MAP KEY:

Portion of Lihue Airport (LIH), Lihue, Island of Kauai, identified by  
Tax Map Key: 4th Division, 3-5-001: portion of 008 and portion of 158.

AREA:

Area/Space Nos. 004-139, 800-114, and 800-119, containing an area of approximately  
16,440, 34,049, and 50,009 square feet respectively of improved, unpaved land, and  
Area/Space No. 630-113, containing an area of approximately 14,175 square feet of  
improved, paved land as shown and delineated on the attached Exhibit A.

ZONING:

State Land Use District:	Urban
County of Kauai	Industrial General/Special Treatment-Public Use (IG/ST-P)

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LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admission Act: Non-Ceded  
DHHL 30% entitlement lands pursuant to Hawaii Admission Act YES ☐ NO ☒

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 4614, dated October 28, 2019, setting aside 883.583 acres designated as LIH to be under the control and management of the State of Hawaii Department of Transportation (HDOT) for Airport purposes.

CHARACTER OF USE:

Signature will develop, construct, use, operate and maintain the spaces for fixed-base operations (FBO) at LIH.

LEASE TERM:

35 Years.

COMMENCEMENT DATE:

Upon execution of the Lease.

ANNUAL LEASE RENTAL:

Years 1 – 5:	\$149,527.20 per annum [based on a rate of \$2.41 per square foot, per annum, for improved, unpaved land discounted to \$1.21 (50% Developmental Discount), and \$3.94 per square foot, per annum, for improved, paved land discounted to \$1.97 (50% Developmental Discount), as determined from the HDOT Schedule of Rates and Charges established by appraisal of Airport property statewide].
Years 6 – 10:	115% the annual rent for year 5 of the Lease.
Years 11 – 15:	115% the annual rent for year 10 of the Lease.
Years 16 – 20:	Reopening at fair market rent as determined by an independent appraiser and discounted by 25% (General Aviation Discount).
Years 21 – 25:	115% the annual rent for year 20 of the Lease.
Years 26 – 30:	115% the annual rent for year 25 of the Lease.
Years 31 – 35:	Reopening at fair market rent as determined by an independent appraiser and discounted by 25% (General Aviation Discount).

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PERFORMANCE BOND:

The sum equal to the annual rental then in effect.

MINIMUM IMPROVEMENTS REQUIREMENT:

Seven million eight hundred thousand dollars (\$7,800,000.00).

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u>      </u>
Registered business name confirmed:	YES <u>X</u>	NO <u>      </u>
Good standing confirmed:	YES <u>X</u>	NO <u>      </u>

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

For Space Nos. 800-114 and 630-113, the HDOT has determined that the environmental impacts of the proposed tenant use for the subject land use is covered by the Lihue Airport Master Plan Environmental Impact Statement (EIS), published by the Environmental Quality Commission (EQC) in the August 8, 1976 and August 23, 1976, issues of EQC Bulletin and accepted by the Governor on April 26, 1977. Accordingly, all relevant mitigation from the EIS and best management practices will be implemented to address the minimum impacts of this action.

For Space No. 004-139, the HDOT has determined that the environmental impacts of the proposed disposition for the subject land use is covered by the Lihue Airport Ahukini Road Realignment and General Aviation Subdivision Final Environmental Assessment (FEA), published by the Office of Environmental Quality Control (OEQC) in the April 23, 1997, issue of The Environmental Notice. Accordingly, all relevant mitigation from the FEA and best management practices will be implemented to address the minimum impacts of this action.

For Space No. 800-119, the HDOT has determined that the impacts of this action are de minimis and exempt, pursuant to Department of Transportation, Comprehensive Exemption List, concurred to by the Environmental Advisory Council on February 1, 2022, under Type 8, Part 1, 8(h). Real estate and land tenure actions: Creation or extension of leases, revocable permits or easements of property for continuing aeronautical or maritime uses or complementary purposes.

REMARKS:

The HDOT proposes to issue a directly-negotiated FBO lease to Signature for the development, construction, use, operation and maintenance of a FBO Facility at LIH.

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The HDOT has determined that the issuance of this directly-negotiated lease encourages competition for FBO services at LIH as there is currently only one other FBO at LIH.

RECOMMENDATION:

Based on this submittal, and testimony and facts presented, the HDOT recommends the Director of Transportation finds that approving the issuance of directly-negotiated lease to Signature, 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.

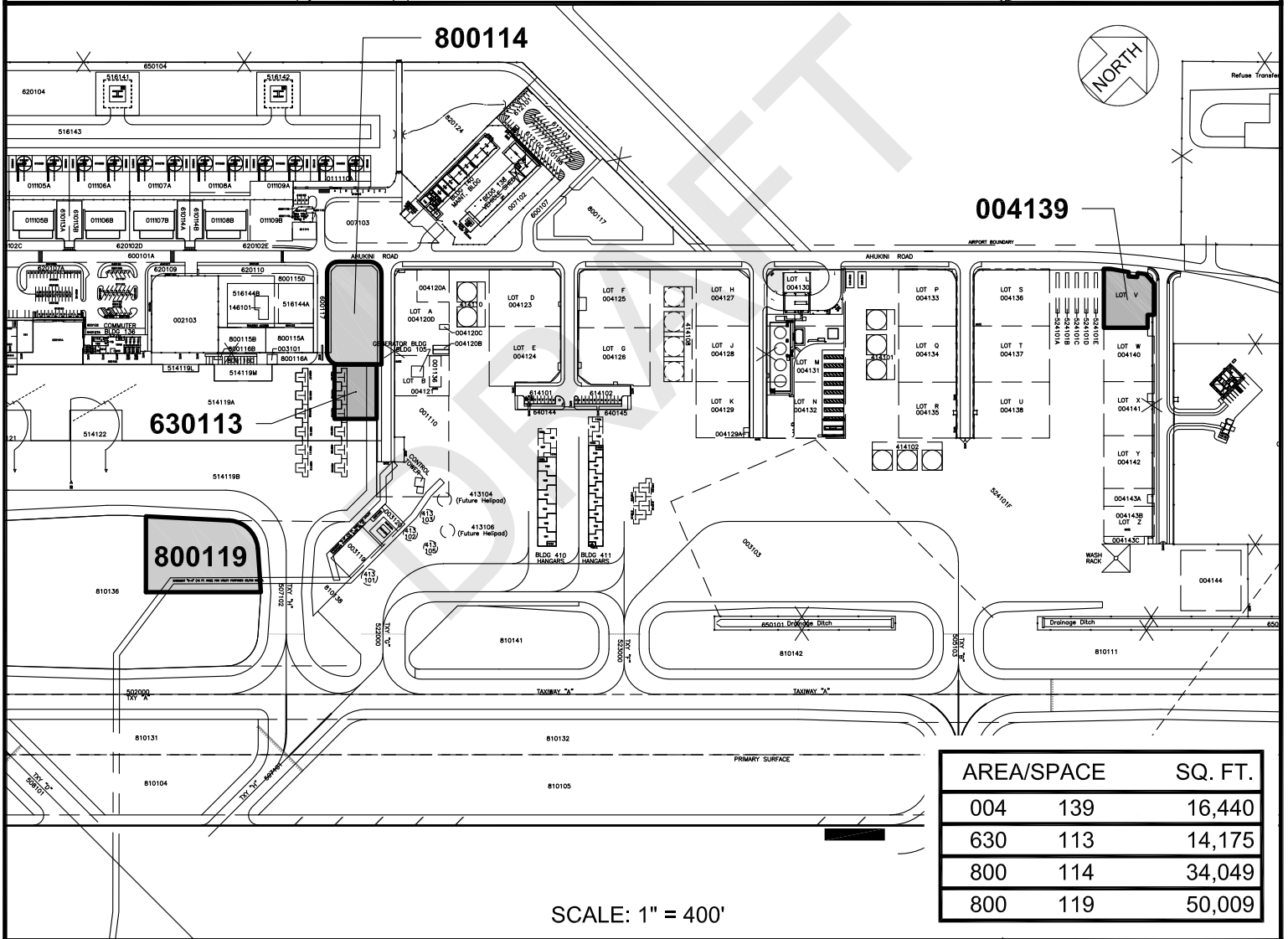
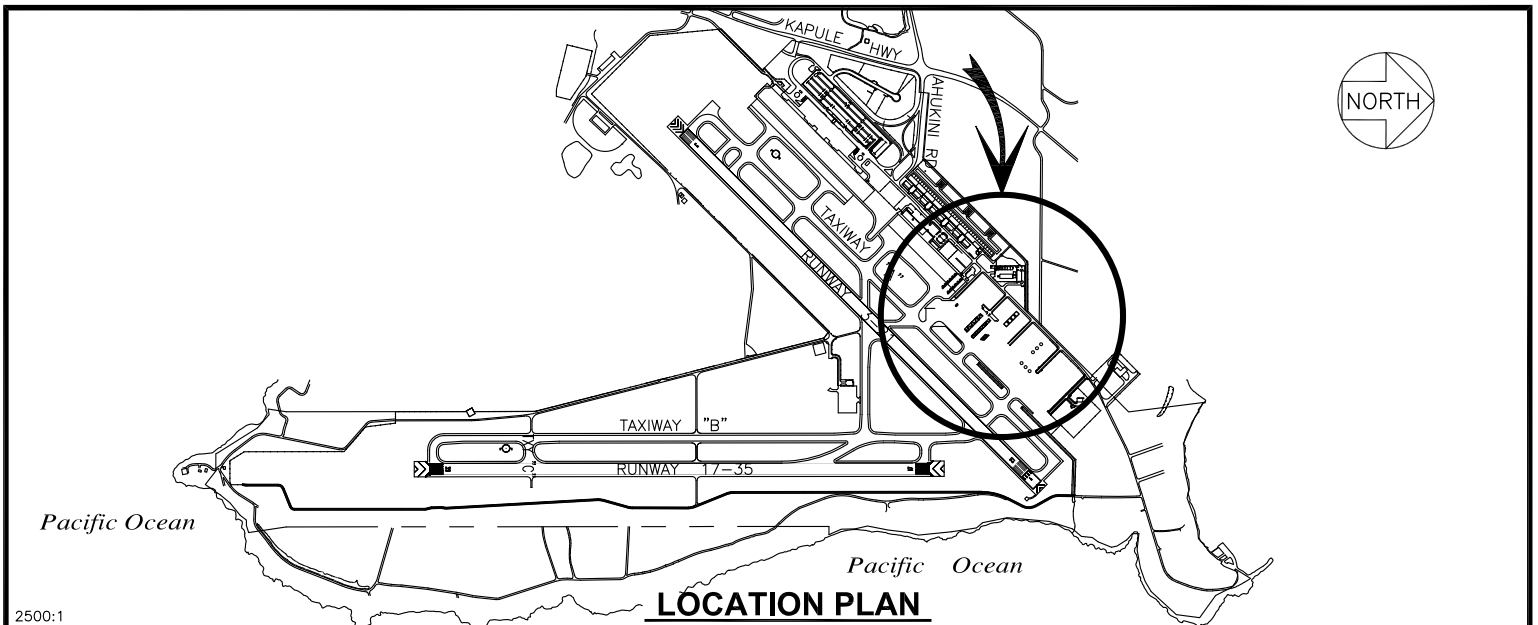
Respectfully submitted,



CURT T. OTAGURO

Deputy Director of Transportation for Airports

Attachment



AREA/SPACE		SQ. FT.
004	139	16,440
630	113	14,175
800	114	34,049
800	119	50,009

DRAFT DOTA-25-0009

DATE : MAY 2025

EXHIBIT: **A**



AIRPORTS

SIGNATURE FLIGHT  
SUPPORT LLC

LOTS

004139  
630113  
800114  
800119

LIHUE AIRPORT