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



STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I **DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU AIRPORTS**

400 RODGERS BOULEVARD, SUITE 700 **HONOLULU, HAWAII 96813-5097**

July 24, 2025

Deputy Directors Nā Hope Luna Hoʻokele DREANALEE K. KALILI TAMMY L. LEE

EDWIN H. SNIFFEN

DIRECTOR

KA LUNA HO'OKELE

CURT T. OTAGURO ROBIN K. SHISHIDO

IN REPLY REFER TO:

AIR-PM 25.0548

ISSUANCE OF A DIRECTLY-NEGOTIATED FACILITIES LEASE FOR THE PURPOSE OF A TOUR AND PUBLIC BUS BASE YARD ROBERT'S TOURS AND TRANSPORTATION, INC.

TAX MAP KEY: (2) 3-8-001: PORTION OF 145 AND PORTION OF 131

MAUI

APPLICANT:

DOT Land Matters State of Hawaii Honolulu, Hawaii

> Robert's Tours and Transportation, Inc. (RTT), whose mailing address is 444 Niu Street, Suite 300, Honolulu, Hawaii 96815.

LEGAL REFERENCE:

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

LOCATION AND TAX MAP KEY:

KAHULUI AIRPORT

Portion of Kahului Airport, Kahului, Island of Maui, identified by Tax Map Key: 2nd Division, 3-8-001: Portion of 145 and Portion of 131.

AREA (PREMISES):

Area/Space Nos. 002-104 and 002-105, containing an area of approximately 74,521 and 69,218 square feet of improved, paved land respectively, and Building/Room No. 165-100, containing an area of approximately 6,300 square feet, and Building/Room No. 166-100, containing an area of approximately 8,946 square feet, as shown and delineated on the attached Exhibit A.

ZONING:

State Land Use District: Urban County of Maui: Airport ISSUANCE OF A DIRECTLY-NEGOTIATED FACILITIES LEASE FOR THE PURPOSE OF A TOUR AND PUBLIC BUS BASE YARD, ROBERT'S TOURS AND TRANSPORTATION, INC. Page 2

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 X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 2427, dated February 12, 1969, setting aside 1,268.938 acres designated as Kahului Airport to be under the control and management of the State of Hawaii Department of Transportation (HDOT) for public purposes.

CHARACTER OF USE:

RTT will use the Premises for a tour and public bus base yard.

TERM OF LEASE:

10 years.

COMMENCEMENT DATE:

To be determined by the Director of Transportation at a later date.

ANNUAL RENTAL:

Years 1-5: \$894,724.83 per annum (based on a rate of \$4.57 per square foot, per

annum, for improved, unpaved land and \$15.60 per square foot, per annum for Building Nos. 165 and 166 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.

PERFORMANCE BOND:

The sum equal to the annual rental then in effect.

MINIMUM IMPROVEMENTS REQUIREMENT:

Four hundred forty-seven thousand dollars (\$447,000.00).

DCCA VERIFICATION:

Place of business registration confirmed:	YES X	NO
Registered business name confirmed:	YES X	NO
Good standing confirmed:	YES X	NO

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CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The HDOT deems the action as de minimis and exempts it from the preparation of an exemption notice in accordance with HAR, Section 11-200.1-16(b). Type 8, Part 1: HDOT administrative activities and operations that would not result in direct, indirect or cumulative adverse impacts to the environment, 8.h., Creation or extension of leases, revocable permits or easements of property for continuing aeronautical or maritime uses or complementary purposes.

REMARKS:

RTT and its affiliate, Robert's Hawaii Tours, Inc., were issued RP-6838 and RP-5886, respectively (collectively, Permits), for the Premises and RTT would like to convert these permits to a lease to amortize their proposed improvements.

The HDOT proposes to issue directly-negotiated facilities lease for a tour and public bus base yard in accordance with the HDOT's Department Staff Manual, Part 8, Chapter 2.06.2.2 (Conversion to Lease) which states in part, "Each division shall annually review its inventory of revocable permits with the purpose of converting them to leases, especially where competition for space exists or could exist."

RECOMMENDATION:

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

