

DAVID Y. IGE
GOVERNOR



FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
HARBORS DIVISION
79 S. NIMITZ HIGHWAY
HONOLULU, HAWAII 96813

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

Oahu

CONSENT TO ASSIGN HARBOR LEASE NO.H-07-32, PARADISE INN HAWAII, LLC, DBA TSUKIJI FISH MARKET RESTAURANT, ASSIGNOR, JEMS ENTERPRISES, LLC, DBA HAWAIIAN ICE COMPANY, ASSIGNEE, LOT FV 6, DOMESTIC COMMERCIAL FISHING VILLAGE, VICINITY OF PIER 38, HONOLULU HARBOR, HONOLULU, OAHU

APPLICANT:

Paradise Inn Hawaii, LLC, dba Tsukiji Fish Market Restaurant, as Assignor, to JEMS Enterprises, LLC dba Hawaiian Ice Company, whose business and mailing address is 1125 North Nimitz Highway, Honolulu, Hawaii 96817, as Assignee.

LEGAL REFERENCE:

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

LOCATION AND AREA:

Unit FV6 of the Domestic Commercial Fishing Village, Pier 38, Honolulu Harbor, Oahu, Tax Map Key No: 1st/1-5-42 (Portion), consisting of approximately 15,040 square feet, more or less, as shown on the attached map labeled Exhibit A.

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

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

ITEM M-12

CHARACTER OF USE:

Construction, installation, operation, use, maintenance and repair of improvements necessary for the storage, processing, and wholesale distribution of seafood products and ancillary services and products, cold storage, including, but not limited, to the operation of a seafood restaurant, and retail sales of seafood products and produce.

TERM OF LEASE:

35 years, commencing on January 1, 2010 and expiring on December 31, 2044. Next rental reopening is scheduled for December 31, 2033.

ANNUAL RENTAL:

\$48,428.52

RECOMMENDED PREMIUM:

A review of the assignment of lease and sublease evaluation policies calculations for the assignment of lease and sublease confirms that State participation in the assignment and sublease is not warranted.

DCCA VERIFICATION:

ASSIGNOR:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Good standing confirmed:	YES

ASSIGNEE:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Good standing confirmed:	YES

REMARKS:

At its meeting of July 14, 2006, under agenda Item M-1, the Land Board authorized the issuance of a direct lease to Paradise Inn Hawaii, LLC, dba Tsukiji Fish Market Restaurant (Paradise). Harbor Lease H-07-32 was issued to Paradise for 35 years for the period October 1, 2007 to September 30, 2042.

At its meeting of September 28, 2009, under agenda Item M-2, the Land Board amended its previous board action to change the lease term to September 1, 2009 to August 31, 2044. Together with a waiver of the ground lease rent at the commencement date of the lease for a period of one year or until the lessee occupies and commences operations, whichever occurs sooner. At that time, the Land Board also changed the lease term to January 1, 2010 to December 31, 2044 based on advice from the Department of the Attorney General.

Since February 2015, Assignor has brought its lease rent current with Harbors Division and has committed to remain current until May 29, 2015 (targeted closing date). Assignee has committed to invest at least \$2 million in improvements in the property and without a one-year waiver of rent. No consideration for this assignment was made by the Assignee except for the reimbursement of costs already sustained by Paradise Inn Hawaii, LLC, for the common area maintenance fees associated to the lease.

RECOMMENDATION:

That the Board consent to the assignment of Harbor Lease H-07-32 from Paradise Inn Hawaii, LLC, dba Tsukiji Fish Market Restaurant, as Assignor, to JEMS Enterprises, LLC dba Hawaiian Ice Company, as Assignee, subject to the following:

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

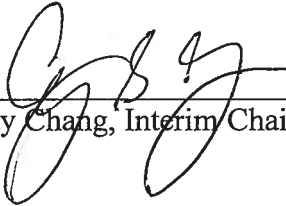
BLNR – Consent to Assignment of
Harbor Lease H-07-32
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Respectfully Submitted,

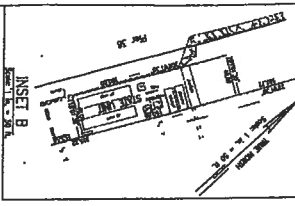
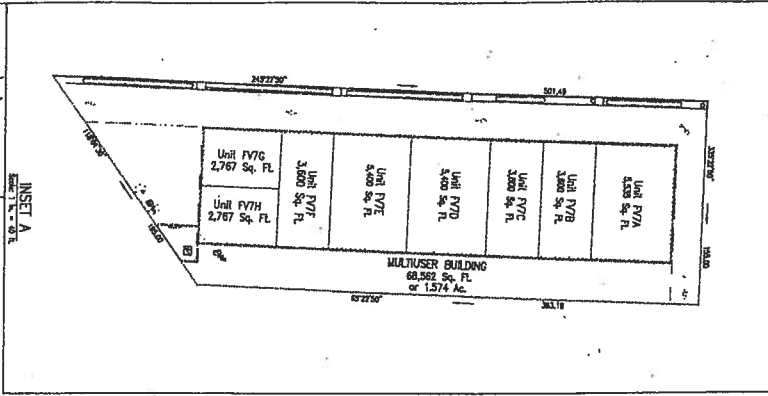


FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:

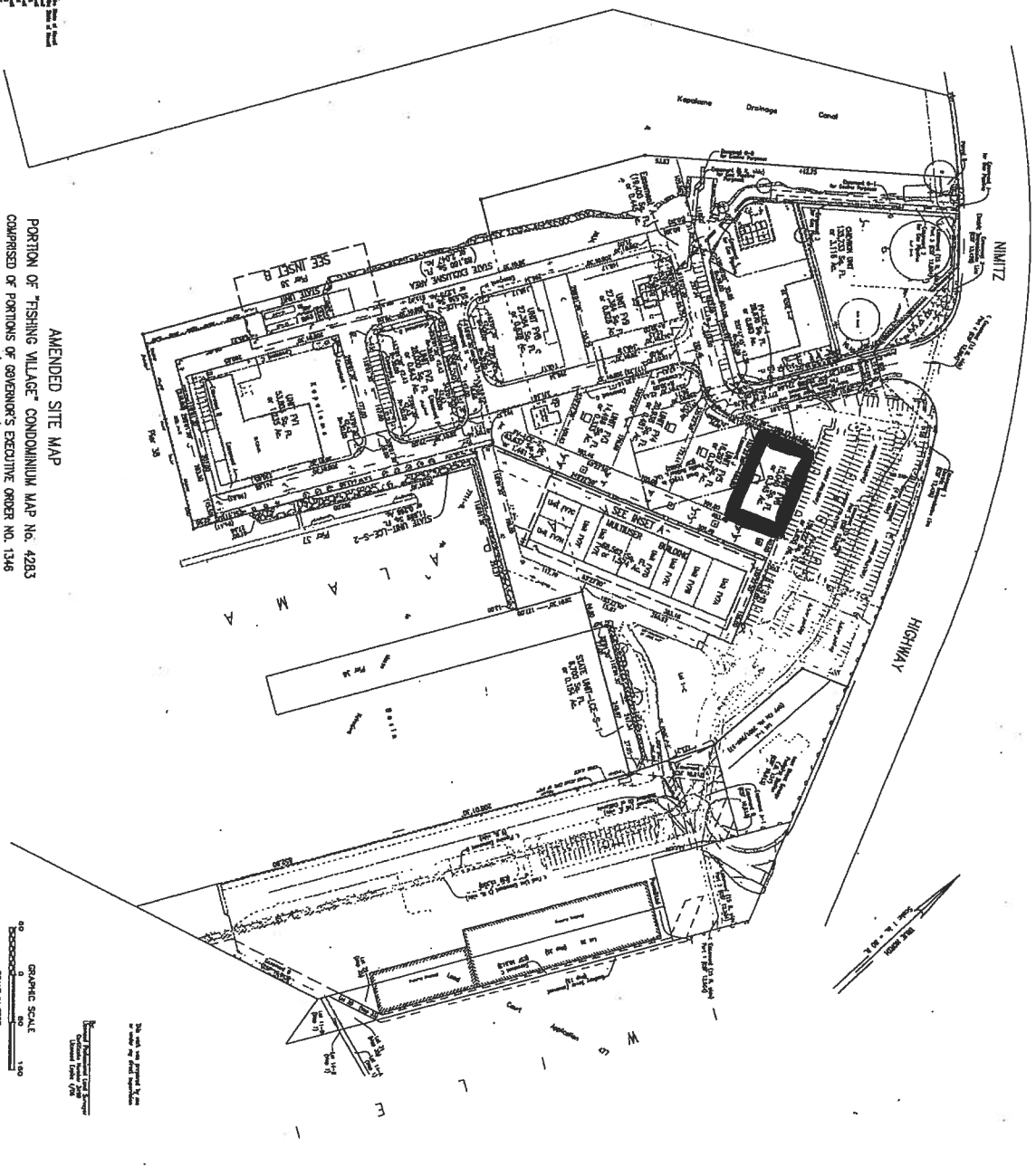


Carty Chang, Interim Chairperson



Notes:

1. This site plan was prepared in accordance with the provisions of the applicable laws, rules and regulations of the State of Hawaii.
2. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.
3. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.
4. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.
5. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.
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9. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.
10. The applicant warrants that the information provided herein is true and correct to the best of their knowledge and belief.



AMENDED SITE MAP
 PORTION OF FISHING VILLAGE CONDOMINIUM MAP NO. 4283
 COMPRISED OF PORTIONS OF GOVERNOR'S EXECUTIVE ORDER NO. 1346
 (C.S.F. - 10692)
 AND R.P. 7834, L.C. NO. 7714-B, APANA 7 TO MOSES KEKIUMA
 AT APANA AND HILL, HONOLULU, OAHU, HAWAII

CONTRIBUTOR: SURVEYING, INC.
 PREPARED BY: SURVEYING, INC.

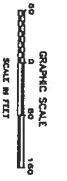


EXHIBIT "A"

