



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

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

CONSENT TO SUBLEASE – LEASE NO. DOT-A-79-0018
PARADISE HB, LTD. TO UPS SUPPLY CHAIN SOLUTIONS, INC.
HONOLULU INTERNATIONAL AIRPORT
TMK (1) 1-1-72-05 (PORTION OF)

OAHU

LEGAL REFERENCE:

Subsection 171-36(a) (6), Hawaii Revised Statutes

LESSEE:

Paradise HB, Ltd. (formerly known as Paradise Helicopters, Ltd.)

SUBLESSEE:

UPS Supply Chain Solutions, Inc. (successor by merger to Menlo Worldwide Forwarding, Inc., formerly known as Emery Air Freight Corporation)

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Honolulu, Island of Oahu, Hawaii, identified by Tax Map Key: 1st Division, 1-1-72: portion of 05, as shown delineated on the attached map labeled Exhibit A.

AREA:

Area/Space No. HNL-009-103, containing a land area of approximately 44,874 square feet of improved, paved general aviation land, together with one (1) building situated thereon. The building was constructed by the Lessee. The Sublessee leases office and

warehouse space of approximately 19,545 square feet and desires to expand its premises by an additional 8,260 square feet, as shown delineated on the attached map labeled Exhibit B.

LEASE TERM AND ANNUAL RENTAL:

Thirty (30) years, commencing on March 1, 1980, and expiring on February 28, 2010.
Annual rental of \$75,837.00.

SUBLEASE TERM:

Beginning June 1, 1992, and not to exceed February 29, 2008

SUBLEASE RENT:

\$27,355.55 per month

SUBLEASE RENT PARTICIPATION PROVISION:

Not applicable in the lease.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

In accordance with the Comprehensive Exemption List approved by the Environmental Council and dated May 22, 2001, the subject request qualifies under Exemption Class 1 - "Operations, repairs and maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

ZONING:

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

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act - Non-ceded

BLNR – Consent to Sublease
Paradise HB, Ltd. To UPS Supply
Chain Solutions, Inc.

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REMARKS:

In its letter dated May 21, 2007, the Lessee requested the State of Hawaii, DOT's Consent to sublease an additional 8,260 square feet of its premises to its sublessee, UPS Supply Chain Solutions, Inc.

RECOMMENDATION:

That the Board authorize DOT to approve the Sublease between Paradise HB, Ltd., as Sublessor and UPS Supply Chain Solutions, Inc., as Sublessee, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlined, which are by reference incorporated herein; (2) such 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 Consent to Sublease form and content.

Respectfully submitted,



BARRY FUKUNAGA
Director of Transportation

APPROVED FOR SUBMITTAL:



ALLAN A. SMITH
Interim Chairperson