

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

EDWIN H. SNIFFEN  
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ROBIN K. SHISHIDO

IN REPLY REFER TO:

AIR-PM 25.0752

September 11, 2025

DOT Land Matters  
State of Hawaii  
Honolulu, Hawaii

ISSUANCE OF A DIRECTLY-NEGOTIATED LAND LEASE FOR COMMERCIAL  
HELICOPTER OPERATIONS AND FIXED-BASE OPERATIONS  
JACK HARTER HELICOPTERS, INC.  
LIHUE AIRPORT  
TAX MAP KEY: (4) 3-5-001: PORTION OF 008

KAUAI

APPLICANT:

Jack Harter Helicopters, Inc. (JHH), whose mailing address is P.O. Box 306,  
Lihue, Hawaii 96766.

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.

AREA:

Improved, Unpaved Land

Area/Space Nos. 004-127 and 004-128, each containing an area of approximately 18,287  
square feet, 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 X

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:

JHH will use the land to develop, construct, operate, and maintain a facility for the purpose of Commercial Helicopter Operations and Fixed-Base Operations.

LEASE TERM:

35 Years.

COMMENCEMENT DATE:

Upon execution of the Lease.

ANNUAL LEASE RENTAL:

Years 1 - 5:	\$43,888.80 per annum, based upon the improved, unpaved land rate of \$2.41 discounted to \$1.20 per square foot, per annum (50% developmental discount, pursuant to HRS 261-7(g), as determined from the HDOT Schedule of Rates and Charges established by appraisal of Airport property statewide).
Years 6 – 10:	115% x the annual rent for year 5 of the Lease.
Years 11 – 15:	115% x the annual rent for year 10 of the Lease.
Years 16 – 20:	Fair Market Rental determined by an independent appraiser.
Years 21 – 25:	115% x the annual rental for year 20 of the Lease.
Years 26 – 30:	115% x the annual rental for year 25 of the Lease.
Years 30 – 35:	Fair Market Rental determined by an independent appraiser.

PERFORMANCE BOND:

An amount equal to the annual rental then in effect.

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MINIMUM IMPROVEMENTS REQUIREMENT:

One million eight hundred thousand dollars (\$1,800,000.00).

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:

The HDOT has determined that the subject land areas are covered by the Final Environmental Assessment (EA)/Finding of No Significant Impact, Lihue Airport Heliport Improvements dated October 2002, published by the Office of Environmental Quality Control in the November 8, 2002, issue of The Environmental Notice. Accordingly, all relevant mitigation from the EA and best management practices will be implemented to address the minimum impacts of this action.

REMARKS:

The HDOT proposes to issue a directly-negotiated Land Lease to develop, construct, operate, and maintain facilities for the purpose of Commercial Helicopter Operations and Fixed-Base Operations.

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 Land Lease to JHH, subject to: (1) terms and conditions herein outlines, 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

