

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

July 12, 2013

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

Hawai'i

Approve Negotiated Development Agreement, and Proposed Plans and Specifications for Improvements for General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee; Authorize the Extension, Amendment and Restatement of General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee, for an Aggregate Term of 55 Years, Waiakea, South Hilo, Hawaii, Tax Map Key: (3) 2-1-03:05.

APPLICANT AND REQUEST:

Hilo-Hawaiian Associates, Inc. is requesting approval of the negotiated Development Agreement, and its proposed plans and specifications for improvements in connection with the extension of the lease term of General Lease No. S-3961 pursuant to Act 219 Session Laws of Hawaii 2011, which authorizes the extension of hotel and resort leases along the Banyan Drive area of Hilo, Hawaii.

LEGAL REFERENCE:

Section 171- 36(b), Hawaii Revised Statutes, as amended, and Act 219 SLH 2011.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: (3) 2-1-03:05, as shown on the attached map labeled Exhibit 1.

AREA:

5 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:

Resort-hotel purposes and uses accessory or incidental thereto and customarily conducted within resort-hotel areas.

TERM OF LEASE:

Original term of 65 years, commencing on April 15, 1966 and expiring on April 14, 2031.

Requesting an extension of 37 years from the end of the current expiration date of the lease, for an aggregate term of 55 years (18 years remaining on lease plus 37-year extension).

ANNUAL RENTAL:

Current rent is \$133,200.00, due in semi-annual installments of \$66,600.00 on April 15 and October 15 of each year.

RENTAL REOPENINGS:

Reopenings in the original term were at the end of the 20th, 35th, 45th, and 55th years of the term, on April 15. The last rental reopening occurred on April 15, 2011.

Reopenings in the extended term shall be as of the date of this Board action, and at the end of the 10th, 20th, 30th, 40th, and 50th years of the extended term.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Exemption List for the State of Hawaii, Department of Land and Natural Resources, as Reviewed and Concurred Upon by the Environmental Council (Docket 91-EX-2, December 4, 1991)", the subject request is exempt from the preparation of an environmental assessment pursuant to HAR § 11-200-8(a)(1), "Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing," and HAR § 11-200-8(a)(2), "Replacement or reconstruction of existing structures and facilities where the new structure will be located generally on the same site and will have substantially the same purpose, capacity, density, height, and dimensions as the structure replaced." See Exhibit 2 attached.

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>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u>__</u>

APPLICANT REQUIREMENTS:

Lessee shall:

1. Comply with the requirements of Act 219 SLH 2011;
2. Execute the negotiated Development Agreement, and proceed with its proposed plans and specifications for improvements in connection with the extension of the lease term of General Lease No. S-3961 pursuant to Act 219 SLH 2011 upon approval by the Board; and
3. Pay for an appraisal to determine the fair market value of the lands to be developed, as determined by an appraiser for the Board, with such determination to address, as applicable, the percentage rent where gross receipts exceed a specified amount pursuant to Act 219 SLH 2011.

REMARKS:

At its meeting of October 26, 2012, Item D-11, the Board of Land and Natural Resources approved in concept the request of Hilo-Hawaiian Associates, Inc., Lessee under General Lease No. S-3961 (Lessee), for an extension of its lease pursuant to Act 219 Session Laws of Hawaii 2011 (Act 219). The requested extension was for 37 years from the end of the current expiration date of the lease of April 14, 2031, for an aggregate term of 55 years (18 years remaining on lease plus 37-year extension). A copy of the Board action of October 26, 2012, Item D-11, is attached as Exhibit 3.

The Board approval in concept required Lessee to negotiate a development agreement with Land Division, and provide plans and specifications for its renovation project. Staff reports that Lessee has negotiated a proposed Development Agreement (DA) with Land Division, a copy of which is attached as Exhibit 4. Lessee has additionally provided staff with plans and specifications for its renovation project to include re-surfacing of the hotel roof, renovation of the guest rooms and corridors, and replacement of the chiller/cooling tower, a summary of which is incorporated into the attached DA.

As discussed in the Board action of October 26, 2012, one of the conditions of Act 219 is that a lessee must commit to substantial improvements to the existing facilities on the premises. "Substantial improvements" means any renovation, rehabilitation, reconstruction or construction of the existing improvements, including minimum requirements for off-site and on-site improvements, the cost of which equals or exceeds fifty per cent (50%) of the market value of the existing improvements that the lessee or the lessee and developer install, construct, and complete by the date of completion of the

total development.” Lessee has provided staff with a Summary Appraisal Report dated September 14, 2012 that indicates that the estimated market value of the leasehold interest in real property improvements associated with the subject property, as of August 28, 2012, is \$10,895,000. Fifty percent of that amount is \$5,447,500.

Under the proposed plans and specifications, all floor coverings and wall coverings in the guest rooms and corridors will be replaced. Painted surfaces will be refinished. The HVAC controls and electrical fixtures in the guest rooms and corridors will all be replaced, as will the plumbing fixtures in the bathrooms, with the exception of the bathtubs, which will be refinished. The fire alarm system will be replaced throughout the hotel, and the roof will be resurfaced. The roof resurfacing, guest room and corridor renovations are estimated to cost \$4,991,235.¹ The chiller/cooling tower replacement, including demolition and removal of existing equipment and installation of new equipment, is estimated to cost \$840,207.² The sum of these figures is \$5,831,442, which exceeds the minimum improvement amount to qualify for an extension under Act 219.³ In addition to the improvements to the property, the Lessee is proposing to set aside 3% of the total room revenue each year in a FF&E bank account. This amount will be no less than \$200,000 per year for the length of the extended term of the lease, and will be spent in its entirety to maintain the hotel during extended term of the lease. This requirement is included in the DA.

Act 219 directs the Board to review the plans and specifications and determine: 1) Whether the development proposed is of sufficient worth and value to justify the extension; 2) The estimated time to complete the improvements and expected date of completion; 3) The minimum revised annual rent based on the fair market value of the lands to be developed, as determined by an appraiser for the Board, and the percentage rent where gross receipts exceed a specified amount.

Staff is requesting that the Board review and approve the negotiated Development Agreement and the proposed plans and specifications for improvements by Lessee, and thereby approve the extension of the term of the lease. The minimum revised annual rent will need to be established by independent appraisal, which will be obtained upon Board approval of today’s action. Additionally, staff is requesting authority to direct the Department of the Attorney General to prepare the extended, amended and restated lease document.

Staff is recommending that the lease be amended and restated to incorporate the current lease conditions approved by the Department of the Attorney General.

1 This amount includes material costs, design and construction management fees, and purchasing agent fees. See Exhibit B of Exhibit 4.

2 This amount includes materials, labor, overhead and profit to the contractor in the amount of 20%, as well as taxes.

3 In the future, Lessee also intends to undertake renovation of the lobby, elevator modernization, and kitchen and restaurant renovations at an estimated cost of \$1,981,000. However, the plans and specifications for this part of the renovation have not been finalized yet, and are therefore not included as part of Lessee’s renovation project or the DA.

The leased premises have been used substantially for the purpose for which they were leased. There are no outstanding rental reopening issues.

RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. As required by Act 219, Session Laws of Hawaii 2011, determine that:
 - a. The development proposed is of sufficient worth and value to justify the extension of General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee;
 - b. The estimated time to complete the improvements and expected date of completion is 36 months as set forth in the Development Agreement; and
 - c. The minimum revised annual rent to be paid by the Lessee shall be based on the fair market value of the subject land to be developed as determined by an appraiser for the Board, with such determination to address, as applicable, the percentage of rent to be paid by Lessee when gross receipts exceed a specified amount.
3. Approve the negotiated Development Agreement, and the proposed plans and specifications for improvements by Lessee, in connection with an extension of the term of General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee.
4. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the extension, amendment and restatement of General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee, covering the subject property under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current extension, amendment and restatement of lease document form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and

- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

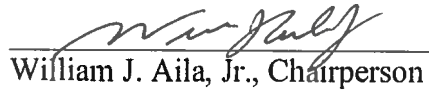
Respectfully Submitted,



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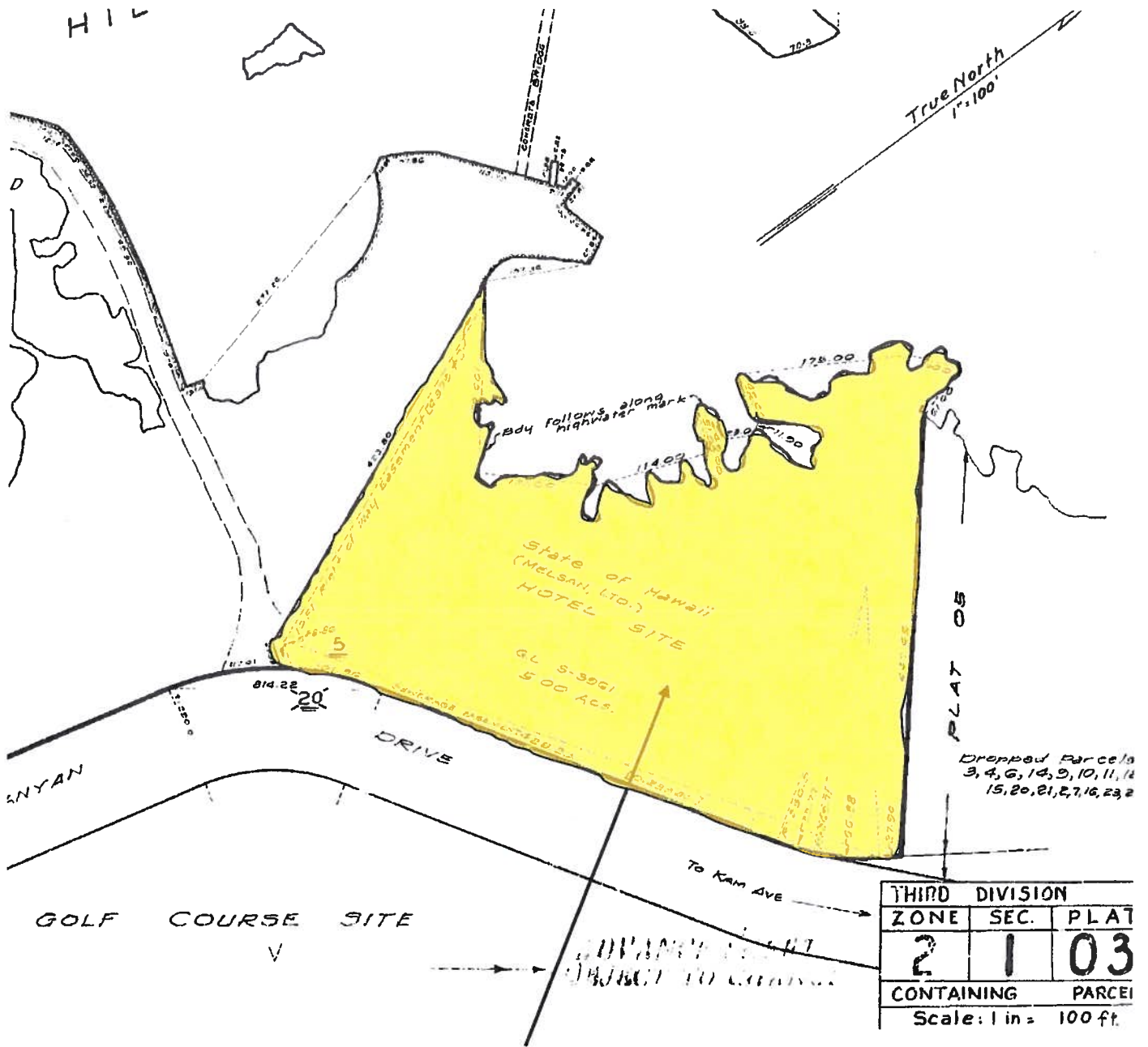
Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson

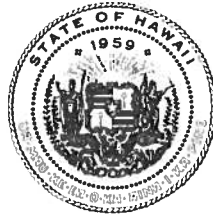
TMK: (3) 2-1-03:05



HILO HAWAIIAN HOTEL

EXHIBIT 1

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ESTHER KIA'AINA
FIRST DEPUTY

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAIHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

From the preparation of an environmental assessment under the authority of Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Approve Negotiated Development Agreement, and Proposed Plans and Specifications for Improvements for General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee; Authorize the Extension, Amendment and Restatement of General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee, for an Aggregate Term of 55 Years

Project Number: None

Project Location: Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/2-1-03:05

Project Description: Hilo-Hawaiian Associates, Inc. (Lessee) seeks an extension of its lease for the above-referenced property in accordance with Act 219 Session Laws of Hawaii 2011 to make improvements to existing facilities.

Consulted Parties: None

Exemption Class No.: In accordance with the "Exemption List for the State of Hawaii, Department of Land and Natural Resources, as Reviewed and Concurred Upon by the Environmental Council (Docket 91-EX-2, December 4, 1991)", the subject request is exempt from the preparation of an environmental assessment pursuant to HAR § 11-200-8(a)(1), "Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing," and HAR § 11-200-8(a)(2), "Replacement or reconstruction of existing structures and facilities where the new structure will be located generally on the same site and will have substantially the same purpose, capacity, density, height, and dimensions as the structure replaced."

This exemption is appropriate because the Lessee is proposing to make improvements to the existing facilities on the property that


EXHIBIT 2

will not involve the construction of new improvements or facilities. The proposed upgrades will primarily be made to the interior of an existing hotel building and to its roof with no expansion of the footprint of the building or increase in height.

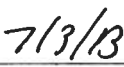
The extension of the lease and improvements to existing facilities will result in no material change or significant cumulative impact. If further actions are taken that result in a material change, the Department will comply with the applicable requirements of Chapter 343.

Recommendation:

It is recommended that the Board find that the proposed project will probably have minimal or no significant effect on the environment and are presumed to be exempt from the preparation of an environmental assessment.



William J. Aila, Jr., Chairperson



Date



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

October 26, 2012

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

Hawai'i

Consent to Merger of Hilo Hawaiian Associates, Lessee, General Lease No. S-3961, into TN Group Hawaii, Inc. (whose name later changed to Hilo-Hawaiian Associates, Inc.); Agreement in Concept for an Extension of Lease Term, Hilo-Hawaiian Associates, Inc., Lessee, Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/2-1-03:05.

APPLICANT AND REQUEST:

Hilo-Hawaiian Associates, Inc. is requesting an extension of General Lease No. S-3961 pursuant to Act 219 SLH 2011 (S.B. 1530) which authorizes the extension of hotel and resort leases along the Banyan Drive area of Hilo Hawaii.

LEGAL REFERENCE:

Section 171- 36(b), Hawaii Revised Statutes, as amended, and Act 219 SLH 2011.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: 3rd/2-1-03:05, as shown on the attached map labeled Exhibit A.

AREA:

5 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

APPROVED BY THE BOARD OF
LAND AND NATURAL RESOURCES
AT ITS MEETING HELD ON *DM*
October 26, 2012

CHARACTER OF USE:

Resort-hotel purposes and uses accessory or incidental thereto and customarily conducted within resort-hotel areas.

TERM OF LEASE:

Original term of 65 years, commencing on April 15, 1966 and expiring on April 14, 2031.

ANNUAL RENTAL:

Current rent is \$133,200.00, due in semi-annual installments of \$66,600.00 on April 15 and October 15 of each year.

RENTAL REOPENINGS:

Reopenings in the original term were at the end of the 20th, 35th, 45th, and 55th years of the term, or on April 15. The last rental reopening occurred on April 15, 2006.

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>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u>__</u>

APPLICANT REQUIREMENTS:

Applicant shall comply with the requirements of Act 219 SLH 2011, negotiate a development agreement with department staff, and return to the Board at a later date for review and approval of the development agreement and requested lease extension.

REMARKS:

At its meeting of February 11, 1966, Item F-8, the Board of Land and Natural Resources authorized the sale of a lease of the subject land at public auction for resort and hotel purposes. The successful bidder for this sixty-five (65) year lease was Melsan Ltd. Due to difficulties in obtaining financing for construction of the hotel structure, the original principals of Melsan Ltd. entered into an agreement with International Management Corporation, whereby the latter assumed full corporate ownership of Melsan, Ltd. At its meeting on September 23, 1973, the Board consented to the extension of construction deadline and consent to mortgage for General Lease No. S-3961.

Construction on the hotel was completed and it opened for business in October 1975. At its meeting of June 13, 1986, Item F-1-c, the Board consented to the assignment of the

lease with assumption of mortgage from Melsan, Ltd, to Hilo Hawaiian Associates, a Hawaii limited partnership.

At its meeting of July 8, 2010, under agenda item D-3, the Board consented to the transfer of 100% stock ownership of parent company of Hilo Hawaiian Associates, Lessee, to HH Associates, LLC, Transferee.

Effective January 1, 2012, Hilo Hawaiian Associates, together with its general partner, HHA Inc., and limited partner, Hijoji Corporation, merged with and into the common parent of these companies, TN Group Hawaii, Inc., with the latter being the surviving entity. The merger did not result in any change in ownership interest in the lessee, Hilo Hawaiian Associates, but was instead intended to consolidate ownership in the parent company. Attached as Exhibit B is a diagram showing the ownership structure before and after the merger. Effective September 10, 2012, TN Group Hawaii, Inc. changed its name to Hilo-Hawaiian Associates, Inc.

Pursuant to Hawaii Revised Statutes Sections 414-316 and 425E-1109, when a company is merged into another company, the real property interests of the merged company vest in the surviving company. While the merger of Hilo Hawaiian Associates into TN Group Hawaii, Inc. may not technically constitute an assignment of the lease under the ownership structure noted above, staff is nevertheless presenting the merger to the Board for consent because the merger changes the lessee from Hilo Hawaiian Associates, a Hawaii limited partnership, to Hilo-Hawaiian Associates, Inc., a Hawaii corporation.¹

The Lessee, Hilo-Hawaiian Associates, Inc. (Lessee), is requesting a 37-year extension from the end of the current lease set to expire on April 14, 2031 for an aggregate term of 55 years (18 years remaining on lease plus 37-year extension) in order to amortize the cost of the improvements necessary to upgrade the hotel.

Act 219, Session Laws of Hawaii 2011, authorizes the Board of Land and Natural Resources to extend hotel or resort leases (that have not been sold or assigned within the past five years) up to an additional fifty-five (55) years. As a condition to the extension, the Lessee must commit to substantial upgrades to the existing improvements. "Substantial improvements" means any renovation, rehabilitation, reconstruction or construction of the existing improvements, including minimum requirements for off-site and on-site improvements, the cost of which equals or exceeds fifty per cent (50%) of the market value of the existing improvements that the Lessee or the Lessee and developer install, construct, and complete by the date of completion of the total development."

The act also stipulates that prior to entering into a development agreement, the lessee shall submit to the Board the plans and specifications for the total development being

¹ The assignment of lease provision in General Lease No. S-3961 does not expressly apply to mergers. By contrast, the assignment provision used in the current lease form for DLNR lands prohibits both voluntary assignments and those that occur "by operation of law", which would arguably cover mergers.

proposed. The Board shall review the plans and specifications and determine: 1) Whether the development proposed is of sufficient worth and value to justify the extension; 2) The estimated time to complete the improvements and expected date of completion; 3) The minimum revised annual rent based on the fair market value of the lands to be developed, as determined by an appraiser for the Board, and the percentage rent where gross receipts exceed a specified amounts.²

Lessee Hilo-Hawaiian Associates, Inc. is estimating improvement costs to be in excess of \$4,283,000 and has submitted a cost proposal (Exhibit C) that includes, elevator modernization, replacing the fire alarm system, new roof coating materials, and renovations to all the hotel guest rooms.³

In addition to the improvements to the property, the Lessee is proposing to set aside 3% of the total room revenue each year in a FF&E bank account. This amount will be no less than \$200,000 per year for the length of the lease and will be spent in its entirety to maintain the hotel during the entire lease period.⁴ This proposal will be included in the development agreement to be negotiated with the Lessee. Lessee has provided staff with a Summary Appraisal Report dated August 2012 that indicates the value of the existing improvement is \$10,895,000.

Staff is requesting the Board consent to an agreement in concept for the extension of GL S-3961 so that the Lessee can prepare plans and specifications for the improvements and submit said plans and specifications to staff for review and ultimately to the Board for

² The preamble to Act 219 indicates that the purpose of the act is to authorize extensions of hotel or resort leases that have not been sold or assigned within the last five years. Staff does not believe that the 2011 merger amounts to a sale or assignment for the purposes of Act 219 because there was no change in ownership. Further, the intent behind the "no assignment" language was to avoid unfairness in the case where a buyer acquired a lease near the end of its term at a discounted rate, and then turned around and secured a lease extension. In this case, the lease had 21 years remaining on the original term at the time of the 2010 stock transfer. However, if it should later be determined that Lessee is not eligible for a lease extension because of the 2010 stock transfer, Lessee is willing to wait until five years elapse from the 2010 stock transfer before securing a lease extension. The details will need to be addressed in the development agreement.

³ The cost proposal also reflects an expenditure of \$1,594,000 for new guest room furnishings that the lessee explains are custom-made for the hotel and will remain at the hotel for their useful life. Nevertheless, staff does not believe such furnishings can be considered improvements to the real property and is not including them in the value of the development proposal.

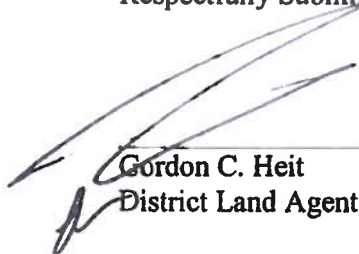
⁴ Over a period of ten years, the minimum amount of \$200,000 paid into the FF&E account and invested in hotel improvements would total \$2,000,000. Staff calculates the present value of this amount, factoring in a discount rate of 3.3% (average annual inflation rate for Honolulu), to be \$1,680,215. If this amount is added to the value of improvements listed above, the Lessee may satisfy the requirement concerning the value of proposed improvements established in Act 219.

approval. Additionally, staff is requesting authority to negotiate a development agreement with the Lessee and return to the Board for approval of the development agreement and lease extension.

RECOMMENDATION:

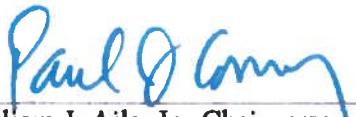
That the Board, subject to the Applicant fulfilling the Applicant requirement listed above, agree in concept the request to extend General Lease No. S-3961, Hilo-Hawaiian Associates, Inc., Lessee, covering the State owned parcel identified by Tax Map Key: 3rd/2-1-03:05 pursuant to Act 219 Session Laws of Hawaii 2011 and Section 171- 36(b), Hawaii Revised Statutes, as amended, with the understanding that the approval in concept shall not be deemed to be an approval of the development proposal or lease extension at this time, as staff shall return to the Board at a later date for review and approval of development agreement and lease extension, including plans and specifications for improvements submitted by the Lessee. Land Division staff is authorized to negotiate a development agreement with the Lessee, subject to review and approval by the Board.

Respectfully Submitted,

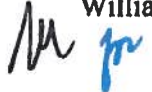


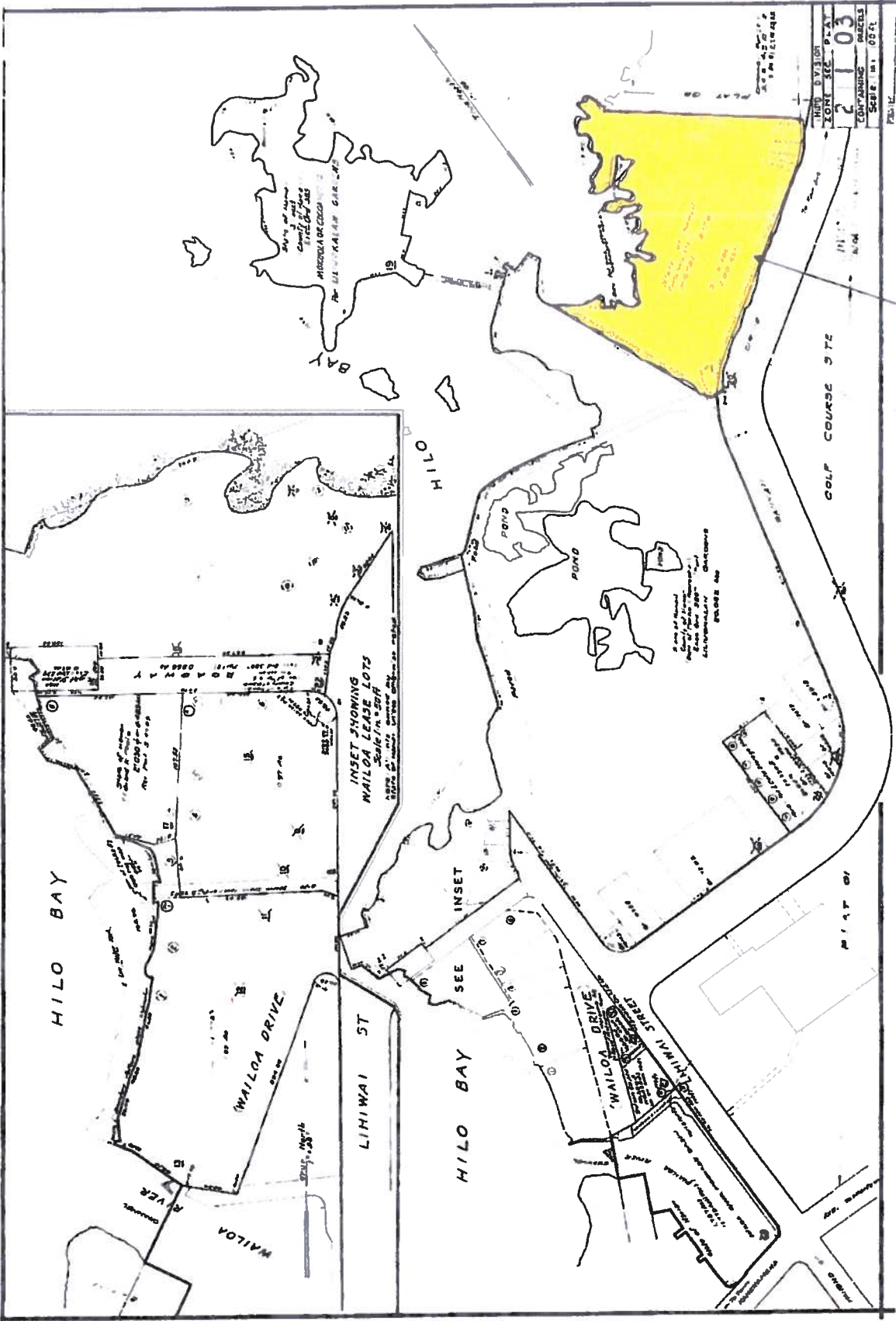
Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson



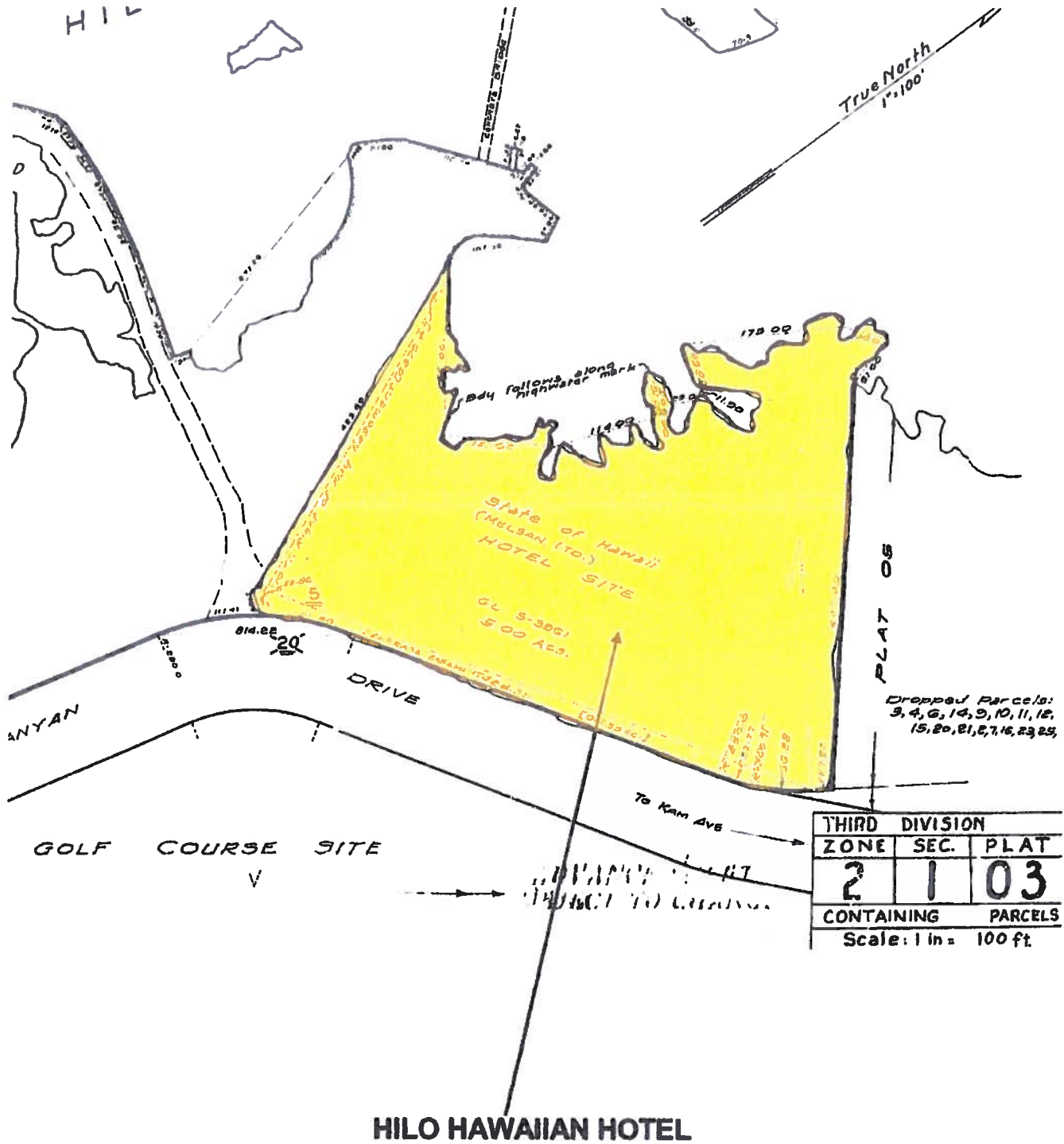


GL S-3961

EXHIBIT A

TMK: 3RD/2-1-03:05

EXHIBIT A



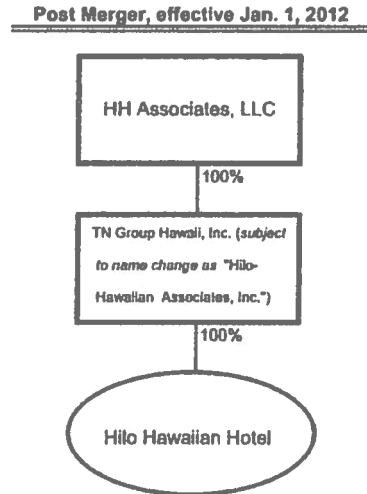
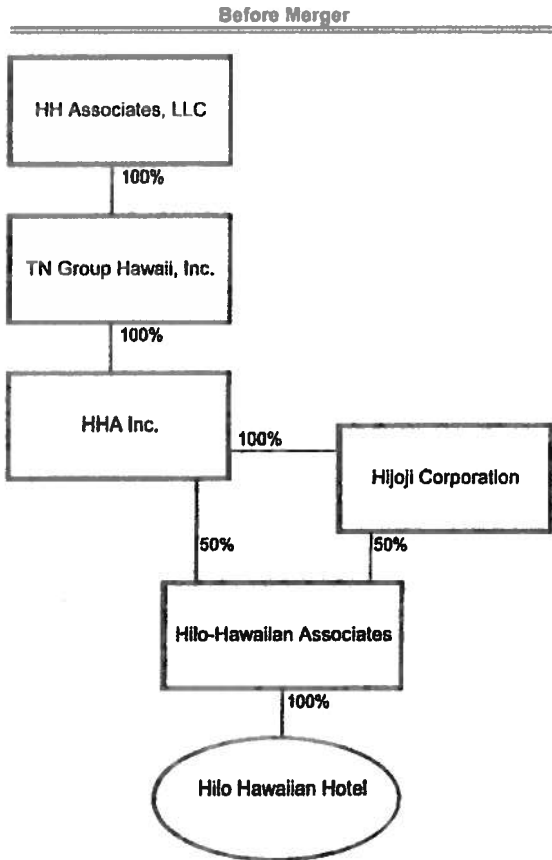


EXHIBIT B

Hilo Hawaiian Associates

*71 Banyan Drive
Hilo, Hawaii 96720*

October 9, 2012

Mr. Russell Tsuji
Land Division Administrator
Department of Land & Natural Resources
1151 Punchbowl Street, Room 220
Honolulu, HI 96813

RE: Request for Consent to Lease Extension of General Lease No. S-3961
Hilo-Hawaiian Associates, Waiakea, South Hilo, Hawaii
Tax Map Key: 3rd/2-1-03:05

Dear Mr. Tsuji:

Thank you very much for your letter of June 20, 2012. As you know, the Hilo Hawaiian Hotel is approximately 50 years old and requires a great deal of improvements in order to upgrade it to the standards that will meet the need of both the tourists and residents planning to stay in Hilo. In that regard, enclosed is Allied Builders System's estimate of \$5,877,000 to do what we believe are the necessary upgrades to make it a first-class hotel.

In order to amortize the money that will need to be spent to upgrade the Hilo Hawaiian Hotel, we are requesting a 37 year lease extension for the property. This extension is pursuant to Act 219 (S.B. 1530) effective July 1, 2011, after the current lease expires in 2031, a total of 55 years. Pursuant to that Act, the value of the improvements must be at least 50% of the market value of the existing improvements.

In addition to the improvements of \$5,877,000, 3% of total room revenue will be set aside each year of the lease in a FF&E bank account. This amount will be no less than \$200,000 per year for all 55 years and will be spent in its entirety to maintain the Hotel during the entire lease period. Please note that the furnishings included in the upgrade proposal is being custom made specifically for the Hilo Hawaiian Hotel and will be considered as a fixture under real property law for its entire useful life. This, as well as the guarantee of the 3% set aside, can be included in the development agreement for the land lease extension.

EXHIBIT C

Mr. Russell Tsuji
Page 2
October 9, 2012

As contained in our letter of June 20, 2012, the County of Hawaii Real Property Tax Office has assessed the value of the improvements to GL S-3961 (the Hilo Hawaiian Hotel) at \$11,414,400. We have also enclosed a Summary Appraisal Report of the Market Value of the Leasehold Real Property Improvements by Hastings, Conboy, Braig & Associates, Ltd., of the Hilo Hawaiian Hotel as of August 2012 which reflects an appraised value of \$10,895,000.

Please let me know if there is any other information that you require. We are prepared to move ahead quickly in making these improvements, as many people in Hilo have told us that it is critical that the hotel be upgraded in the near future. We are told that these improvements will help greatly with the experience of the guests and will, hopefully, insure the continuation of direct airlift to Hilo and hopefully encourage additional airlift to Hilo. We are also told that this will increase the number of both overseas and Hawaii residents to Hilo.

Sincerely,

Hilo Hawaiian Associates



Gary Oda
Marketing Partner

/ch

Enclosures

cc: Kevin E. Moore
Gordon C. Heit



ALLIED BUILDERS SYSTEM

August 7, 2012

Daryle Kitamori
General Manager
Hilo Hawaiian Hotel
71 Banyan Drive
Hilo, HI 96720

Subject: Hilo Hawaiian Hotel Renovations

Dear Mr. Kitamori:

Allied Builders System hereby proposes to furnish all labor, materials, tools and equipment necessary to complete the work as detailed in the attached schedule, all for the lump sum bid of:

Five Million Eight Hundred Seventy Seven Thousand and 00/100 Dollars
(\$5,877,000.00)

Please refer to Attachment A for our proposed scope of work.

Please call Justin Izumi at 432-9919 with any questions concerning our proposal.

Sincerely,

Justin Izumi
Vice-President/Chief Estimator

Encl.: Attachment A – Proposed Scope of Work

Attachment A – Proposed Scope of Work

Renovation of all hotel guest rooms and corridors: \$3,256,000

- Bathroom floor tile and tub surrounds
- Carpet
- Paint
- Wall covering
- Bath accessories (towel racks, robe hooks, tissue dispensers)
- Plumbing fixtures (toilet, tub, faucet, showers)
- HVAC controls
- Lighting

New guestroom furnishings: \$1,594,000

- Headboards
- Nightstands
- Lounge chairs
- Dining sets
- Dressers
- Mirrors
- Desks, tables, chairs
- Artwork
- Sofas
- Lanai sets
- Beds and soft goods
- Drapery
- Lamps

(Furniture is custom made for the Hilo Hawaiian Hotel and will remain at the Hotel for its useful life.)

Elevator modernization: \$503,000

- Microprocessor control system
- 35% electricity reduction
- Elevator management system

New fire alarm system: \$304,000

- Guestrooms
- Lobby
- Corridors
- Restaurant

New roof coating system: \$220,000

- 1" closed cell foam
- 32 mils silicone rubber coating
- 15 year warranty

DEVELOPMENT AGREEMENT

FOR

HILO-HAWAIIAN ASSOCIATES, INC.

* * *

**Department of Land and Natural Resources
Land Division**

State of Hawaii

EXHIBIT 4

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the “**Agreement**”) is made and dated effective as of this _____ day of _____, 2013 (“**Effective Date**”), by and between the **STATE OF HAWAII**, by its Chairperson of the Board of Land and Natural Resources (“**Chairperson**”) by the authority granted by the Board of Land and Natural Resources (“**Board**”) at its meetings held on October 26, 2012, Item D-11, and _____, 2013, Item D-____, for the Department of Land and Natural Resources, Land Division, whose principal place of business and post office address is 1151 Punchbowl Street, Room 220, Honolulu, Hawaii 96813 (“**State**”), and **HILO-HAWAIIAN ASSOCIATES, INC.**, a Hawaii corporation, whose principal place of business and post office address is 71 Banyan Drive, Hilo, Hawaii 96720 (“**Lessee**”).

RECITALS:

A. The State owns in fee simple that certain parcel of land, a portion of government lands, situated at Waiakea, South Hilo, Hawaii, shown as the shaded area on **Exhibit A** attached hereto, incorporated herein and made a part hereof. The parcel consists of approximately five (5) acres and is identified by Tax Map Key No. (3) 2-1-003:005. The parcel is currently leased to Lessee under General Lease No. S-3961, as amended, for a term of sixty-five (65) years from April 15, 1966 to April 14, 2031 (“**Lease**”). The parcel shall be referred to hereinafter as the “**Subject Property**.”

B. On October 26, 2012, under Agenda Item D-11, the Board agreed in concept to Lessee’s request to extend the term of the Lease pursuant to Act 219, Session Laws of Hawaii 2011 (“**Act 219**”), and Section 171-36(b), Hawaii Revised Statutes (“**HRS**”), as amended. Act 219 authorizes the Board to extend the term of hotel or resort leases that have not been sold or assigned within the last five (5) years for lessees who commit to substantial improvements to the existing improvements. Act 219 defines “substantial improvements” to mean “any renovation, rehabilitation, reconstruction, or construction of the existing improvements, including minimum requirements for off-site and on-site improvements, the cost of which equals or exceeds fifty per cent of the market value of the existing improvements...”.

C. A summary appraisal report prepared for the Lessee determined the market value of the leasehold improvements on the Subject Property to be \$10,895,000 as of August 28, 2012. Fifty per cent of this amount is \$5,447,500.

D. Pursuant to Act 219 and as a condition to the requested extension of the term of the Lease, Lessee is required to negotiate and enter into a development agreement with the State for the terms and conditions of the proposed development and improvements to be constructed at the Subject Property, subject to review and approval by the Board. No extension to the term of the Lease is to be approved until the State and Lessee mutually agree to the terms and conditions of the development agreement. At its meeting of _____, 2013, Item D-____, the Board approved Lessee’s proposed development and improvements to be constructed at the Subject Property, and this Agreement.

E. This Agreement sets forth the terms and conditions that Lessee must satisfy and successfully perform in order for it to be issued, and retain the benefit of, an extension of the term of the Lease by the State for the Subject Property pursuant to Act 219.

AGREEMENT:

In consideration of the recitals and the mutual covenants, obligations and conditions set forth in this Agreement, the State and Lessee hereby mutually agree as follows:

1. Term. The term of this Agreement shall commence on the Effective Date and terminate on the Completion Date as defined in Paragraph 8 herein, unless terminated sooner pursuant to the terms of this Agreement.

2. Continuation of the Payment of Lease Rental. Lessee shall continue to pay to the State, throughout the term of this Agreement, all rent and other charges due by Lessee under the Lease pursuant to the terms and conditions of the Lease. Upon the execution of the instrument extending, amending and restating the Lease (the extended, amended and restated Lease, hereinafter called the “**EAR Lease**”), Lessee shall pay to the State the Revised Annual Rent as defined in Paragraph 3.A.3) herein, and all other rent and other charges due by Lessee under the EAR Lease pursuant to its terms and conditions.

3. Development Plan.

A. Pursuant to Act 219, prior to entering into a development agreement, Lessee prepared and submitted to the Board the plans and specifications of its proposed development plan for the substantial upgrades to the existing improvements on the Subject Property dated _____, a copy of which is attached hereto as **Exhibit B** incorporated herein and made a part hereof (“**Development Plan**”). All such plans and specifications of the Development Plan shall meet the requirements of and be in full compliance with this Agreement and all applicable municipal, county, state and federal regulations, rules, codes and ordinances. The Board reviewed the Development Plan at its meeting held on _____, 2013, Item D-____, and determined that:

1) The Development Plan proposed in this Agreement is of sufficient worth and value to justify the extension of the term of the Lease;

2) The estimated period of time to complete the Development Plan shall be ninety-six (96) months; and

3) The minimum revised annual rent to be paid by Lessee shall be based on the fair market value of the Subject Property to be developed, as determined by an appraiser for the Board, with such determination to address, as applicable, the percentage of rent to be paid by Lessee when gross receipts exceed a specified amount (“**Revised Annual Rent**”).

B. The State granted final approval of the Development Plan and this Agreement at its meeting held on _____, 2013, Item D-____, subject to Lessee's acceptance of certain specified conditions, if any.

In the event of any certain specified conditions, Lessee shall notify the State in writing whether it accepts such conditions within thirty (30) days of Lessee's receipt of notice of any such certain specified conditions to the State's final approval of its Development Plan. If Lessee fails to accept such conditions within the thirty (30)-day period, the State shall be deemed to have denied final approval of the Development Plan and to have elected to terminate this Agreement effective as of the date that is one (1) day after the date of the expiration of such thirty (30)-day period. Neither Lessee nor the State shall have any further rights, duties or obligations under this Agreement, except as to any provisions of this Agreement which expressly survive its termination.

C. Lessee shall have submitted evidence reasonably satisfactory to the Chairperson that Lessee has adequate funding and/or financing to fully develop the Subject Property in accordance with the approved Development Plan, including without limitation, pro forma financial statements for the project, financing and/or equity commitment letters, and confirmations/evidence of tax credit eligibility.

D. Notwithstanding anything contained in this Agreement to the contrary, no such final approval of the Development Plan by the State shall be deemed a warranty or other representation on its part that (1) Lessee will be able to obtain all necessary federal, state and county entitlements, permits or other approvals required to enable Lessee to develop the Subject Property in accordance with the approved Development Plan; or (2) such approved Development Plan by the State and the plans and specifications of substantial upgrades to the existing improvements on the Subject Property described therein are legal or structurally safe or sound.

E. In the event that Lessee does not accept the Revised Annual Rent to be paid by Lessee under the EAR Lease, and notifies the State in writing within thirty (30) days of Lessee's receipt of written notice from the State of such Revised Annual Rent, the State shall deem that Lessee has elected to terminate this Agreement effective as of the date of Lessee's written notice to the State. Neither Lessee nor the State shall have any further rights, duties or obligations under this Agreement, except as to any provisions of this Agreement which expressly survive its termination. In the event that Lessee fails to notify the State in writing that Lessee does not accept the Revised Annual Rent to be paid by Lessee under the EAR Lease within thirty (30) days of Lessee's receipt of written notice from the State of such Revised Annual Rent, the State shall deem that Lessee has accepted the Revised Annual Rent to be paid by Lessee under the EAR Lease pursuant to its terms and conditions.

4. Condition of the Subject Property. The State makes no representations regarding the condition or suitability of the Subject Property and of the existing structures and improvements at the Subject Property for the approved Development Plan. Lessee shall, at its sole cost and expense, be responsible for conducting its own investigations and due diligence regarding the Subject Property and the existing structures and improvements at the Subject Property, and any site work necessary to implement the approved Development Plan, including

but not limited to the removal of hazardous materials, if any. Lessee acknowledges and agrees that it assumes all risks of development at the Subject Property.

5. Construction Period. Lessee shall have thirty-six (36) months from the Effective Date to complete the substantial upgrades to the existing improvements on the Subject Property in accordance with the approved Development Plan (“**Construction Period**”).

Lessee shall, at Lessee’s sole cost and expense, expeditiously and diligently seek to obtain all necessary and appropriate permits and/or other regulatory approvals from the Federal Government, State of Hawaii (including the State Legislature if applicable), and/or County of Hawaii (“**County**”) so as to enable Lessee to complete the substantial upgrades to the existing improvements on the Subject Property in accordance with the approved Development Plan. Lessee shall use diligent and all commercially reasonable efforts to obtain all required permits and/or other regulatory approvals from the Federal Government, State of Hawaii and/or County.

6. Hazardous Materials. Lessee shall not cause or permit the escape, disposal or release of any hazardous material in completing the approved Development Plan at the Subject Property, except as permitted by law. Lessee shall not allow the storage or use of such materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such materials, nor allow to be brought onto the Subject Property any such materials except to use in the ordinary course of Lessee’s business, and then only after written notice is given to the State of the identity of such materials and upon the State’s consent, which consent may be withheld at the State’s sole and absolute discretion. If any lender or governmental agency shall ever require testing to ascertain whether or not there has been any release of hazardous materials by the Lessee, then the Lessee shall be responsible for the reasonable costs thereof. In addition, Lessee shall execute affidavits, representations and the like from time to time at the State’s request concerning Lessee’s best knowledge and belief regarding the presence of hazardous materials on the Subject Property placed or released by Lessee.

Lessee agrees to indemnify, defend, and hold the State harmless, from any damages and claims resulting from the release of hazardous materials on the Subject Property occurring while Lessee is in possession, or elsewhere if caused by the Lessee or persons acting under the Lessee. These covenants shall survive the expiration or earlier termination of this Agreement.

For the purpose of this Agreement, “hazardous material” shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, or any other federal, state, or local environmental law, regulation, ordinance, rule, or by-law, whether existing as of the date ordinance, rule, or by-law, whether existing as of the date hereof, previously enforced, or subsequently enacted.

7. Bonds. Pursuant to Act 219, no construction shall commence until Lessee has filed with the State sufficient bonds conditioned upon the full and faithful performance of all the

terms and conditions of this Agreement, which shall consist of a completion bond and a labor and materialmen's bond in the amount of \$5,500,000 in such form and upon such terms and conditions as may be approved by the State. The Development Plan proposes upgrades to the existing improvements at the Subject Property in the amount of \$5,831,442, exclusive of funds to be deposited in the FF&E bank account (as defined and described below).

The Lessee shall, at its own cost and expense, within fifteen (15) days from the Effective Date of this Agreement, procure and deposit with the State and thereafter keep in full force and effect during the term of this Agreement, such bonds acceptable to the State in the amount of \$5,500,000 as aforesaid, which bonds shall name the State as obligee, conditioned upon the full and faithful observance and performance by Lessee of all the terms, conditions and covenants of this Agreement, including, but not limited to, the completion of the substantial improvements requirement in accordance with the approved Development Plan at the Subject Property on or before the date of completion, free from all liens and claims, pursuant to the approved Development Plan. Lessee shall indemnify, defend, and hold the State harmless from all liens, suits, actions or damages arising out of, caused from or attributable to the work performed pursuant to the substantial improvements requirement in accordance with the approved Development Plan at the Subject Property incorporated herein this Agreement. These bonds shall provide that in case of a breach or default of any of the terms of this Agreement, covenants, conditions and agreements of such bonds, the full amounts payable pursuant to the terms and conditions of such bonds shall be paid to the State as liquidated and ascertained damages and not as a penalty.

8. Completion of Construction; Inspection. Upon completion of the substantial upgrades to the existing improvements on the Subject Property in accordance with the approved Development Plan by Lessee, Lessee shall provide written notice to the State acknowledging and confirming the same. Representatives of the State and Lessee shall then conduct a final inspection and walk through of the Subject Property within fourteen (14) days of such written notice, and a "punchlist" shall be mutually prepared and agreed upon by representatives of the State and Lessee within seven (7) days of such inspection and walk through of the Subject Property. Such punchlist shall itemize any areas of construction that were not in accordance with the approved Development Plan, or any unauthorized construction or work not acceptable to the State or any other governmental agency having jurisdiction over such work. Lessee, at Lessee's sole cost and expense, shall immediately repair all deficiencies identified as potential safety hazards on the punchlist, and all other deficiencies on the punchlist shall be remedied within fourteen (14) days of the preparation of the same.

If the State is satisfied that completion of the substantial upgrades to the existing improvements on the Subject Property have been performed in accordance with the approved Development Plan by Lessee, including any and all punchlist items, then the State shall confirm and notify Lessee of the same in writing ("**Completion Date**"), at which time Lessee shall have the right to terminate the bonds posted by Lessee pursuant to Paragraph 7 hereof.

9. Justification of Sureties. Any bonds required by this Agreement shall be supported by the obligation of a corporate surety organized for the purpose of being a surety and

qualified to do business in the State of Hawaii, or by not less than two (2) personal sureties, corporate or individual, for which justifications shall be filed as provided in Section 78-20, HRS; provided, however, the Lessee may furnish a bond in like amount, conditioned as aforesaid, executed by it alone as obligor, if, in lieu of any surety or sureties, it shall also furnish and at all times thereafter keep and maintain on deposit with the State security in certified checks, certificates of deposit (payable on demand or after a period the State may stipulate), bonds, stocks or other negotiable securities properly endorsed, or execute and deliver to the State a deed or deeds of trust of real property, all of a character which is satisfactory to State and valued in the aggregate at not less than the principal amount of the bond. It is agreed that the value of any securities which may be accepted and at any time thereafter held by the State shall be determined by the State, and that the Lessee may, with the approval of the State, exchange other securities or money for any of the deposited securities if in the judgment of the State the substitute securities or money shall be at least equal in value to those withdrawn. It is further agreed that substitution of sureties or the substitution of a deposit of security for the obligation of a surety or sureties may be made by the Lessee, but only upon the written consent of the State and that until this consent is granted, which shall be discretionary with the State, no surety shall be released or relieved from any obligation, except for any bonds terminated by Lessee after the Completion Date pursuant to the terms of Paragraph 8 hereinabove.

10. Waiver, Modification, Reimposition of Bond and Liability Insurance Provisions. Upon substantial completion of the improvements contemplated herein and after forty-five (45) days after the filing and publication of the Notice of Final or Substantial Completion by Lessee, and upon substantial compliance by the Lessee with the terms, covenants, and conditions contained in this Agreement on its part to be observed or performed, the State at its discretion may in writing, waive or suspend the performance bond or improvement bond requirements or both or may, in writing, modify the particular bond(s) or liability insurance requirements by reducing its amount; provided, however, that except for any bonds terminated by Lessee after the Completion Date pursuant to the terms of Paragraph 8 hereinabove, the State reserves the right to reactivate the bonds or reimpose the bond(s) or liability insurance in and to their original tenor and form at any time throughout the term of this Agreement.

11. FF&E Bank Account. In addition to performing the substantial upgrades to the existing improvements on the Subject Property in accordance with the approved Development Plan, Lessee agrees to set aside three percent (3%) of the total room revenue generated each year at the Subject Property into an FF&E bank account. Such amount to be set aside in the FF&E bank account shall be not less than \$200,000.00 each year, and such FF&E bank account shall be effective as of the Effective Date of this Agreement through and including the term of the EAR Lease.

Lessee acknowledges and agrees that the funds in the FF&E bank account shall only be used to keep and maintain the existing structures and improvements at the Subject Property in good order, condition and repair throughout the period from the Effective Date of this Agreement through and including the term of the EAR Lease. Within sixty (60) days after the end of each year, Lessee shall submit an annual reconciliation and statement of the FF&E bank account to the State signed and certified by a duly authorized officer of Lessee detailing all activity of the account, including but not limited to, all resulting deposits made and funds utilized

to maintain and/or repair the existing structures and improvements at the Subject Property for such year. The Lessee shall, at all reasonable times, permit the State or its authorized agents and employees, upon reasonable notice given by the State, to audit, examine and to make copies of all books, accounts, records and receipts of the Lessee concerning its expenditures from the FF&E bank account.

12. Modifications to the Development Plan. Lessee shall be entitled to make changes or modifications to the approved Development Plan as may be required to address and satisfy any comments made or issues raised by the appropriate agencies of the Federal Government, State of Hawaii and/or County without the further consent or approval by the State, provided that: (a) Lessee provides advance written notice to the State of such changes or modifications, including a reasonably specific explanation as to why such changes or modifications are being undertaken and their anticipated effect; and (b) such changes or modifications: (i) do not materially alter or change the Development Plan as approved by the State; (ii) do not reduce the rents and all other charges to be paid by Lessee under the Lease or EAR Lease; (iii) do not provide for uses that are not permitted by applicable laws or ordinances; or (iv) do not adversely affect or delay the Construction Period for more than one hundred and eighty (180) days.

In addition, the State recognizes that from time to time the approved Development Plan may require changes or modifications initiated by Lessee. Lessee may make any such changes or modifications to said approved Development Plan with the prior written consent of the State, which consent may be withheld by the State in its sole and absolute discretion, provided that such changes or modifications: (a) do not materially alter or change the Development Plan as approved by the State; (b) do not reduce the rents and all other charges to be paid by Lessee under the Lease or EAR Lease; (c) do not provide for uses that are not permitted by applicable laws or ordinances; or (d) do not adversely affect or delay the Construction Period for more than one hundred and eighty (180) days.

13. Agreement to Issue Extension of Term of Lease. Upon execution of this Agreement, the State will request the Department of the Attorney General to prepare the EAR Lease. Pursuant to Act 219, the EAR Lease shall use the most current lease form and leasing practices and policies of the State, and shall reflect a period not longer than fifty-five (55) years. With approximately eighteen (18) years remaining on the current term of the Lease as of the Effective Date of this Agreement, the Lessee is eligible for an extension term of approximately thirty-seven (37) years. The EAR Lease will cover the aggregate term of fifty-five (55) years, and will provide that in the event that the Lessee fails to successfully perform, timely satisfy or fully comply with any of the terms and conditions of this Agreement and/or approved Development Plan, the EAR Lease will be rescinded and the Lease, together with its original termination date, will be reinstated. The State and Lessee will promptly sign the EAR Lease when the form thereof is approved by the Department of the Attorney General and Lessee.

14. Default; State's Right to Terminate Agreement and/or Rescind Lease Extension. The State may, at its option and in its sole and absolute discretion, upon written notice to Lessee without prejudice to any other remedy or right of action, terminate this Agreement and/or rescind the EAR Lease at any time for any one of the following reasons:

A. If Lessee fails to pay rent or any part thereof or any other charge, payment or amount it is obligated to pay or that is due by Lessee under the Lease or the EAR Lease, and this failure continues for a period of more than thirty (30) days after delivery by the State of a written notice of such breach or default and demand for cure, by personal service, registered mail or certified mail to Lessee that the same is past due;

B. If Lessee fails to observe or perform any of the material covenants, terms and conditions contained herein this Agreement, including but not limited to, those listed in subparagraphs (i) through (vi) herein, the Lease or the EAR Lease on the Lessee's part to be observed and performed, and such breach or default continues for a period of more than sixty (60) days after delivery by the State of a written notice of such breach or default and demand for cure, by personal service, registered mail or certified mail to Lessee of such breach or default, or if such breach or default in observance and performance of such other covenants cannot reasonably be cured within said sixty (60)-day period, then such longer time as may be required, provided that Lessee shall within said period commence such cure and thereafter diligently prosecute the same to completion within sixty (60) days thereafter;

(i) If Lessee fails to obtain any and all Federal Government, State of Hawaii (including the State Legislature if applicable), and County permits and approvals required and necessary for the completion of the approved Development Plan;

(ii) If Lessee becomes bankrupt or insolvent, or seeks protection under any provision of any bankruptcy or insolvency law or any similar law providing for the relief of debtors, or abandons the project contemplated under the approved Development Plan, or if any assignment is made of Lessee's rights hereunder for the benefit of creditors;

(iii) If Lessee shall, in any manner, attempt to forge, falsify or fabricate any annual reconciliation statements for the FF&E bank account required under this Agreement submitted to the State;

(iv) If any portion of the funds in the FF&E bank account shall be made subject to any lien, levy or encumbrance that prevents Lessee from expending such funds for the maintenance of the existing structures and improvements on the Subject Property in the amount required by this Agreement;

(v) If the Subject Property or any part of the Subject Property, appurtenances or improvements are used, or intended to be used in any manner to commit or to facilitate the commission of a crime; or

(vi) If the Lessee is not in compliance with Section 171-36(a)(4), HRS.

Any default under this Agreement by the Lessee shall be cause by the State to terminate this Agreement and rescind the EAR Lease, and the State shall have all other rights and remedies provided herein, in the Lease or by law with respect to a default by the Lessee under this Agreement. In addition, any default by the Lessee under the Lease or EAR Lease shall be cause by the State to terminate this Agreement and rescind the EAR Lease, and the State

shall have all other rights and remedies provided herein, in the Lease or the EAR Lease, as applicable, or as otherwise provided by law with respect to a default by the Lessee under the Lease or EAR Lease.

Upon any early termination by the State under this Agreement, this Agreement shall terminate on the date as provided for in the State's written notice, and shall become null and void except as to any provisions which expressly survive termination in this Agreement. The EAR Lease shall be rescinded and Lessee shall not be entitled to an extension of the term of the Lease for the Subject Property pursuant to Act 219. Upon the effective date of termination and without waiving any other remedies to which it may be entitled, the State shall be entitled to: (1) prosecute any claim against Lessee for fees, costs or other payments or charges that accrued prior to the effective date of termination, including the interest thereon; and (2) assert any claim that it may have against Lessee for any damages, costs, or expenses, suffered or incurred by the State, which obligations shall survive termination of this Agreement, the Lease and/or EAR Lease.

15. Non-Waiver. The waiver by the State of any breach by the Lessee of any term, covenant, or condition of this Agreement or the Lease, nor of the State's right of re-entry for breach of covenant, nor of the State's right to declare and enforce a forfeiture for any breach, and the failure of the State to insist upon strict performance of any term, covenant, or condition, or to exercise any option conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any such term, covenant, condition or option.

16. Liens. Lessee will not commit or suffer any act or neglect whereby the Subject Property or any improvements thereon or the estate or interest of the State therein shall at any time during the term of this Agreement become subject to any attachment, judgment, lien, charge or encumbrance whatsoever, and will indemnify, defend and hold the State harmless from and against all loss, cost or expense with respect thereto (including reasonable attorney's fees). If any lien for work, labor, services or materials done for or supplied to the Subject Property by, on behalf of, or through Lessee is filed against the Subject Property, Lessee shall have sixty (60) days from the date of filing in which to cause such lien to be discharged of record by payment, deposit, bond or other reasonably satisfactory alternative approved by the State, as the case may be. The foregoing covenants of Lessee shall survive expiration or any early termination of this Agreement.

17. Expenses to be Paid by Lessee. Pursuant to Act 219, Lessee shall pay all costs and expenses incurred by the State in connection with the processing, analyzing and negotiating of any request for a lease term extension and document, and the development agreement.

18. Observance of Laws, Ordinances and Regulations. Each party hereto, and their respective officers, agents, assigns, employees, consultants and/or contractors, or persons acting for or on its behalf, shall at all times observe and comply with all applicable laws, ordinances, rules and regulations of the federal, state, county and municipal governments, now in force or which may be in force.

19. Archaeology; Historic Preservation. Lessee, including any agent or contractor, upon encountering any previously unidentified archaeological resources such as artifacts, shell, bone or charcoal deposits, human remains, or any historic properties or burials, on the Subject Property, will immediately stop all work and contact the State DLNR Historic Preservation Division in compliance with Chapter 6E, HRS.

20. Recordation. This Agreement shall not be recorded. However, upon request by either the State or Lessee, a short form memorandum of this Agreement shall be prepared by the State and shall be duly executed and acknowledged in proper form and may be placed of record so as to give public notice as to the existence of this Agreement.

21. Notices. Any notice or demand to the State or Lessee provided for or permitted by this Agreement shall be given in writing and: (a) mailed as registered or certified U.S. mail, return receipt requested, postage prepaid, addressed to such party at its post office address herein specified or the last such address designated by such party in writing to the other; or (b) delivered personally within the respective County as applicable, the State or to any officer of Lessee, or (c) sent by facsimile transmission (herein "Fax") to the Fax number, if any, of such party as specified herein or such other Fax number designated by such party in writing to the other. Any such written notice shall be deemed conclusively to have been received at the time of such personal delivery, or receipt of Fax, or at 4:00 p.m. on the third business day after being deposited with the United States mail as aforesaid, as follows:

If to the State: Board and Department of Land and Natural Resources
1151 Punchbowl Street, Room 220
Honolulu, Hawaii 96813
Attention: Chairperson
Fax No.: (808) 587-0390

And a copy to: Department of the Attorney General
Attention: Land/Transportation Division
Kekuanaoa Building
465 South King Street, Suite 300
Honolulu, Hawaii 96813
Fax No.: (808) 587-2999

If to Lessee: Hilo-Hawaiian Associates, Inc.
71 Banyan Drive
Hilo, Hawaii 96720
Attention: Gary Oda
Fax No.: (808) 432-9999

And a copy to: Gary Oda at goda@abs.cc
Rick Fried at rfried@croninfried.com
A. Mattson at amattson@castleresorts.com

22. Status Reports; Lessee Cooperation. Lessee acknowledges that the State's staff may be required to periodically report to the Board during the term of this Agreement on the status of Lessee's progress of the approved Development Plan incorporated herein this Agreement. Lessee agrees to reasonably assist and meet with the State's staff in making such reports, including without limitation, upon commercially reasonable advance written notice, having a representative available to answer questions at any meetings of the Board at which such reports are given, providing information that State's staff reasonably requests for the purposes of making such reports, and being available to meet with the State's staff prior to the time such reports are made.

23. Costs and Attorney's Fees. Lessee shall pay all costs, including reasonable attorney's fees, and expenses which may be incurred by or paid by the State in enforcing the covenants, terms and conditions of this Agreement, including, but not limited to, recovering possession of the Subject Property, or in the collection of delinquent fees, taxes, assessments, and any and all other amounts or charges. In case the State shall, without any fault on its part, be made a party to any litigation commenced by or against the State, the Lessee shall pay all costs, including reasonable attorney's fees, and expenses incurred by or imposed on the State.

24. Construction and Amendment. This Agreement has been negotiated extensively by Lessee and the State with and upon the advice of their respective counsel, all of whom have participated in the drafting hereof. Consequently, the usual rule of construction shall not be applicable, which provides that the document is to be interpreted against the interests of the party who has primarily drafted the language in an agreement. No amendment or modification of this Agreement or any Exhibit attached hereto shall be effective unless incorporated in a written instrument executed by and between the State and Lessee. The State and Lessee agree to execute such other documents and instruments as may be reasonably requested by the other party and as may be necessary to effectuate the terms and conditions of this Agreement.

25. Governing Law. This Agreement shall be construed, interpreted, and governed by the laws of the State of Hawaii.

26. Ratification. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement shall govern and control to the extent only where there is any conflict or inconsistency with regard to the terms and conditions that Lessee must satisfy and successfully perform in order for it to be issued an extension of the term of the Lease by the State for the Subject Property pursuant to Act 219.

27. Headings. The article and paragraph headings herein are inserted only for convenience and reference and shall in no way define, describe or limit the scope or intent of any provision of this Agreement.

28. Partial Invalidity. In case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect which is not material to the transactions contemplated hereunder, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall

be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

29. Assignment. Any and all rights under this Agreement granted to Lessee may not be sold, assigned, conveyed or transferred in any manner by Lessee to any other person or entity. Notwithstanding the foregoing, however, Lessee may assign this entire Agreement and the development rights provided for herein to an institutional lender or lenders providing financing for the development of all or any portion of the Subject Property as security for the repayment of such loan or loans, with the prior written consent of the State.

30. State's Right to Assign. It is specifically understood and agreed that the State (through the Board) may convey or otherwise transfer the Subject Property subject to the terms and conditions of this Agreement, and assign this entire Agreement (including, but not limited to the assignment of any lease issued or to be issued under this Agreement) to any other department or agency of the State of Hawaii, subject to such department or agency affirmatively agreeing to accept such Subject Property subject to the terms and conditions of this Agreement and assuming all undertakings and obligations under this Agreement and/or the extension of the term of the Lease issued or to be issued under this Agreement. Upon any such assignment, Lessee agrees to attorn to the assignee on the terms and conditions of this Agreement, the lease, or any other lease that is part of this Agreement.

31. Development Rights. Upon the expiration or any early termination of this Agreement by the State for whatever reason, all development rights, permits, approvals, plans, specifications, etc. prepared by or for Lessee in connection with Lessee's efforts relating to the proposed development and improvements to be constructed at the Subject Property or under this Agreement shall, to the extent owned by and/or assignable by Lessee, vest with and become a part of the Subject Property of the State. At the request of the State, Lessee shall do all things reasonably necessary to assign to the State, all such development rights, permits, approvals, plans, specifications, etc.

32. Modification. This Agreement may only be amended or modified by written agreement signed by all parties; provided however, this Agreement may only be amended or modified with the approval of the Chairperson.

33. DLNR. Notwithstanding anything herein to the contrary, it is specifically understood and agreed by the parties that: (a) the "State" as used herein means the Department of Land and Natural Resources, State of Hawaii, and the "Chairperson" as used herein means the Chairperson of the Board of Land and Natural Resources; (b) whenever action is taken, or required to be taken by the "State" under this Agreement (e.g., approve, disapprove, consent or otherwise), it shall be deemed to be an act of only the Board of Land and Natural Resources, and shall not be construed to be the act of any other department or agency of the State of Hawaii. Lessee acknowledges and accepts the responsibility for obtaining all entitlements and governmental approvals from the other applicable governing boards, agencies and departments of the State, County and Federal Government.

34. No Third Party Beneficiaries. No third party beneficiaries are intended by this Agreement, and the terms and provisions of this Agreement shall not give rise to any right in third parties to enforce the provisions of this Agreement.

35. Nondiscrimination. The use of the Subject Property shall not be in support of any policy which discriminates against anyone based upon race, creed, color, national origin or a physical handicap.

36. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

37. Time is of the Essence. Time is of the essence in all provisions of this Agreement.

38. Exhibits. The following exhibits are attached to this Agreement and deemed incorporated herein this Agreement by reference:

Exhibit A: Map of Subject Property

Exhibit B: Lessee's Development Plan dated _____.

[THE NEXT PAGE IS THE SIGNATURE PAGE.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

Approved and Executed by the Chairperson pursuant to authority granted by the Board of Land and Natural Resources at its meetings held on October 26, 2012 and _____, 2013.

STATE OF HAWAII

By _____
Chairperson of the Board of Land and
Natural Resources
State

APPROVED AS TO FORM:

Name: _____
Deputy Attorney General
Dated: _____

HILO-HAWAIIAN ASSOCIATES, INC.,
a Hawaii corporation

By _____
Name: _____
Its: _____

Lessee

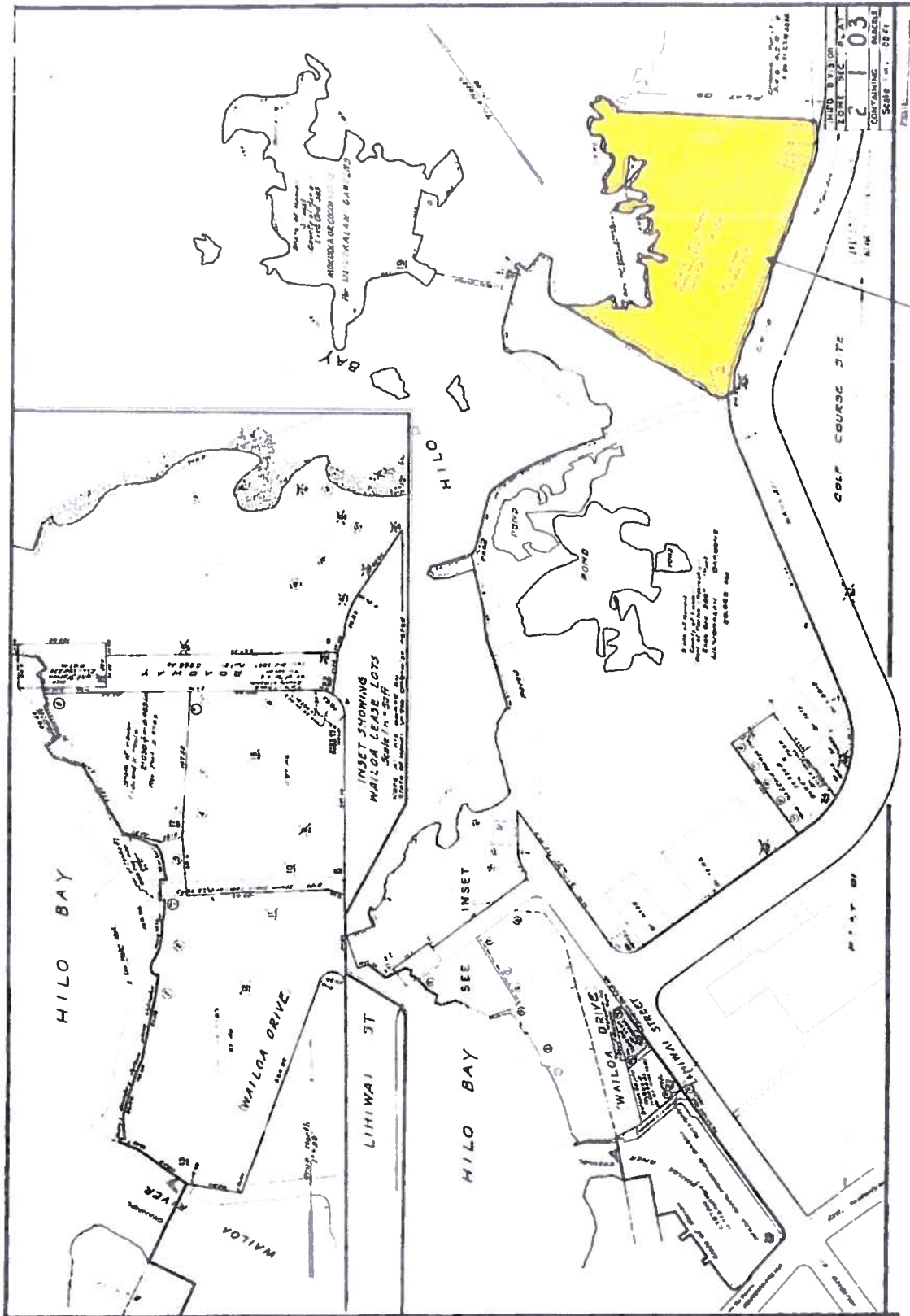
STATE OF HAWAII)
) SS.
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____ to me personally known, who, being by me duly sworn, did say that he/she is the _____ of **HILO-HAWAIIAN ASSOCIATES, INC.**, a Hawaii corporation, and that the foregoing instrument was signed in behalf of said company by authority of its _____, and the said _____ acknowledged said instrument to be the free act and deed of said company.

Notary Public, State of Hawaii

My commission expires: _____

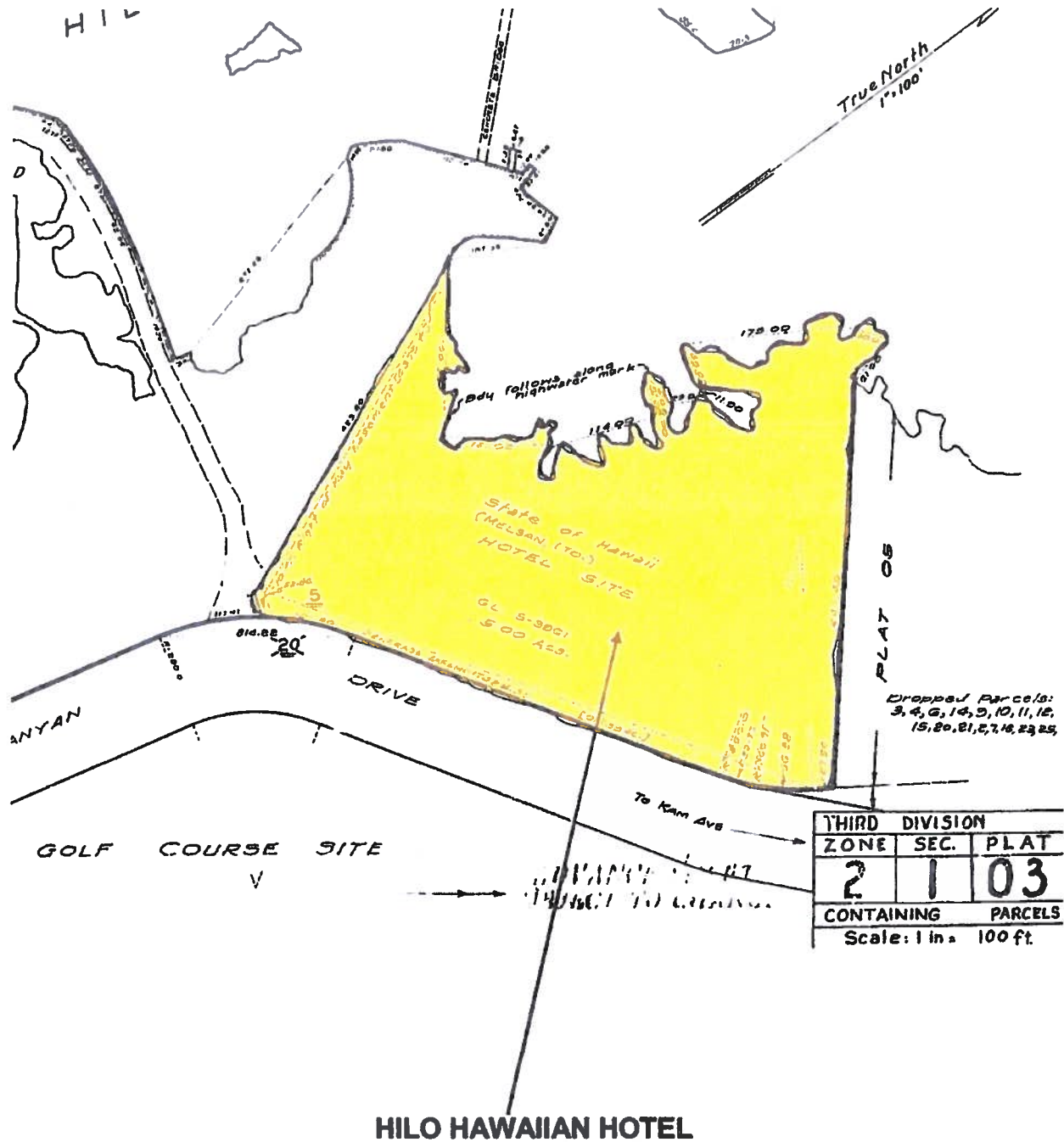
**EXHIBIT A
MAP OF SUBJECT PROPERTY**



GL S-3961

**EXHIBIT A
MAP OF SUBJECT PROPERTY**

TMK: 3RD/2-1-03:05



THIRD DIVISION		
ZONE	SEC.	PLAT
2	1	03
CONTAINING		PARCELS
Scale: 1 in = 100 ft.		

EXHIBIT B
LESSEE'S DEVELOPMENT PLAN

HILO HAWAIIAN HOTEL - CAPITAL IMPROVEMENTS

	Contract	Architect, Interior Design, Construction Management	Materials	Purchasing Agent (Note 1)	Total
Roof Resurfacing, Guest Rooms and Corridors					
Demolition	\$ 234,206	\$ 32,333	\$ -	\$ -	\$ 266,539
Re-roofing	\$ 218,440	\$ 30,156	\$ -	\$ -	\$ 248,596
Carpentry: Suite kitchenettes, drywall, bath accessories, vanity mirror	\$ 258,261	\$ 35,654	\$ 176,293	\$ 22,329	\$ 492,537
Tile	\$ 313,230	\$ 43,242	\$ 140,393	\$ 17,782	\$ 514,647
Carpet	\$ 202,275	\$ 27,925	\$ 308,072	\$ 39,020	\$ 577,292
Paint / Wall Covering	\$ 434,212	\$ 59,944	\$ 284,139	\$ 35,989	\$ 814,284
Plumbing	\$ 308,407	\$ 42,576	\$ 149,974	\$ 18,996	\$ 519,953
Tub Refinishing	\$ 79,874	\$ 11,027	\$ -	\$ -	\$ 90,901
HVAC Controls	\$ 171,754	\$ 23,711	\$ -	\$ -	\$ 195,465
Fire Alarm, Lighting, Electrical	\$ 229,420	\$ 31,672	\$ 386,585	\$ 48,965	\$ 696,642
Window Treatment			\$ 232,026	\$ 29,388	\$ 261,414
Kitchen	\$ 275,000	\$ 37,964	\$ -	\$ -	\$ 312,964
SUBTOTAL	\$ 2,725,079	\$ 376,204	\$ 1,677,482	\$ 212,470	\$ 4,991,235
Chiller / Cooling Towers (Excludes Electrical Cost)					\$ 840,207
TOTAL					\$ 5,831,442
Other Renovation Expenses (Note 2)					
Furniture, Fixtures and Equipment					\$ 1,000,000
Bedding					\$ 423,250
					\$ 1,423,250

Note 1. See Purchasing Agency contract.

Note 2: The FF&E are not considered improvements to the real property under Act 219 SLH 2011. Therefore, the cost of these items is not included in the total cost of the Development Plan.

**Hilo Hawaiian Hotel Room Renovation
3-25-13**

ID	Task Name	Duration	Start	Finish	Predecessors
54	Layout Fire Alarm Demo	2 days	Tue 6/25/13	Wed 6/26/13	52FS-11 days
55	Plumbing Rough-in	10 days	Wed 6/26/13	Wed 7/10/13	53FS-11 days
56	Electrcial Rough-in	10 days	Wed 6/26/13	Wed 7/10/13	53FS-11 days
57	Fire Alarm Rough-in	10 days	Wed 6/26/13	Wed 7/10/13	53FS-11 days
58	Wallcovering - Rooms	12 days	Wed 6/26/13	Fri 7/12/13	53FS-11 days
59	Tile Backboard / Backing	6 days	Thu 6/27/13	Fri 7/5/13	55FS-9 days
60	Prime Walls	5 days	Mon 7/1/13	Mon 7/8/13	59FS-4 days
61	Ceramic Tile	10 days	Tue 7/2/13	Tue 7/16/13	60FS-4 days
62	Paint rooms	6 days	Fri 7/5/13	Fri 7/12/13	60FS-2 days
63	Toilet Accessories	6 days	Mon 7/8/13	Mon 7/15/13	62FS-5 days
64	Carpet & Base	12 days	Wed 7/10/13	Thu 7/25/13	61FS-5 days
65	Paint Corridor Ceiling	3 days	Thu 7/11/13	Mon 7/15/13	57
66	Kitchen Cabinets	1 day	Mon 7/15/13	Mon 7/15/13	56,58
67	Kitchen Counters	2 days	Tue 7/16/13	Wed 7/17/13	66
68	Plumbing Finishes	8 days	Mon 7/15/13	Wed 7/24/13	7,62
69	Elect Finishes	8 days	Mon 7/15/13	Wed 7/24/13	56,58,62
70	Wallcovering - Corridor	6 days	Tue 7/16/13	Tue 7/23/13	65
71	Tub Refinishing	10 days	Thu 7/18/13	Wed 7/31/13	68FS-5 days
72	Drapery	6 days	Tue 7/23/13	Tue 7/30/13	64FS-3 days
73	Corridor Carpet	3 days	Wed 7/24/13	Fri 7/26/13	64FS-2 days
74	Punchlist	5 days	Fri 7/26/13	Thu 8/1/13	64
75	FF&E	5 days	Fri 8/2/13	Thu 8/8/13	74
76	5th Floor	33 days	Fri 7/5/13	Tue 8/20/13	
77	Liquidation	11 days	Fri 7/5/13	Fri 7/19/13	50
78	Demo	11 days	Mon 7/8/13	Mon 7/22/13	77FS-10 days
79	Layout Fire Alarm Demo	2 days	Mon 7/8/13	Tue 7/9/13	77FS-10 days
80	Plumbing Rough-in	10 days	Tue 7/9/13	Mon 7/22/13	78FS-10 days
81	Electrcial Rough-in	10 days	Tue 7/9/13	Mon 7/22/13	78FS-10 days
82	Fire Alarm Rough-in	10 days	Tue 7/9/13	Mon 7/22/13	78FS-10 days
83	Wallcovering - Rooms	12 days	Tue 7/9/13	Wed 7/24/13	78FS-10 days
84	Tile Backboard / Backing	6 days	Wed 7/10/13	Wed 7/17/13	80FS-9 days
85	Prime Walls	5 days	Mon 7/15/13	Fri 7/19/13	84FS-3 days
86	Ceramic Tile	10 days	Tue 7/16/13	Mon 7/29/13	85FS-4 days
87	Paint rooms	7 days	Mon 7/22/13	Tue 7/30/13	86FS-6 days
88	Toilet Accessories	6 days	Tue 7/23/13	Tue 7/30/13	87FS-6 days
89	Carpet & Base	12 days	Mon 7/22/13	Tue 8/6/13	83FS-3 days,86FS-13 days
90	Paint Corridor Ceiling	3 days	Wed 7/24/13	Fri 7/26/13	82FS+1 day
91	Kitchen Cabinets	1 day	Thu 7/25/13	Thu 7/25/13	81,83
92	Kitchen Counters	2 days	Fri 7/26/13	Mon 7/29/13	91
93	Wallcovering - Corridor	5 days	Mon 7/29/13	Fri 8/2/13	90
94	Plumbing Finishes	8 days	Wed 7/31/13	Fri 8/9/13	87,83
95	Elect Finishes	8 days	Wed 7/31/13	Fri 8/9/13	83,87
96	Tub Refinishing	10 days	Thu 8/1/13	Wed 8/14/13	95FS-7 days
97	Drapery	6 days	Fri 8/2/13	Fri 8/9/13	89FS-3 days
98	Corridor Carpet	3 days	Mon 8/5/13	Wed 8/7/13	89FS-2 days
99	Punchlist	5 days	Wed 8/7/13	Tue 8/13/13	98FS-1 day
100	FF&E	5 days	Wed 8/14/13	Tue 8/20/13	99
101	4th Floor	33 days	Fri 8/9/13	Wed 9/25/13	
102	Liquidation	11 days	Fri 8/9/13	Fri 8/23/13	75
103	Demo	11 days	Mon 8/12/13	Mon 8/26/13	102FS-10 days
104	Layout Fire Alarm Demo	2 days	Mon 8/12/13	Tue 8/13/13	102FS 10 days
105	Plumbing Rough-in	10 days	Tue 8/13/13	Mon 8/26/13	103FS-10 days
106	Electrcial Rough-in	10 days	Tue 8/13/13	Mon 8/26/13	103FS-10 days

**Hilo Hawaiian Hotel Room Renovation
3-25-13**

ID	Task Name	Duration	Start	Finish	Predecessors
107	Fire Alarm Rough-in	10 days	Tue 8/13/13	Mon 8/26/13	103FS-10 days
108	Wallcovering - Rooms	12 days	Tue 8/13/13	Wed 8/28/13	103FS-10 days
109	Tile Backboard / Backing	6 days	Wed 8/14/13	Wed 8/21/13	105FS-9 days
110	Prime Walls	5 days	Fri 8/16/13	Thu 8/22/13	109FS-4 days
111	Ceramic Tile	10 days	Mon 8/19/13	Fri 8/30/13	110FS-4 days
112	Paint rooms	7 days	Fri 8/23/13	Tue 9/3/13	111FS-6 days
113	Toilet Accessories	6 days	Mon 8/26/13	Tue 9/3/13	112FS-6 days
114	Carpet & Base	12 days	Fri 8/23/13	Tue 9/10/13	111FS-6 days
115	Paint Corridor Ceiling	3 days	Tue 8/27/13	Thu 8/29/13	107
116	Wallcovering - Corridor	5 days	Fri 8/30/13	Fri 9/6/13	115
117	Kitchen Cabinets	1 day	Wed 9/4/13	Wed 9/4/13	108,112
118	Kitchen Counters	2 days	Thu 9/5/13	Fri 9/6/13	117
119	Plumbing Finishes	8 days	Wed 9/4/13	Fri 9/13/13	108,112
120	Elect Finishes	8 days	Wed 9/4/13	Fri 9/13/13	108,112
121	Tub Refinishing	10 days	Mon 9/9/13	Fri 9/20/13	119FS-5 days
122	Drapery	6 days	Fri 9/6/13	Fri 9/13/13	114FS-3 days
123	Corridor Carpet	3 days	Mon 9/9/13	Wed 9/11/13	114FS-2 days
124	Punchlist	5 days	Thu 9/12/13	Wed 9/18/13	123
125	FF&E	5 days	Thu 9/19/13	Wed 9/25/13	124
126	3rd Floor	33 days	Wed 8/21/13	Mon 10/7/13	
127	Liquidation	11 days	Wed 8/21/13	Thu 9/5/13	100
128	Demo	11 days	Thu 8/22/13	Fri 9/6/13	127FS-10 days
129	Layout Fire Alarm Demo	2 days	Thu 8/22/13	Fri 8/23/13	127FS-10 days
130	Plumbing Rough-in	10 days	Fri 8/23/13	Fri 9/6/13	128FS-10 days
131	Electrcial Rough-in	10 days	Fri 8/23/13	Fri 9/6/13	128FS-10 days
132	Fire Alarm Rough-in	10 days	Fri 8/23/13	Fri 9/6/13	128FS-10 days
133	Wallcovering - Rooms	12 days	Fri 8/23/13	Tue 9/10/13	128FS-10 days
134	Tile Backboard / Backing	6 days	Mon 8/26/13	Tue 9/3/13	130FS-9 days
135	Prime Walls	5 days	Wed 8/28/13	Wed 9/4/13	134FS-4 days
136	Ceramic Tile	10 days	Thu 8/29/13	Thu 9/12/13	135FS-4 days
137	Paint rooms	7 days	Wed 9/4/13	Thu 9/12/13	136FS-7 days
138	Toilet Accessories	6 days	Thu 9/5/13	Thu 9/12/13	137FS-6 days
139	Carpet & Base	12 days	Wed 9/4/13	Thu 9/19/13	136FS-7 days
140	Paint Corridor Ceiling	3 days	Mon 9/9/13	Wed 9/11/13	132
141	Kitchen Cabinets	1 day	Wed 9/11/13	Wed 9/11/13	133,131
142	Kitchen Counters	2 days	Thu 9/12/13	Fri 9/13/13	141
143	Wallcovering - Corridor	5 days	Thu 9/12/13	Wed 9/18/13	140
144	Plumbing Finishes	8 days	Fri 9/13/13	Tue 9/24/13	133,137
145	Elect Finishes	8 days	Fri 9/13/13	Tue 9/24/13	133,137
146	Tub Refinishing	10 days	Wed 9/18/13	Tue 10/1/13	144FS-5 days
147	Drapery	6 days	Tue 9/17/13	Tue 9/24/13	139FS-3 days
148	Corridor Carpet	3 days	Wed 9/18/13	Fri 9/20/13	139FS-2 days
149	Punchlist	6 days	Mon 9/23/13	Mon 9/30/13	148
150	FF&E	5 days	Tue 10/1/13	Mon 10/7/13	149
151	2nd Floor	27 days	Thu 9/26/13	Mon 11/4/13	
152	Liquidation	3 days	Thu 9/26/13	Mon 9/30/13	125
153	Demo	3 days	Fri 9/27/13	Tue 10/1/13	152FS-2 days
154	Layout Fire Alarm Demo	2 days	Fri 9/27/13	Mon 9/30/13	152FS-2 days
155	Plumbing Rough-in	4 days	Mon 9/30/13	Thu 10/3/13	153FS-2 days
156	Electrcial Rough-in	4 days	Mon 9/30/13	Thu 10/3/13	153FS-2 days
157	Fire Alarm Rough-in	4 days	Mon 9/30/13	Thu 10/3/13	153FS-2 days
158	Wallcovering - Rooms	4 days	Mon 9/30/13	Thu 10/3/13	153FS-2 days
159	Tile Backboard / Backing	3 days	Wed 10/2/13	Fri 10/4/13	155FS-2 days

**Hilo Hawaiian Hotel Room Renovation
3-25-13**

ID	Task Name	Duration	Start	Finish	Predecessors
160	Prime Walls	3 days	Fri 10/4/13	Tue 10/8/13	159FS-1 day
161	Ceramic Tile	4 days	Tue 10/8/13	Fri 10/11/13	160FS-1 day
162	Paint rooms	3 days	Fri 10/11/13	Wed 10/16/13	161FS-1 day
163	Toilet Accessories	3 days	Wed 10/16/13	Fri 10/18/13	162FS-1 day
164	Carpet & Base	4 days	Tue 10/15/13	Fri 10/18/13	161
165	Paint Corridor Ceiling	3 days	Fri 10/4/13	Tue 10/8/13	157
166	Wallcovering - Corridor	3 days	Fri 10/11/13	Wed 10/16/13	165FS+2 days
167	Plumbing Finishes	3 days	Thu 10/17/13	Mon 10/21/13	162
168	Elect Finishes	3 days	Thu 10/17/13	Mon 10/21/13	162
169	Tub Refinishing	3 days	Mon 10/21/13	Wed 10/23/13	167FS-1 day
170	Drapery	3 days	Mon 10/21/13	Wed 10/23/13	164
171	Corridor Carpet	3 days	Mon 10/21/13	Wed 10/23/13	164
172	Punchlist	4 days	Thu 10/24/13	Tue 10/29/13	171
173	FF&E	4 days	Wed 10/30/13	Mon 11/4/13	172



Roy K. Yamamoto
Architect, AIA, Inc.
1111 Kalia Road, Suite 100
Honolulu, Hawaii 96813
Phone: (808) 943-1111
Fax: (808) 943-1112
www.roykoyamamoto.com



This work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My license number is 10088. My expiration date is 12/31/11.

Project Name:

Interior Alterations
to
HILO HAWAIIAN
HOTEL
(Guestrooms & Corridors)
71 Banyan Drive
Hilo, Hawaii 96720
DATE: 11-1-2010

Sheet Title:
TITLE SHEET

Scale:

Project Number: 1218
Drawn By: JY/SM/TL
Date: 12/10/2012

Drawing Number:
T-1.0
Sheet 1 of 1

Interior Alterations

to HILO HAWAIIAN HOTEL (Guestrooms & Corridors) at 71 Banyan Drive Hilo, Hawaii 96720

SUMMARY OF SCOPE OF WORK

- 1. CORRIDORS:
 - 1. REPLACE LIGHT FIXTURES
 - 2. NEW CARPET AND BASE
 - 3. NEW WALL COVERING OVER EXISTING
- 2. GUEST ROOMS:
 - 1. NEW CARPET AND BASE
 - 2. NEW WALL COVERING OVER EXISTING
 - 3. NEW CARPET AND BASE
 - 4. NEW WALL COVERING OVER EXISTING
 - 5. NEW FLOORING OVER EXISTING
 - 6. REPLACE SPOUT VALVE, WASH AND SPOUT
 - 7. NEW TILE AND BASE IN BATH INDICATED
 - 8. REPLACE ALL BATH ACCESSORIES
 - 9. REPLACE ALL BATH ACCESSORIES
 - 10. REMOVE EXISTING WOOD FLOOR AND OVERLAP COVER
 - 11. REPLACE WOOD FLOOR AND OVERLAP COVER

SHEET INDEX

DWG. NO.	SHEET NO.	DESCRIPTION
A-0	1	GENERAL NOTES
A-1	2	PROJECT DATA, SKEW INDEX & GENERAL NOTES
A-2	3	FLOOR PLAN
A-3	4	1ST FLOOR PLAN
A-4	5	2ND FLOOR PLAN
A-5	6	3RD FLOOR PLAN
A-6	7	4TH FLOOR PLAN
A-7	8	5TH FLOOR PLAN
A-8	9	6TH FLOOR PLAN

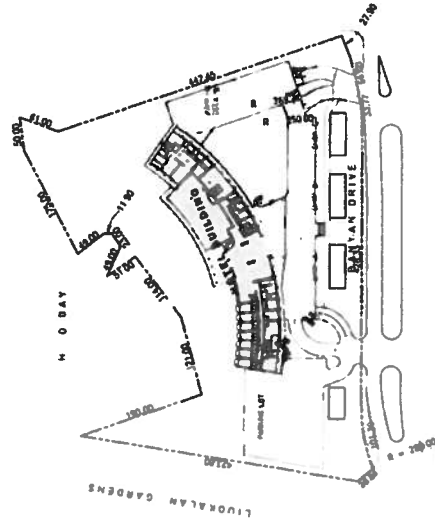
PROJECT DATA

1. ALL MAP REF: 2. CSD 125
 3. LOT AREA: 27,873 SQ. FT.
 4. BUILDING AREA: 14,820 SQ. FT. HOTEL
 5. ZONING DESIGNATION: OPEN
 6. FEMA FLOOD DESIGNATION: PRELIMINARY ZONE IF
 7. CONSTRUCTION TYPE: 4
 8. OCCUPANCY: R-4
 9. STORY ABOVE + BASEMENT: 4
 10. TOTAL GUESTROOMS: 280

GENERAL NOTES

- THIS PROJECT MUST BE CONSTRUCTED IN ACCORDANCE WITH THE LATEST EDITION OF THE FOLLOWING:
 - 1. HAWAIIAN BUILDING CODE
 - 2. NATIONAL ELECTRICAL CODE
 - 3. INTERNATIONAL MECHANICAL AND PLUMBING CODE
 - 4. INTERNATIONAL FIRE AND SAFETY CODE
 - 5. HAWAIIAN CONSTRUCTION MANUAL
 - 6. ALL OTHER STATE AND LOCAL ORDINANCES
 - 7. ALL APPLICABLE CODES & REGULATIONS
- IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO OBTAIN THE PROJECT SITE AND DETERMINE FOR HIMSELF THE EXISTING CONDITIONS OF THE SITE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING THAT THE SITE IS NOT CLEARLY SHOWN ON DRAWINGS OR DESCRIBED THEREIN.
- THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND CONDITIONS AT THE PROJECT SITE PRIOR TO START OF CONSTRUCTION AND SHALL REPORT ANY DISCREPANCIES TO THE ARCHITECT IMMEDIATELY. ANY DISCREPANCY BETWEEN EXISTING CONDITIONS AND CONTRACT DOCUMENT, IF ANY DISCREPANCY IS NOT REPORTED, NECESSARY WORK SHALL BE PROVIDED TO COMPLETE THE WORK OF THE DRAWINGS AND SPECIFICATIONS AT THE CONTRACTOR'S OWN RISK AND AT HIS OWN COST TO CORRECT.
- DRAWINGS INDICATE GENERAL AND TYPICAL DETAILS OF CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ALL DETAILS SHOWN SHALL BE CHECKED BY THE CONTRACTOR AND SHALL BE SUBMITTED TO THE ARCHITECT FOR REVIEW. DETAILS SHALL CORRECTLY REFLECT THE CONTRACT DOCUMENT AND SHALL BE CONSIDERED THE LATEST APPLICABLE BUILDING CODES. ALL DETAILS DESIGNATED AS STANDARD OR TYPICAL SHALL OCCUR IN ADDITION TO ANY OTHER SPECIFIC DETAILS INDICATED.
- THE CONTRACTOR SHALL NOTIFY THE ARCHITECT OF ANY DISCREPANCY BETWEEN THE DRAWINGS AND THE EXISTING CONDITIONS IMMEDIATELY BEFORE PROCEEDING WITH THE WORK. DO NOT SCALE DRAWINGS.
- IF ANY CONCRETE SLABS OR WALLS ARE TO BE FORTIFIED, CONTRACTOR IS TO NOTIFY THE ARCHITECT AND OWNER PRIOR TO COMMENCING WORK AND SHALL OBTAIN APPROVAL FROM THE ARCHITECT AND OWNER. ALL CONCRETE SHALL HAVE PRE-CAST PENETRATION FILLERS.
- NO STRUCTURAL MEMBER SHALL BE ALTERED.
- PROTECT EXISTING WORK. REMOVE ALL BATHROOM ACCESSORIES AND SHALL RELOCATED.

SITE PLAN SCALE: 1" = 80'





Roy K. Yamamoto
 Architect, AIA, Inc.
 1000 Kalia Road, Suite 100
 Honolulu, Hawaii 96813
 Phone: (808) 943-2222
 Fax: (808) 943-2222
 www.roykoyamamoto.com



The work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My License No. is 10000. Expiration Date: 7/26/11

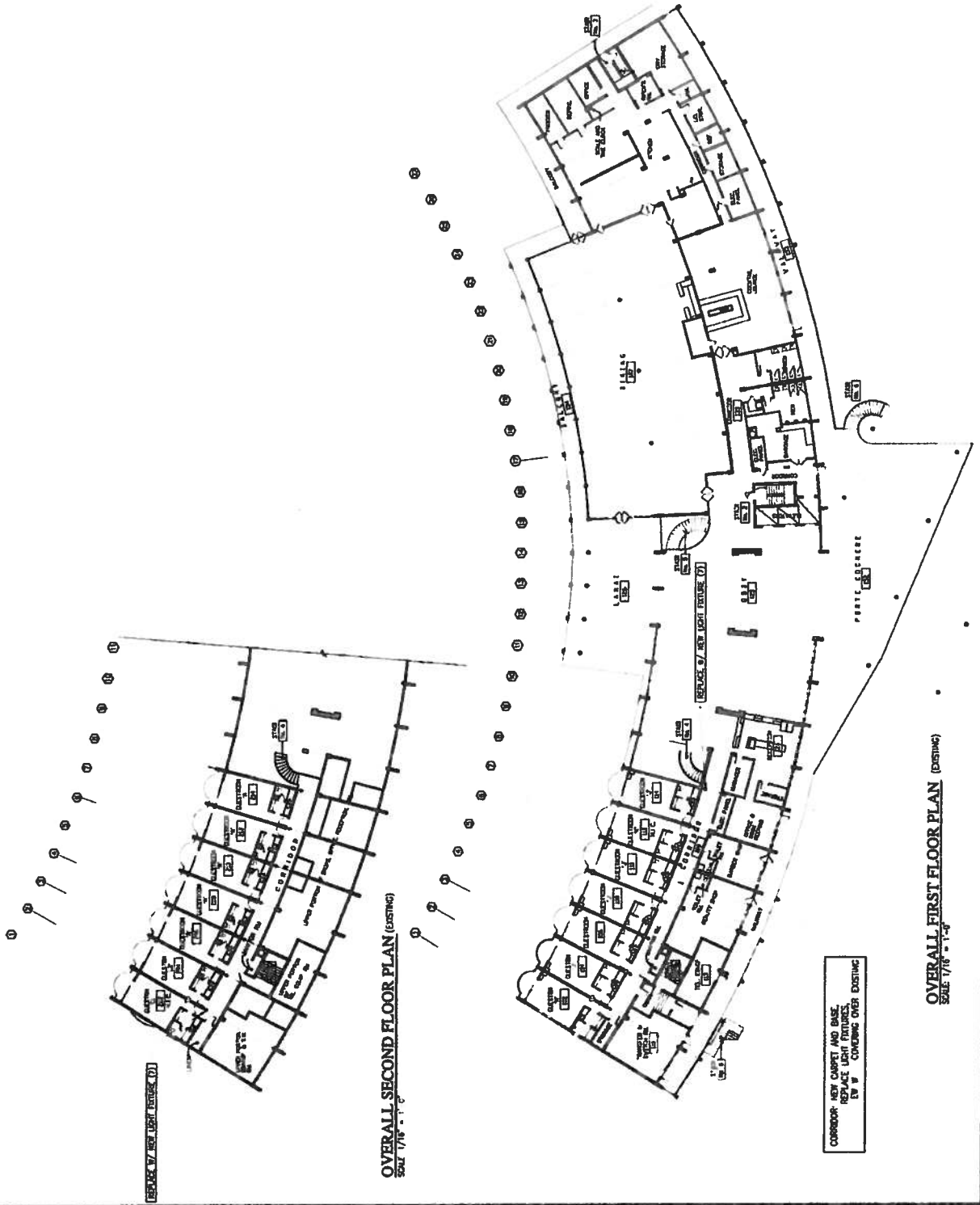
Project Name:
Interior Alterations to HILO HAWAIIAN HOTEL
 (Guestroom & Corridor)
 71 Bayview Drive
 Hilo, Hawaii 96720
 PALS: 11-02008

Sheet Title:
OVERALL FIRST FLOOR & SECOND FLOOR PLANS

Manufacturer:

Project Number: 1218
 Drawn By: LY/SL/RL
 Date: 12/10/2012

Drawing Number:
A-1.0
 Sheet 2 of 3



OVERALL SECOND FLOOR PLAN (EXISTING)
 SCALE: 1/16" = 1'-0"

OVERALL FIRST FLOOR PLAN (EXISTING)
 SCALE: 1/16" = 1'-0"

CORRIDOR: NEW CURSET AND RISE
 REPLACE LIGHT FIXTURES,
 EN W CONDENSING OVER EXISTING



The work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. License No. 10088. Expiration Date: 12/31/11.

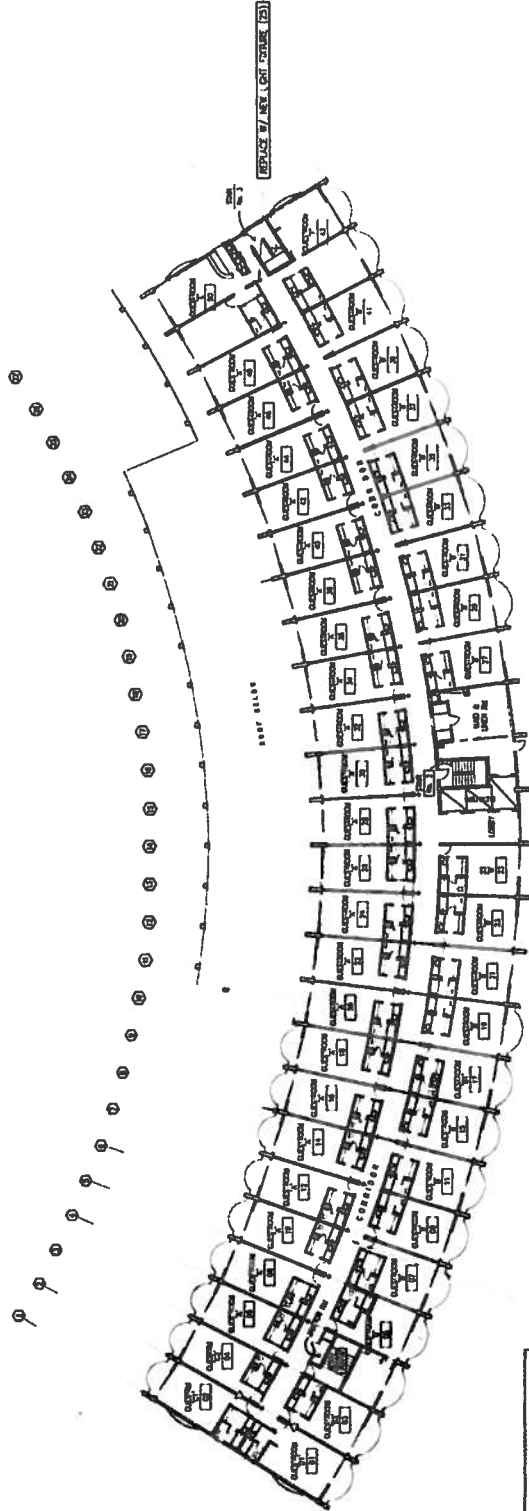
Project Name:
Interior Alterations to HILO HAWAIIAN HOTEL
 (Guestrooms & Corridors)
 71 Banyan Drive
 Hilo, Hawaii 96720
 T.S.E. 1-1-0-0000

Sheet Title:
OVERALL THIRD TO EIGHTH FLOOR PLAN

Scale:

Project Number: 1218
 Drawn By: LY/SH/SL
 Date: 12/10/2011

Drawing Number:
A-1.1
 Sheet 3 of 9



NOTE:
 FOLLOWING ROOMS ON EIGHTH FLOOR ARE N C
 802 MODEL ROOM
 805 MODEL ROOM
 807 MODEL ROOM
 812 MODEL ROOM
 813 MODEL ROOM
 814 MODEL ROOM
 815 MODEL ROOM

CORRIDOR: NEW CARPET AND BASE.
 REPLACE LIGHT FIXTURES.
 NEW WALL COVERING OVER EXISTING

OVERALL THIRD TO EIGHTH FLOOR PLAN (EXISTING)
 SCALE: 1/8" = 1'-0"



The work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My license number is 10183/11.

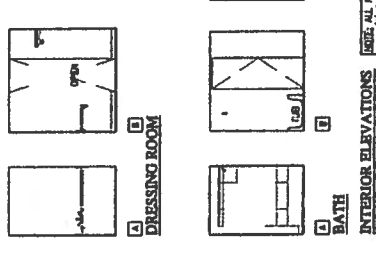
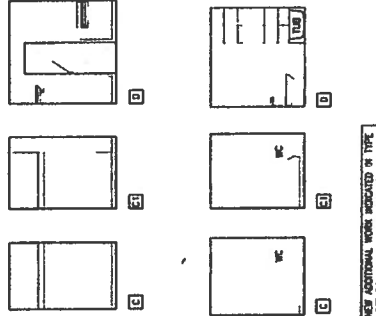
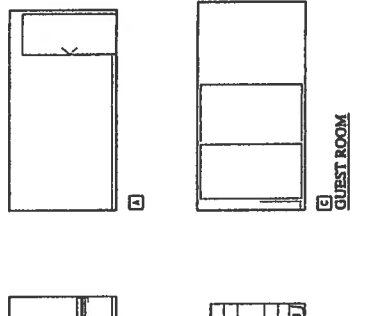
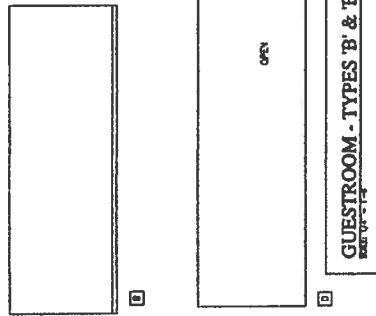
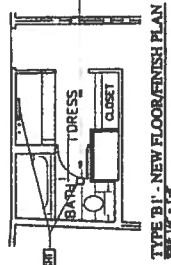
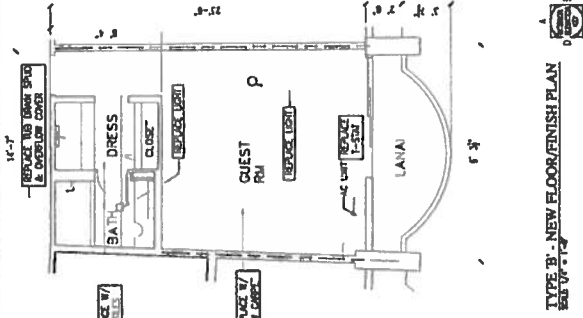
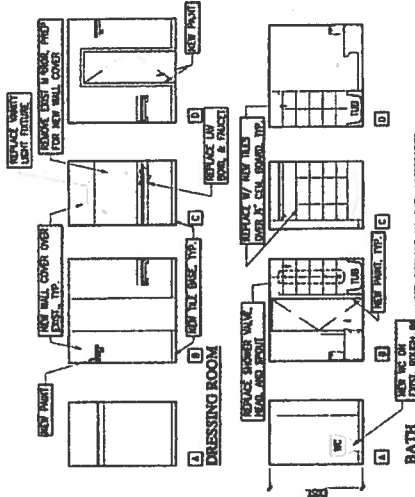
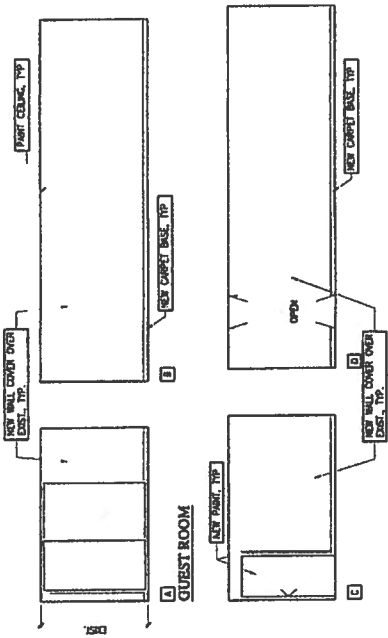
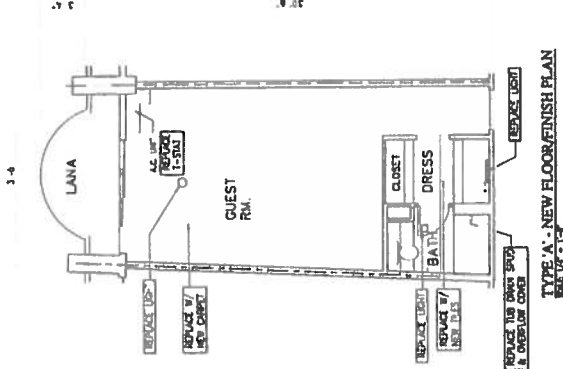
Project Name:
Interior Alterations to HILO HAWAIIAN HOTEL
 (Guestrooms & Corridor)
 71 Banyan Drive
 Hilo, Hawaii 96720
 Date: 11-14-2008

Sheet Title:
GUESTROOM - TYPE 'A' & 'B'
 NEW FLOOR/FINISH PLAN
 EXTENSION ELEVATIONS

Scale:

Project Number: 1318
 Drawn By: 11/28/08
 Date: 12/09/2012

Drawing Number:
A-2.0
 Sheet 1 of 8



NOTE: ALL NEW ADDITIONAL WORK INDICATED IN TYPE 'X' GUEST ROOM WILL APPLY IN THIS ROOM.



The work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My License No. is 10010. Date: 12/29/2012

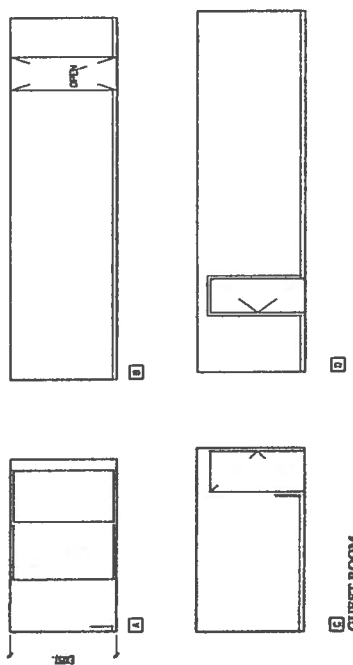
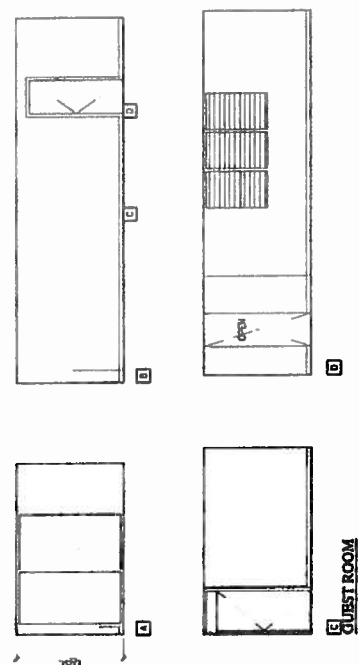
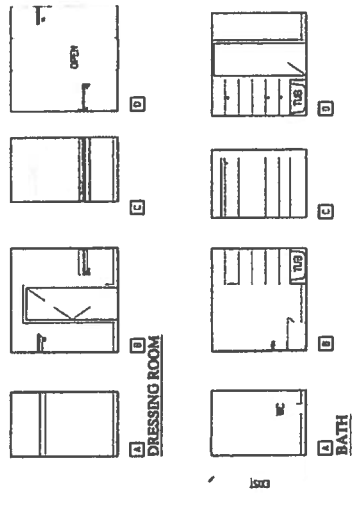
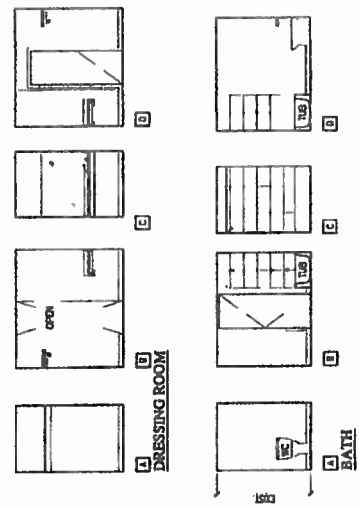
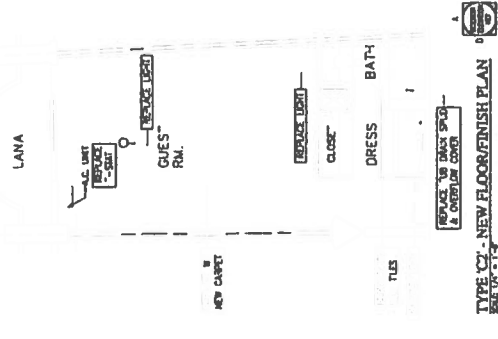
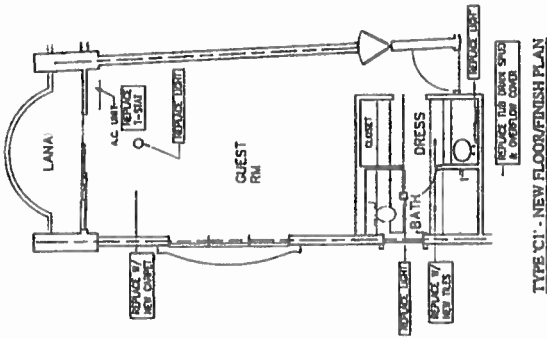
Project Name:
 Interior Alterations to
HILO HAWAIIAN HOTEL
 (Guestrooms & Corridors)
 71 Banyan Drive
 Hilo, Hawaii 96720
 T.A.C. 14-0000

Sheet Title:
 GUESTROOM TYPE C1 & C2
 NEW FLOOR/FINISH PLAN,
 INTERIOR ELEVATIONS

Scale:

Project Number: 1319
Drawn By: U/GB/TU
Date: 12/29/2012

Drawing Number:
A-3.0
 3 of 9



INTERIOR ELEVATIONS
 SEE 'C1' - 14-0000

INTERIOR ELEVATIONS
 SEE 'C2' - 14-0000



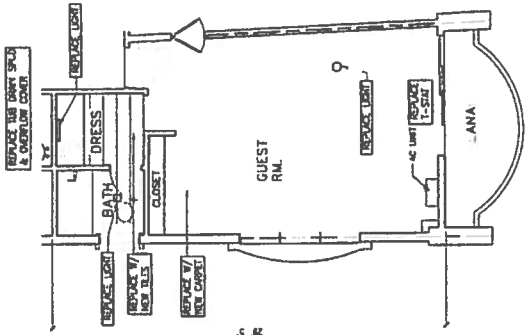
The work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My License No. is 10000. Expiration Date 12/31/14.

Project Name:
Interior Alterations to HILO HAWAIIAN HOTEL
 (Guestroom & Corridor)
 71 Banyan Drive
 Hilo, Hawaii 96720
 T.A.G. 14-00008

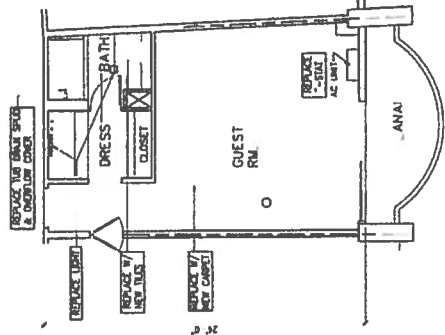
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NEW FLOOR/FINISH PLAN
INTERIOR ELEVATIONS

Project Number: 1318
Drawn By: JH/RS/TLU
Date: 12/12/2014

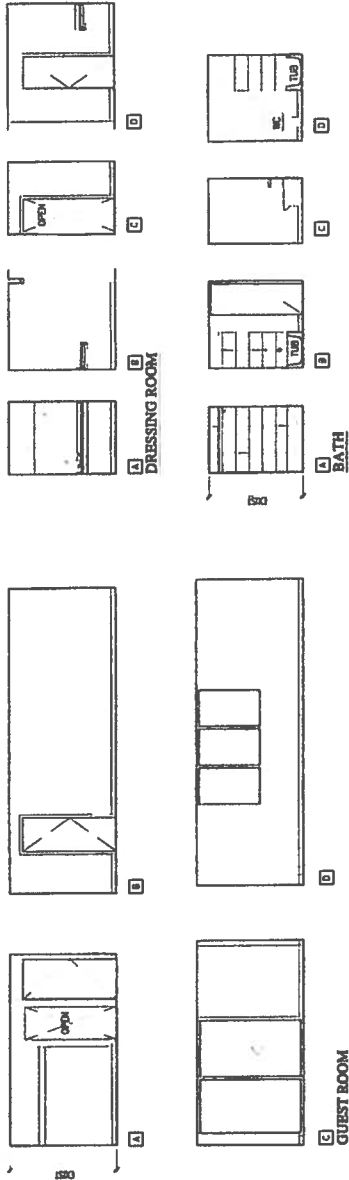
Drawing Number:
A-4.0
 Sheet 1 of 5



TYPE 'D1' - NEW FLOOR/FINISH PLAN
 11'-3"

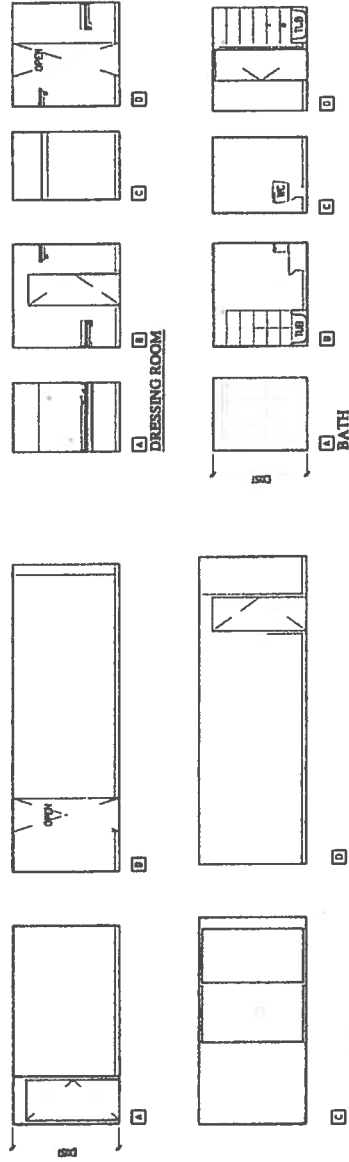


TYPE 'D2' - NEW FLOOR/FINISH PLAN
 11'-3"



GUESTROOM - TYPE 'D1'
 11'-3"

INTERIOR ELEVATIONS
 TYPE 'D1' - 11'-3"
 NOTE: ALL NEW MATERIALS WORK INDICATED IN TYPE 'D1' GUEST ROOM WILL APPLY IN THIS ROOM.



GUESTROOM - TYPE 'D2'
 11'-3"

INTERIOR ELEVATIONS
 TYPE 'D2' - 11'-3"
 NOTE: ALL NEW MATERIALS WORK INDICATED IN TYPE 'D2' GUEST ROOM WILL APPLY IN THIS ROOM.



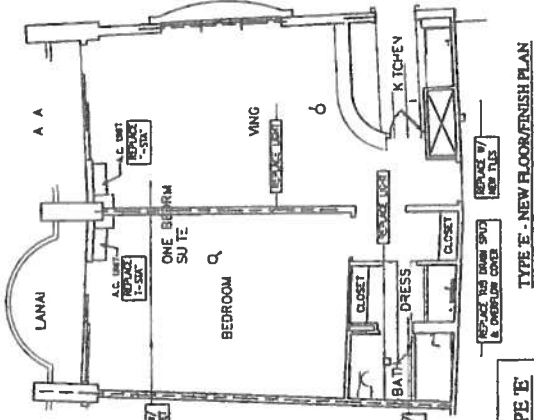
This work was prepared by me or under my direct supervision and I am a duly Licensed Professional Engineer in the State of Hawaii. My License No. is 11712. My expiration date is 12/31/2012.

Project Name: Interior Alterations to HILO HAWAIIAN HOTEL (Guestrooms & Corridor) 71 Banyan Drive Hilo, Hawaii 96720 P.A.L. 11-0808

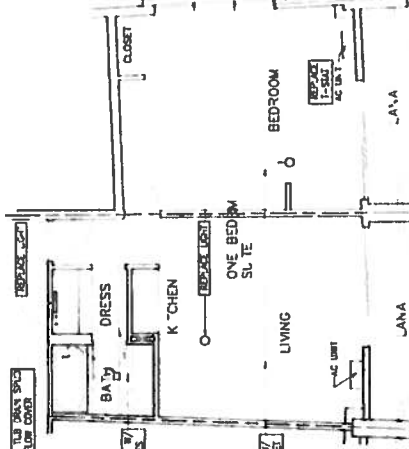
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Project Number: 1219 Date: 12/19/2011

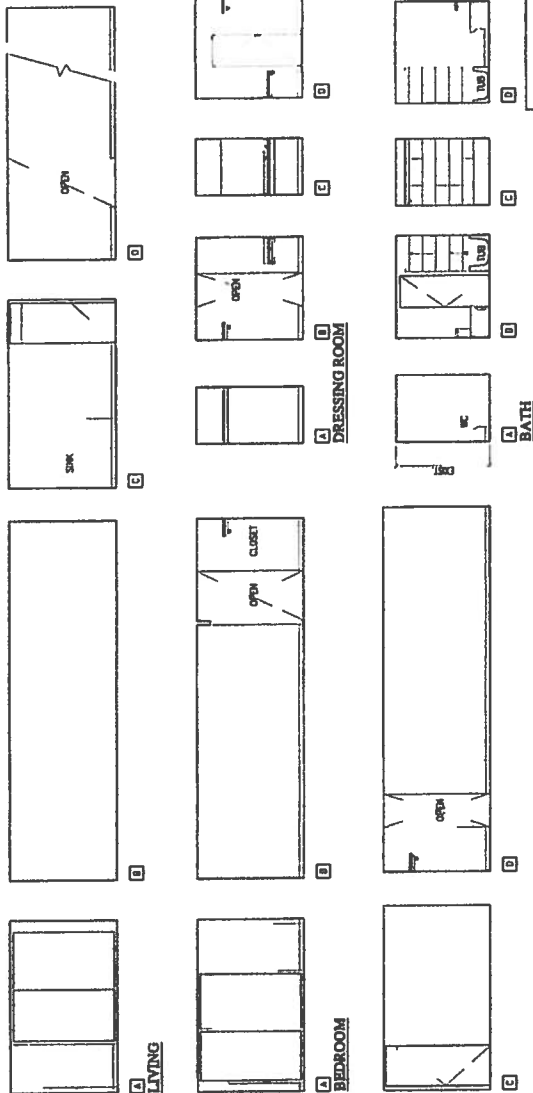
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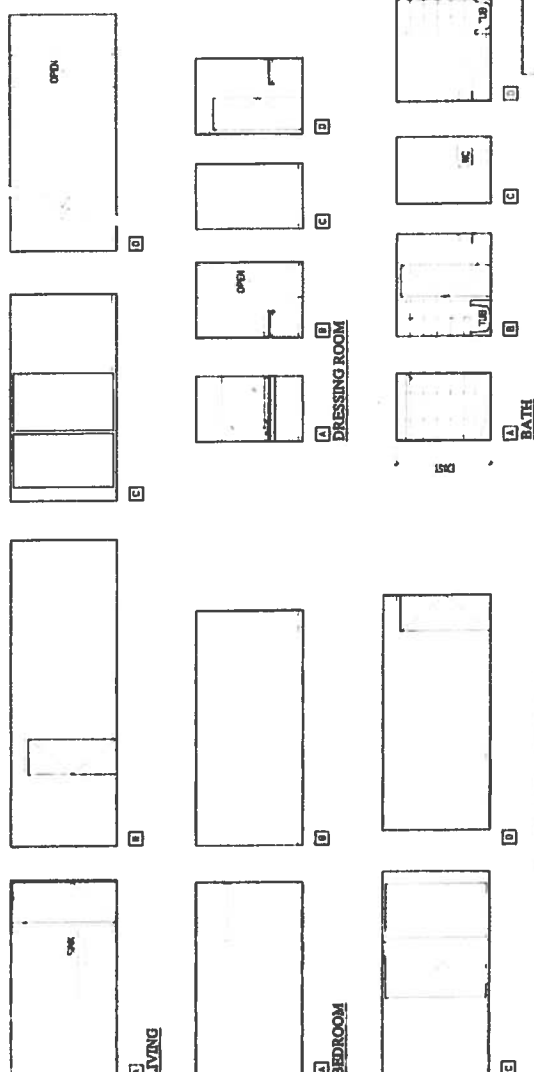
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TYPE F - NEW FLOOR/FINISH PLAN SHEET 11-0-11-0



INTERIOR ELEVATIONS TYPE E SHEET 11-0-11-0



INTERIOR ELEVATIONS TYPE F SHEET 11-0-11-0



This work was prepared by me or under my direct supervision and I am a duly Licensed Architect in the State of California. My License No. is 47247.

Project Name:

Interior
 Alterations
 to
**HILO HAWAIIAN
 HOTEL**
 (Classrooms & Corridors)
 71 Banyan Drive
 Hilo, Hawaii 96720
 TALE 1-4-2008

Sheet Title:
**GUESTROOM LITERATURE & H
 NEW FLOOR/FINISH PLAN,
 INTERIOR ELEVATIONS**

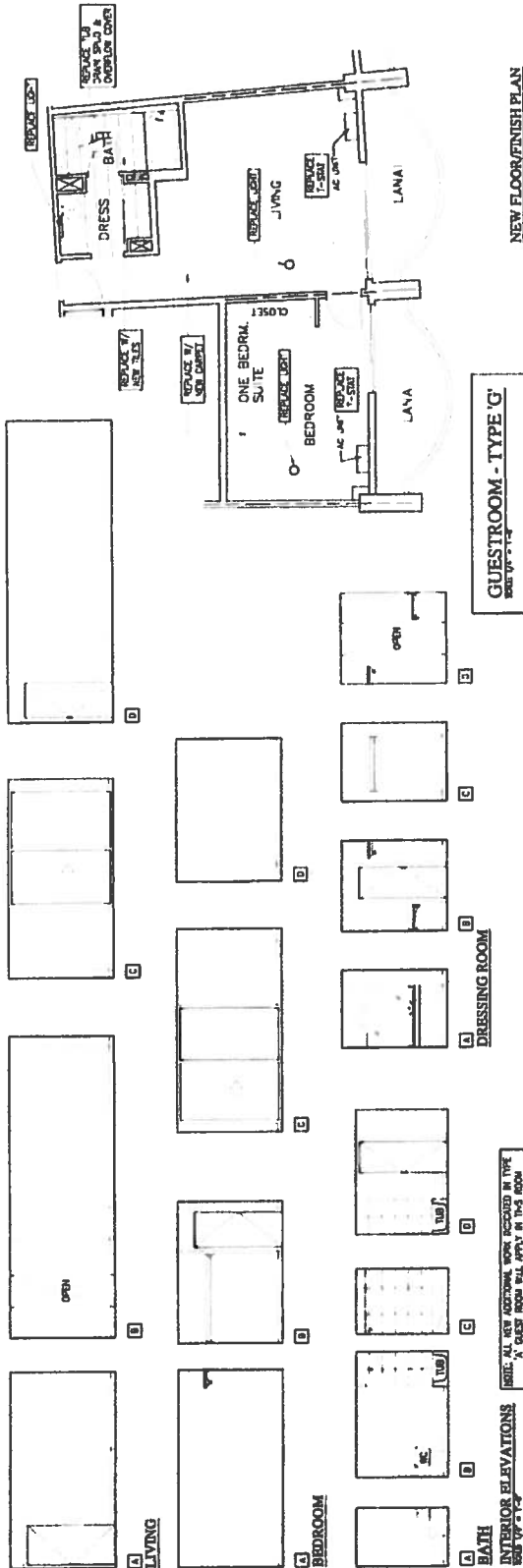
Scale:

Project Number: 1218
 Drawn By: LY/MS/TH
 Date: 12/19/2012

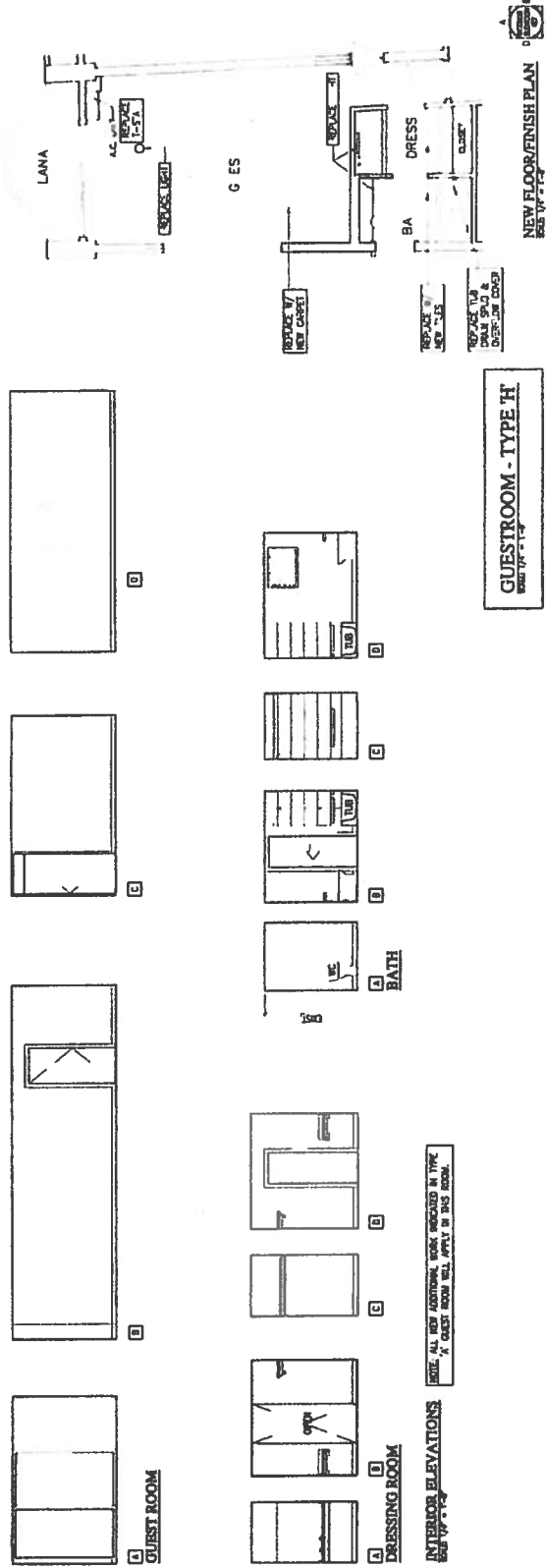
Drawing Number:

A-6.0

Sheet



NEW FLOOR/FINISH PLAN
 SIZE 11'6\"/>



NEW FLOOR/FINISH PLAN
 SIZE 11'6\"/>

GUESTROOM - TYPE 'G'
 SIZE 11'6\"/>

GUESTROOM - TYPE 'H'
 SIZE 11'6\"/>

INTERIOR ELEVATIONS
 SIZE 11'6\"/>

INTERIOR ELEVATIONS
 SIZE 11'6\"/>



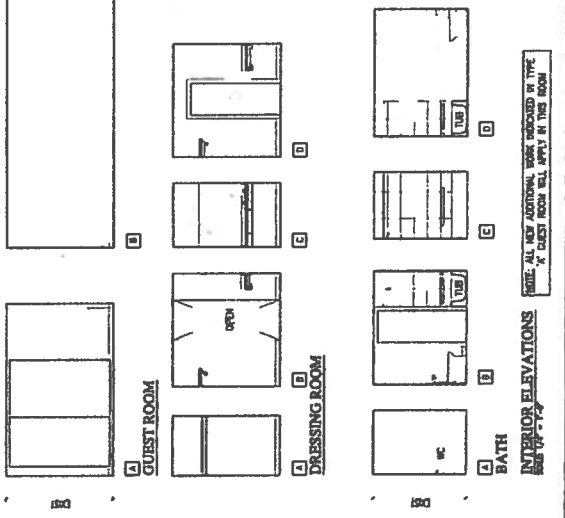
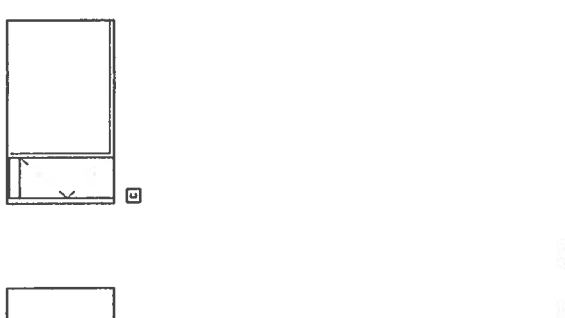
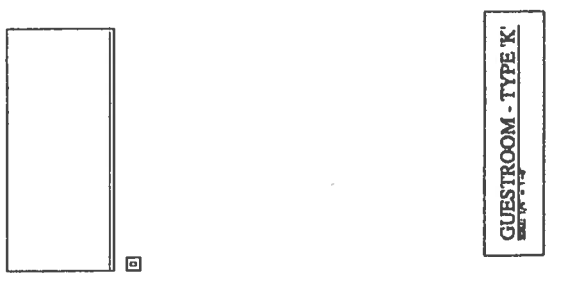
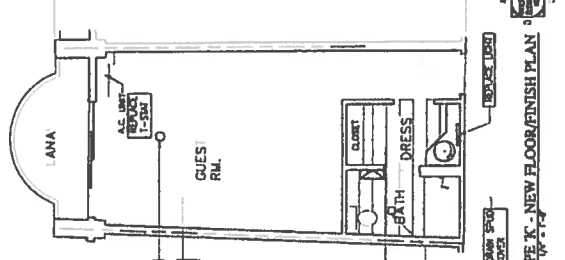
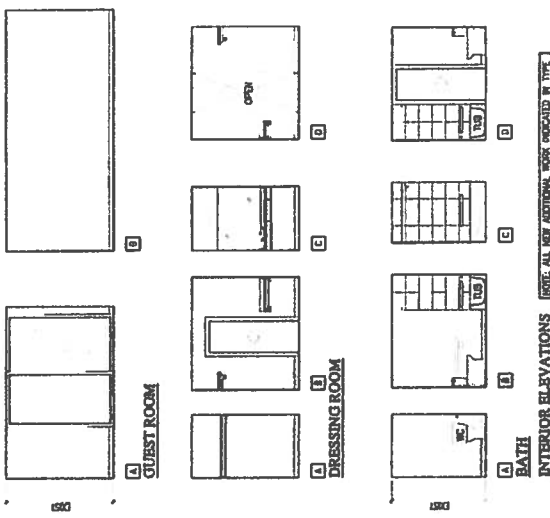
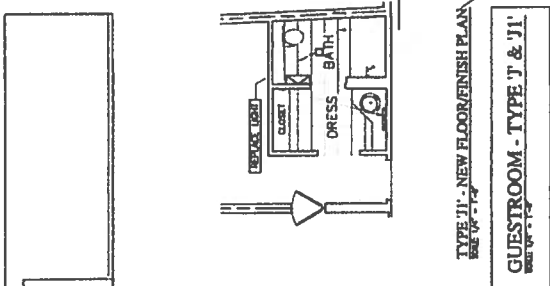
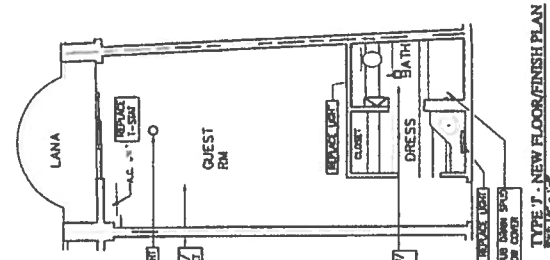
No work shall be performed by me or under my direct supervision until I have received a copy of the permit from the Department of Health, Division of Building Inspection, dated 12/20/11.

Project Name:
Interior Alterations to HILO HAWAIIAN HOTEL
 (Classrooms & Corridors)
 71 Bayview Drive
 Hilo, Hawaii 96720
 1 A.L.L. 1-1-2010

Sheet Title:
**GUESTROOM LAYOUTS
 NEW FLOOR/FINISH PLAN
 INTERIOR ELEVATIONS**

Project Number: 1318
 Drawn By: LK/DM/RL
 Date: 12/10/2012

Drawing Number:
A-70
 of 8



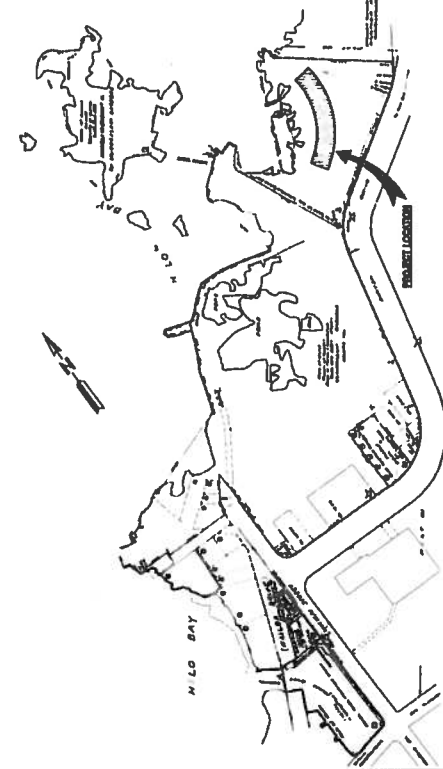
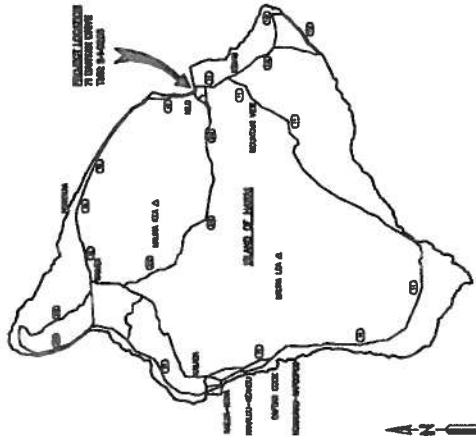
HILO HAWAIIAN HOTEL CHILLER REPLACEMENT

**71 BANYAN DRIVE
HILO, HAWAII
T.M.K.: 2-1-03:05**

MECHANICAL ENGINEER:
MECHANICAL ENTERPRISES, INC.

NO.	SHEET	TITLE
1	1-1	GENERAL NOTES, LOCATION MAP, VICINITY MAP, INDEX OF DRAWINGS
2	1-2	MECHANICAL SYMBOLS, LEGEND, CONSTRUCTION SCHEDULES
3	1-3	MECHANICAL SITE ELEVATION PLAN
4	1-4	MECHANICAL SITE PLAN
5	1-5	MECHANICAL SITE PLAN
6	1-6	MECHANICAL ROOM PLAN
7	1-7	MECHANICAL Piping Diagrams
8	1-8	MECHANICAL SCHEDULES, DETAILS

INDEX OF DRAWINGS



LOCATION MAP 1

VICINITY MAP 2

REVISIONS (If)

DATE: 02-28-11
BY: [Signature]
CHECKED BY: [Signature]



MECHANICAL ENTERPRISES, INC.
CONSULTING MECHANICAL ENGINEERS
601 BARNUM STREET, SUITE 600 - HONOLULU, HAWAII 96817
PHONE (808) 691-9038 • FAX (808) 696-7300



HILO HAWAIIAN HOTEL
CHILLER REPLACEMENT
71 BANYAN DRIVE, HILO, HAWAII 96720
T.M.K. 2-1-03:05

DATE	02-28-11
BY	[Signature]
CHECKED BY	[Signature]
SCALE	AS SHOWN
PROJECT NO.	11-11-11
DRAWING NO.	1-1

GENERAL NOTES

- SCHEDULE WORK TO AVOID CONSTRUCTION DELAYS. WORK SHALL BE LIMITED TO 4-HOUR PERIODS BETWEEN THE HOURS OF 4:00 AM AND 8:00 AM.
- CHILLERS AND ASSOCIATED PIPING SHALL BE REPLACED ONE AT A TIME TO MAINTAIN AIR CONDITIONING CAPACITY.
- SCHEMATIC AIR CONDITIONING DIAGRAMS WITH THE BUILDING CHECKED AT LEAST 4 WEEKS IN ADVANCE OF THE PLANNED OUTAGE.

PHASING NOTES

- THE DESIGN INSTALLATION SHALL COMPLY WITH ALL APPLICABLE REGULATIONS OF THE BUILDING CODE OF THE COUNTY OF HAWAII, STATE DEPARTMENT OF HEALTH REGULATIONS, LANTANA PLUMBING CODE, LANTANA FIRE CODE, OTHER APPLICABLE HAWAIIAN REGULATIONS, AND ALL OTHER AGENCIES HAVING JURISDICTION.
- CHANGE THE PROJECT SITE AND BECOME FAMILIAR WITH ALL EXISTING CONDITIONS WITH THE DESIGNER FOR ANY MAJOR DEVIATIONS OR MODIFICATIONS ENCOUNTERED IN THE PLANS AND SPECIFICATIONS DUE TO UNUSUAL CONDITIONS. THE CONTRACTOR HAS VERIFIED THE SIZE AND LOCATION OF ALL EXISTING EQUIPMENT AND CONDITIONS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION.
- INSTALLATION SHALL BE GUARANTEED TO BE FREE FROM DEFECTS FOR ONE YEAR FROM FINAL DATE OF ACCEPTANCE OF THE PROJECT AS A WHOLE.
- CONTRACTOR SHALL VERIFY ALL FIELD CONDITIONS PRIOR TO BID AND CONSTRUCTION.
- CONTRACTOR SHALL VERIFY ALL EXISTING USE SIZES, CONDITIONS, AND RIGHTS PRIOR TO BID AND CONSTRUCTION.
- THE DESIGN AND SPECIFICATIONS ARE INTENDED TO COMPLY WITH THE LANTANA PLUMBING CODE, LANTANA FIRE CODE, AND ALL OTHER APPLICABLE HAWAIIAN REGULATIONS, AND ALL OTHER AGENCIES HAVING JURISDICTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION.
- PAV FOR ALL POINTS AND APPLICATIONS.
- CALL ALL PENETRATIONS WATERPROOF, PROVIDE ALL CUTTING, PATCHING, AND REPAIRS OF EXISTING SURFACES TO MATCH ORIGINAL SURFACE FINISHES. SPOT PAINT TO MATCH EXISTING SURFACE COLOR.
- PREPARE SIX (6) SETS OF SHOP DRAWINGS SUBMITTED TO THE ENGINEER FOR REVIEW AND APPROVAL. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION.
- ALL EQUIPMENT SHALL BE CAPABLE OF FITTING INTO THE SPACES ALLOTTED THEREFOR. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM ALL AGENCIES AND AGENCIES INVOLVED. ALL NECESSARY PERMITS AND APPROVALS SHALL BE OBTAINED PRIOR TO THE START OF CONSTRUCTION.
- SCHEMATIC AIR CONDITIONING DIAGRAMS WITH THE BUILDING CHECKED AT LEAST 4 WEEKS IN ADVANCE OF THE PLANNED OUTAGE.

REVISIONS BY:

This work was prepared by the
 Mechanical Engineers and
 Consultants, Inc. under the
 supervision of the principal
 engineer and under the
 approval of the State Board of
 Professional Engineering.

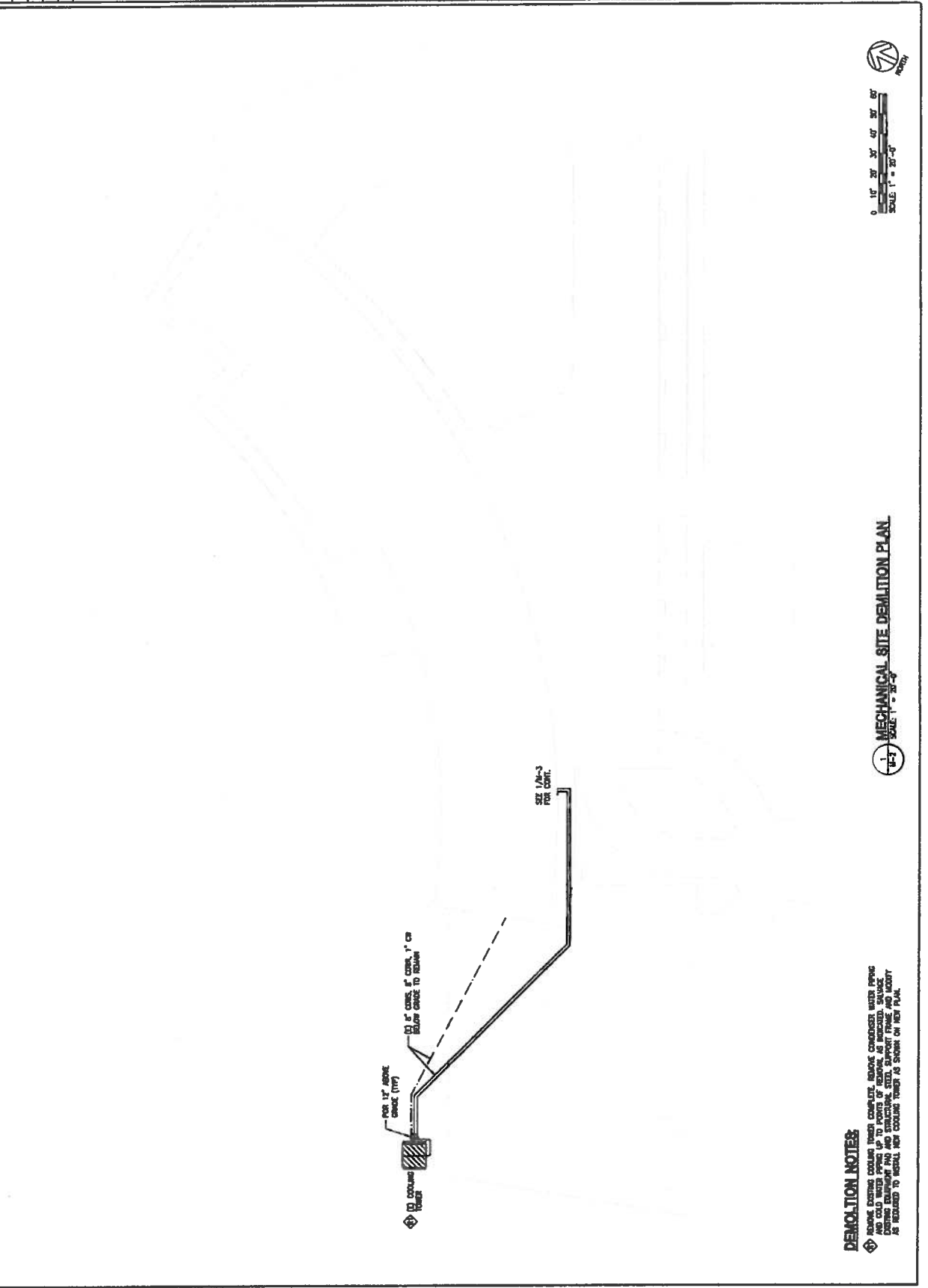


MECHANICAL ENGINEERS AND CONSULTANTS, INC.
 CONSULTING MECHANICAL ENGINEERS
 601 Summer Street, Suite 603 - Honolulu, Hawaii 96817
 Phone: (808) 591-8038 • Fax: (808) 596-7958



HILO HAWAIIAN HOTEL
 CHILLER REPLACEMENT
 11 BAYVIEW DRIVE - HILA, HAWAII 96720
 THIS 8-4-2008
 MECHANICAL SITE DEMOLITION PLAN

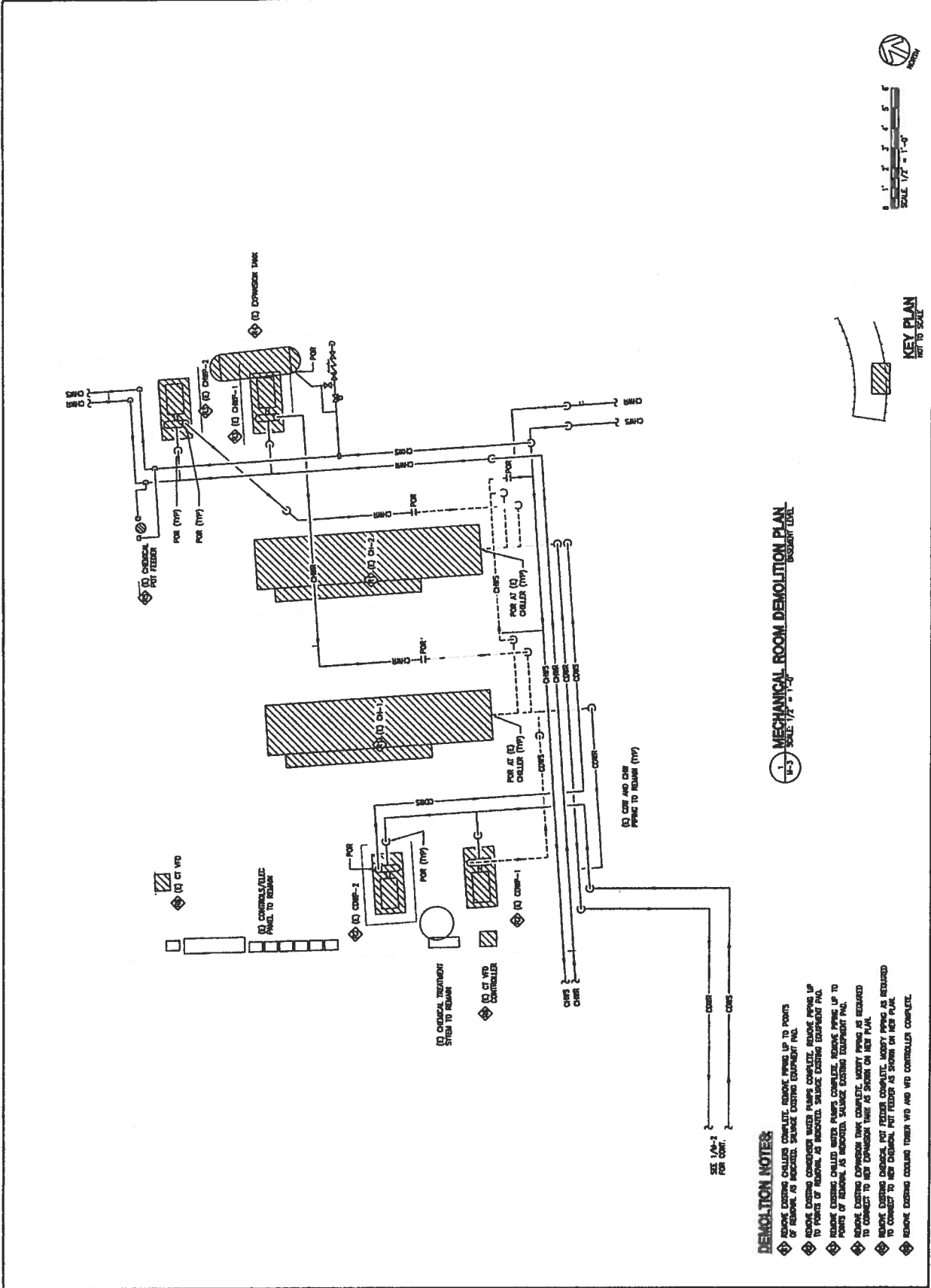
DATE	08/11/08
BY	MEC
CHECKED	MEC
SCALE	1" = 20'-0"
SHEET NO.	3
TOTAL SHEETS	2



DEMOLITION NOTES:

- REMOVE EXISTING COOLING TOWER COMPLETE. REMOVE CONDENSER WATER PIPING AND COOLING TOWER PIPING TO POINTS OF REMOVAL AS INDICATED. REMOVE AND DEMOLISH EXISTING COOLING TOWER AS SHOWN ON THIS PLAN.

MECHANICAL SITE DEMOLITION PLAN

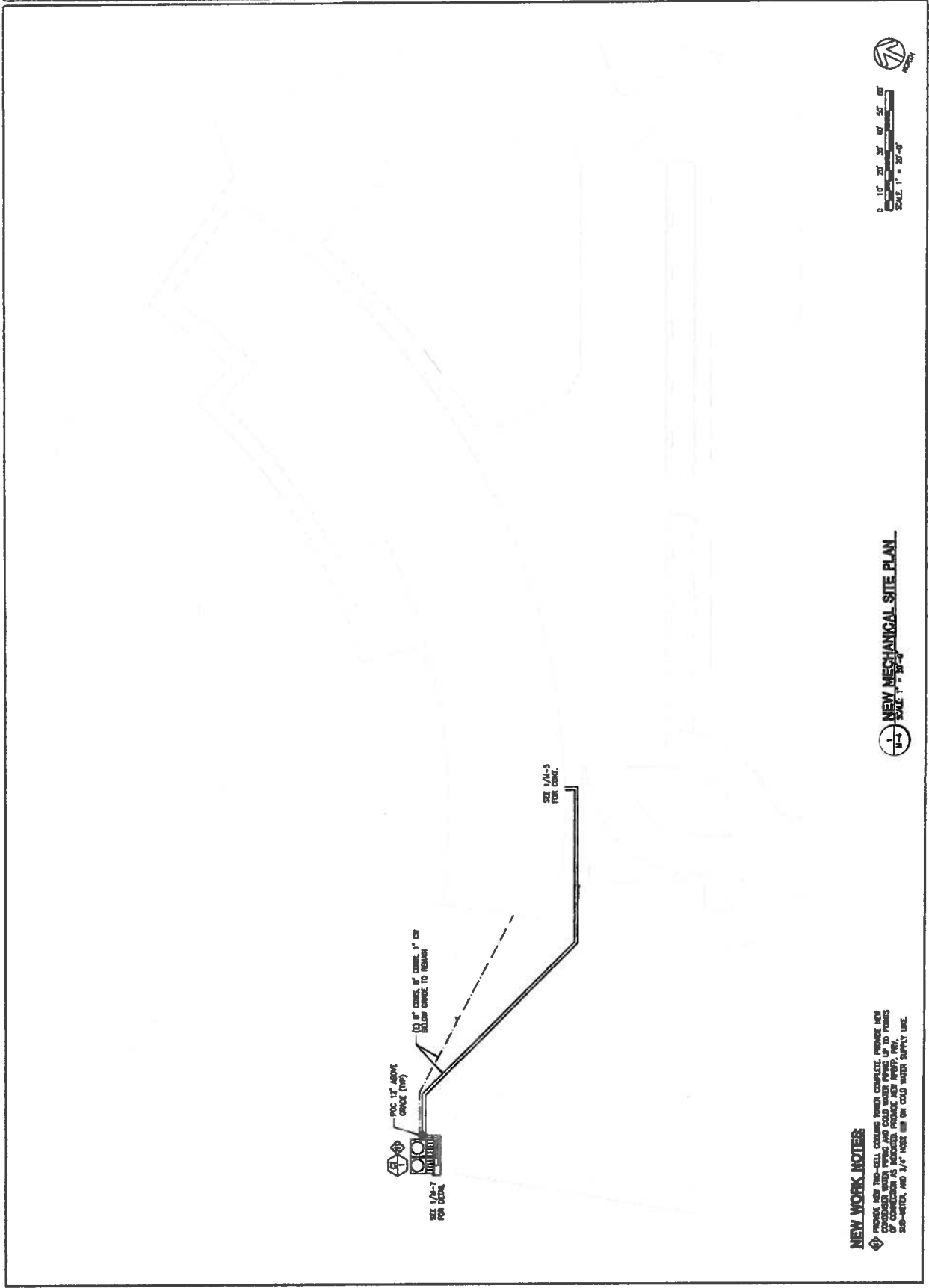


MECHANICAL ROOM DEMOLITION PLAN
 SCALE: 1/4" = 1'-0"



KEY PLAN
 NOT TO SCALE

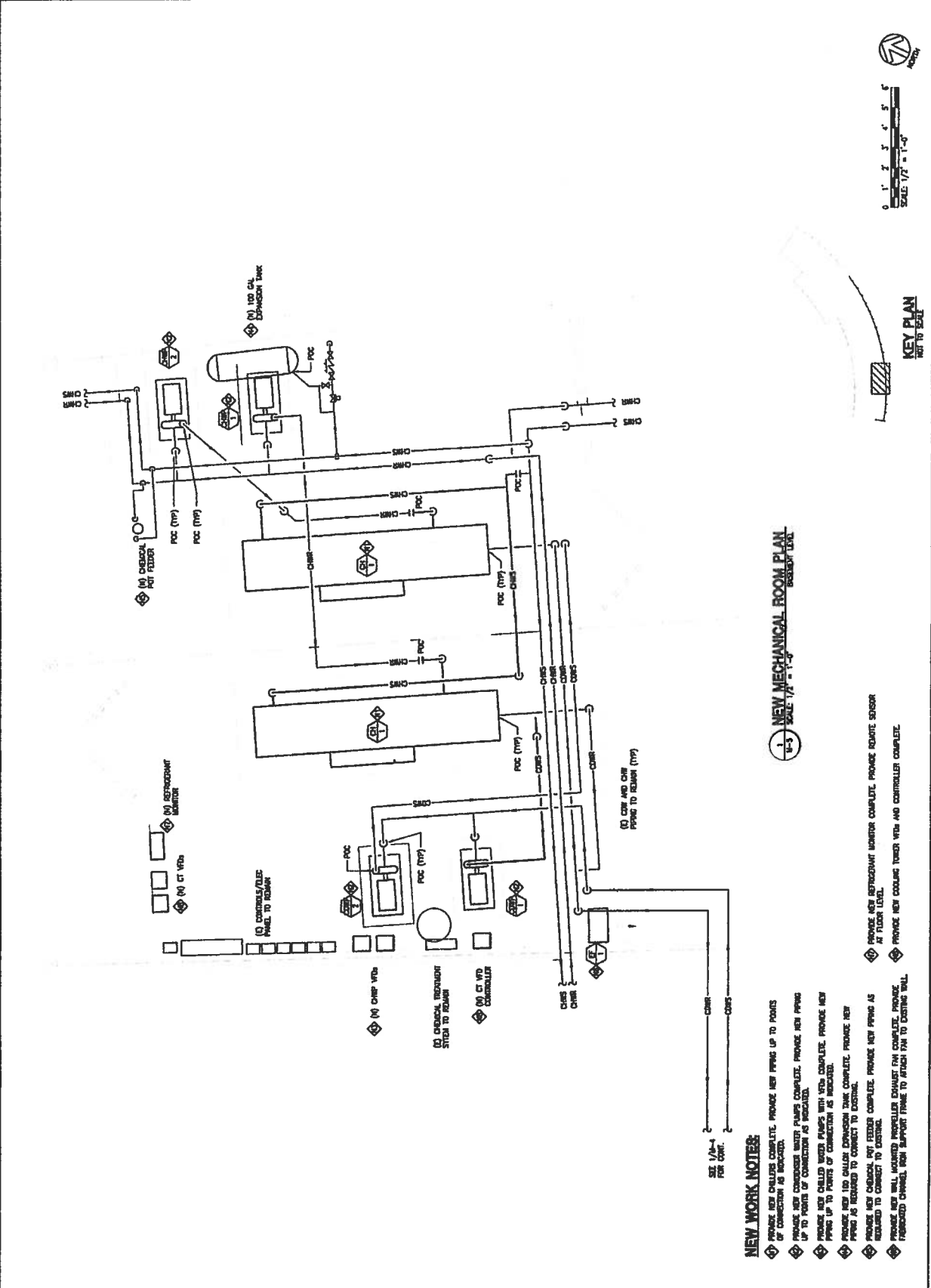
- DEMOLITION NOTES:**
- REMOVE EXISTING CHILLER COMPLETE. REMOVE PIPING UP TO POINTS OF REMAIN, AS INDICATED. SALVAGE EXISTING EQUIPMENT PNL.
 - REMOVE EXISTING COMPRESSOR WATER PUMPS COMPLETE. REMOVE PIPING UP TO POINTS OF REMAIN, AS INDICATED. SALVAGE EXISTING EQUIPMENT PNL.
 - REMOVE EXISTING CHILLER WATER PUMPS COMPLETE. REMOVE PIPING UP TO POINTS OF REMAIN, AS INDICATED. SALVAGE EXISTING EQUIPMENT PNL.
 - REMOVE EXISTING EXPANSION TANK COMPLETE. VERIFY PIPING AS REQUIRED TO CONNECT TO NEW EXPANSION TANK AS SHOWN ON NEW PLAN.
 - REMOVE EXISTING CHEMICAL POT FEEDER COMPLETE. VERIFY PIPING AS REQUIRED TO CONNECT TO NEW CHEMICAL POT FEEDER AS SHOWN ON NEW PLAN.
 - REMOVE EXISTING CONTROL TOWER VFD AND VFD CONTROLLED COMPLETE.



NEW MECHANICAL SITE PLAN
 SCALE 1" = 30'-0"

NEW WORK NOTES:

- ◆ PROVIDE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE
- ◆ PROVIDE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE
- ◆ PROVIDE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE NEW TRIP-CELL COOLING TOWER COMPLETE PACKAGE



- NEW WORK NOTES:**
- ◆ PROVIDE NEW CHILLERS COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS INDICATED.
 - ◆ PROVIDE NEW CONDENSER WATER PUMPS COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS INDICATED.
 - ◆ PROVIDE NEW CHILLED WATER PUMPS WITH VFDs COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS INDICATED.
 - ◆ PROVIDE NEW 110 GALLON CONDENSER WATER COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS INDICATED.
 - ◆ PROVIDE NEW CONDENSER WATER COMPLETE. PROVIDE NEW PIPING AS REQUIRED TO CONNECT TO EXISTING.
 - ◆ PROVIDE NEW CHILLED WATER COMPLETE. PROVIDE NEW PIPING AS REQUIRED TO CONNECT TO EXISTING.
 - ◆ PROVIDE NEW WALL MOUNTED PROPPELLER EXHAUST FAN COMPLETE. PROVIDE REAR CHANNEL WITH AIRPORT FRAME TO BRUSH FAN TO EXISTING BELL.

1 NEW MECHANICAL ROOM PLAN
 RESTAURANT LEVEL
 SCALE: 1/2\"/>



KEY PLAN
 SEE PLAN

- ◆ PROVIDE NEW RESTAURANT MONITOR COMPLETE. PROVIDE REMOTE SENSOR AT FLOOR LEVEL.
- ◆ PROVIDE NEW COOLING TOWER WITH AND CONTROLLER COMPLETE.

NO.	DATE	DESCRIPTION

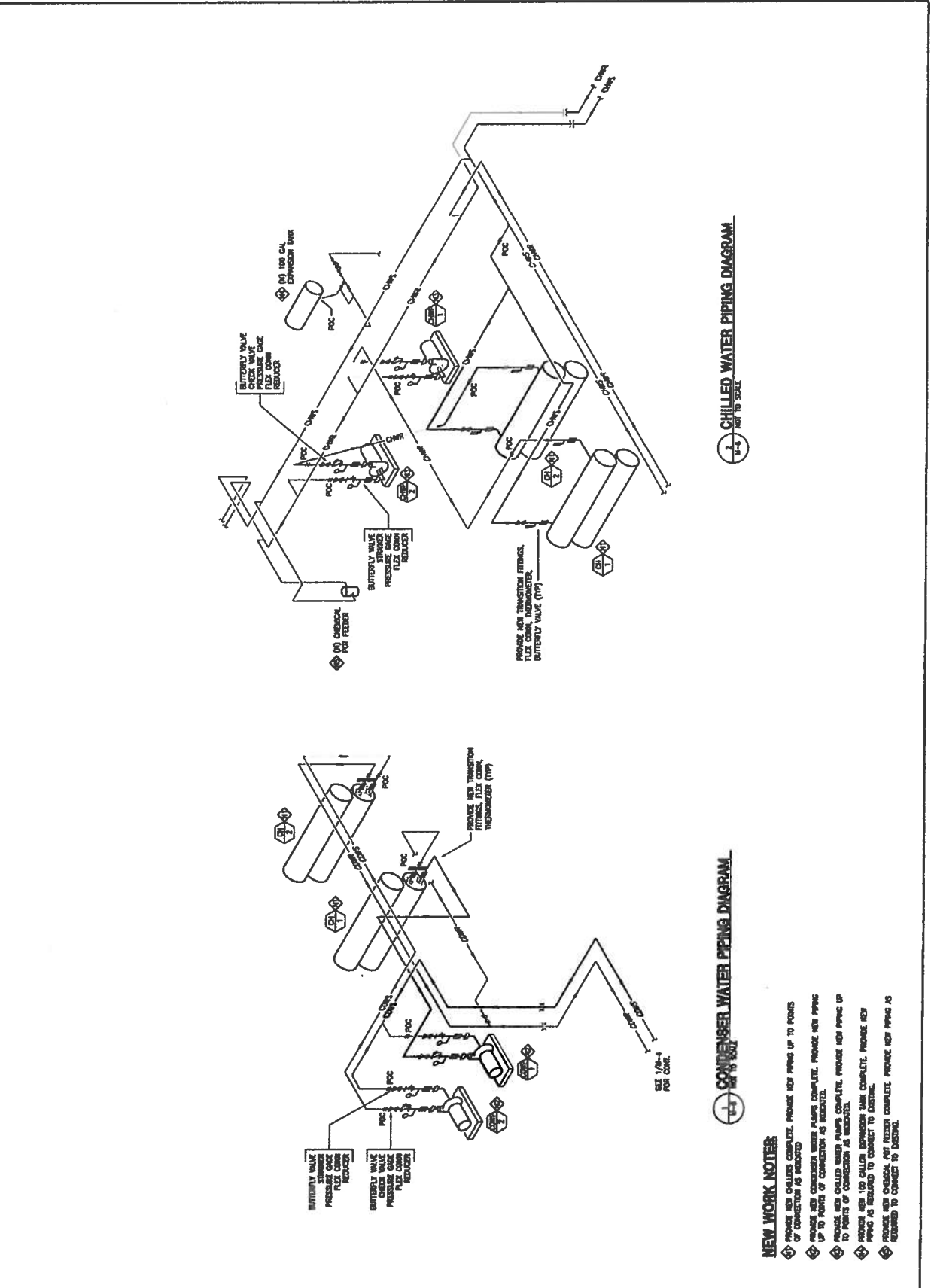


MECHANICAL ENTERPRISES, INC.
 CONSULTING MECHANICAL ENGINEERS
 501 BURNING STREET, SUITE 502 • HONOLULU, HAWAII 96817
 PHONE (808) 691-0098 • FAX (808) 698-7366

HILLO HAWAIIAN HOTEL
 CHILDREN RECREATION CENTER
 71 SOUTH OHEA - HANA HAWAII DRIVE
 HANA, HAWAII 96731

MECHANICAL PIPING DIAGRAM
 TMS-2-4-83

DATE: 08/23/83
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 PROJECT NO.: [Number]
 SHEET NO.: 7 OF 8



CHILLED WATER PIPING DIAGRAM

CONDENSER WATER PIPING DIAGRAM

NEW WORK NOTES:

- 1. PROVIDE NEW CHILLED WATER PIPING UP TO POINTS OF CONNECTION AS REQUIRED.
- 2. PROVIDE NEW CONDENSER WATER PUMPS COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS REQUIRED.
- 3. PROVIDE NEW CHILLED WATER PUMPS COMPLETE. PROVIDE NEW PIPING UP TO POINTS OF CONNECTION AS REQUIRED.
- 4. PROVIDE NEW 100 GALLON EXPANSION TANK COMPLETE. PROVIDE NEW PIPING AS REQUIRED TO CONNECT TO EXISTING.
- 5. PROVIDE NEW CHILLED WATER PIPING AS REQUIRED TO CONNECT TO EXISTING.

This work was prepared by the undersigned in accordance with the provisions of the Hawaii Professional Engineering Act.

