

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

December 14, 2012

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

Hawaii

**Consent to Assign General Lease No. S-4698, Puna Baptist Church,
Assignor, to Hilo Baptist Church, Assignee, Keonepoko-Iki, Puna, Hawaii,
Tax Map Key: 3rd/1-5-117:024.**

APPLICANT:

Puna Baptist Church, as Assignor, to Hilo Baptist Church, a Domestic Non-Profit Corporation, as Assignee.

LEGAL REFERENCE:

Section 171-36, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Keonepoko-Iki situated at Pahoia, Puna, Hawaii, identified by Tax Map Key: 3rd/1-5-117:024, as shown on the attached map labeled Exhibit A.

AREA:

0.689 acres, 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:

Constructing, operating and maintaining a church for religious purposes.

TERM OF LEASE:

55 years, commencing on June 01, 1980 and expiring on May 31, 2035. Last rental reopening occurred on June 01, 2005; next rental reopening is scheduled for June 01, 2015.

ANNUAL RENTAL:

\$2600.00.

CONSIDERATION:

\$ 0.00. No consideration being paid for assignment.

RECOMMENDED PREMIUM:

Not applicable as no consideration is being paid and 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:

The subject property was initially encumbered as General Lease No. S-4698 (GLS-4698) to Kinoole Baptist Church at a regular meeting of the Board of Land and Natural Resources (Board) held February 22, 1980, under agenda item F-5.

At its meeting of June 08, 1990, under agenda item F-1-e, the Board approved assignment of GLS-4698 to Puna Baptist Church. Over the ensuing 22 years, Puna Baptist Church has acquired a new site for their ministry and completed building a new church.

Hilo Baptist Church wants to begin a new ministry in Pahoa and would like to assume the remaining 23 years of the lease for church purposes.

Hilo Baptist Church is the current lessee of General Lease No. S-5335 on their existing church located in Hilo. They are in compliance with all terms and conditions of the lease and have 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.

Puna Baptist is in compliance with all terms and conditions of the lease. The following table illustrates the default history for Puna Baptist Church:

Type of Default	Notice Sent	Default Cured
Rent	12/29/2006	1/3/2007
Rent	6/26/2006	9/7/2006
Insurance	4/25/2008	6/30/2008
Insurance	3/25/2009	6/1/2009
Insurance	4/14/2010	6/19/2010
Insurance	3/31/2011	6/11/2011

The last rental reopening occurred on June 01, 2005 and the next rental reopening is scheduled for June 01, 2015. There are no outstanding rental reopening issues.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-4698 from Puna Baptist Church, as Assignor, to Hilo Baptist Church, 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,



Candace Martin
Land Agent

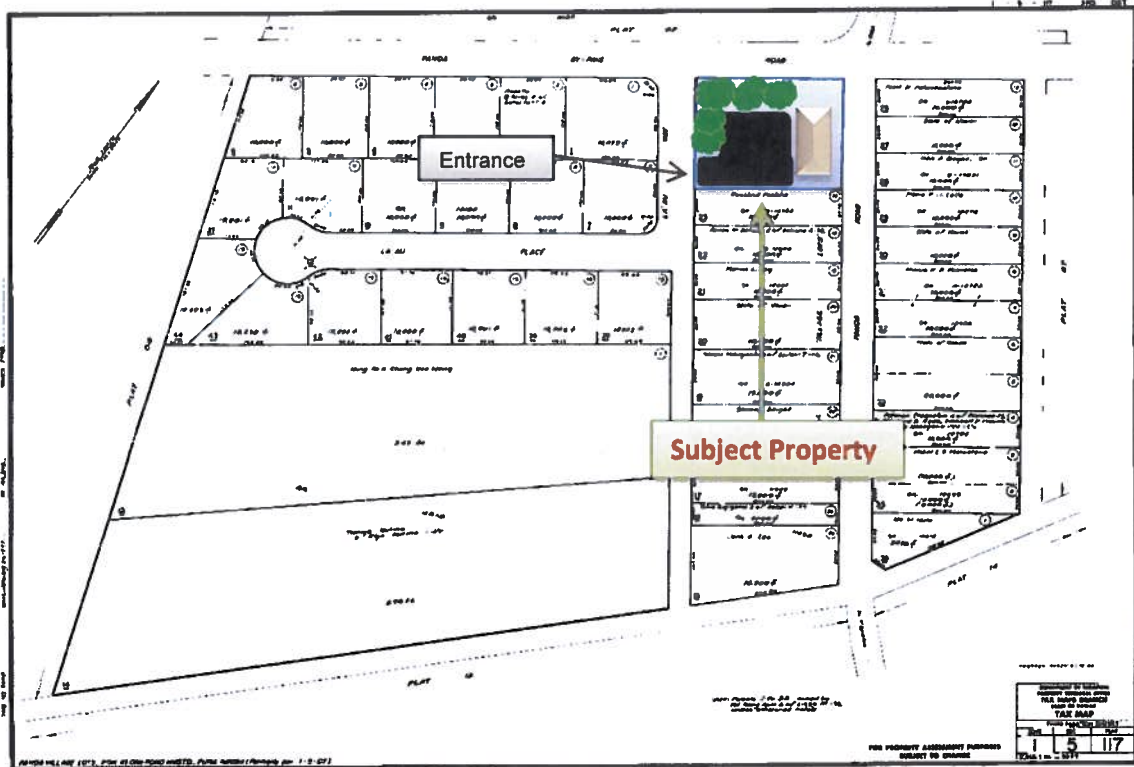
APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson



EXHIBIT A



Map of Subject Property showing layout of building, parking lot and entrance.