

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

June 22, 2012

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

PSF No.: 12OD-081

Oahu

Consent to Assignment of General Lease No. S-3980, Kewalo Holdings, Ltd, Assignor, to Synergy Ventures LLC., Assignee, Makiki, Honolulu, Oahu, Tax Map Key: (1) 2-4-029:066.

APPLICANT:

Kewalo Holdings, Ltd, as Assignor, to Synergy Ventures LLC, hereinafter called the Assignee.

LEGAL REFERENCE:

Section 171-36(a) (5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands over and across Makiki Ditch situated at Makiki, Honolulu, Oahu, identified by tax map key: (1) 2-4-029:066, as shown on the attached map labeled Exhibit A.

AREA:

914 square feet, more or less.

TRUST LAND STATUS:

Section 5 (b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CHARACTER OF USE:

Non-exclusive easement (bridge) for access purposes.

TERM OF LEASE:

Sixty-five (65) years, commencing on June 27, 1966 and expiring on June 26, 2031. Last rental reopening occurred on June 27, 1996; next rental reopening is scheduled for June 27, 2015.

ANNUAL RENTAL:

\$720.00

ASSIGNMENT:

CONSIDERATION:

\$100.00

RECOMMENDED PREMIUM:

Not applicable as the lease does not allow for a premium.

DCCA VERIFICATION:

ASSIGNOR:

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>

ASSIGNEE:

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>

REMARKS:

In 1966, Mrs. Esther Arinaga, through the public auction process, bought the subject non-exclusive easement providing access to the apartment building located at _____ Street, further identified by TMK: (1) 2-9-029:004, which is owned by her.

On September 10, 1993, the Board consented to the assignment of lease from Mrs. Arinaga to Kewalo Holdings, Ltd, which is owned by Mrs. Arinaga and her husband, Clifford Arinaga.

By way of an Assignment of Lease recorded at the Bureau of Conveyances, identified as Document No. A-44130386, Kewalo Holdings Ltd., sold its leasehold interest in January 2012 to Synergy Ventures LLC, a Hawaii limited liability company. The sale transferred property rights to the Assignee, who in turn, need to acquire the rights to the subject easement.

Staff now brings this request to the Board for its consent to the assignment.

The Assignor is in compliance with all the lease terms and conditions. Rental payment and liability insurance policy are current. There are no performance bond requirement under the subject lease.

The Assignee has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions. Therefore, staff does not have any objection to the request for consent to assign.

No comments were solicited from other government agencies being that there is no change to the existing use of the area. There are no pertinent issues or concerns.

Staff has no objections to this request.

RECOMMENDATION:

That the Board Consent to the Assignment of General Lease No. S-3980 from Kewalo Holdings, Ltd., as Assignor, to Synergy Ventures LLC. as Assignee, subject to the following:

1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Steve Lau
Land Agent

APPROVED FOR SUBMITTAL:



William J. Aila Jr., Chairperson

