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

November 16, 2016

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

Consent to Lease of Lands under Governor’s Executive Order No. 3504 to Hina Mauka, Kaneohe, Oahu, TMK:(1) 4-5-023:02 (Portion)

CONTROLLING AGENCY:
Department of Health

APPLICANT:
Hina Mauka

LEGAL REFERENCE:
Section 171-11, Hawaii Revised Statutes, as amended.

ZONING:
State Land Use District: Agriculture
County of Honolulu CZO: Ag-2

TRUST LAND STATUS:
Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO _X___

CURRENT USE STATUS:
Governor’s Executive Order No. 3504 to Department of Health for alcohol and drug rehabilitation facility purposes.

LEASE TERMS & CONDITIONS:

LOCATION:
Portion of Government lands situated at Kaneohe, Oahu, identified by Tax Map Key:(1) 4-5-023:02 (portion), as shown on the attached maps labeled Exhibits A and B.
AREA:
Two acres, more or less.

CHARACTER OF USE:
Alcohol and drug rehabilitation facility purposes

TERM:
34 years, commencing January 1, 2017 and expiring on December 31, 2051.

RENT AMOUNT:
$120.00 per annum.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:
The controlling agency shall be responsible for ensuring compliance with Chapter 343, HRS.

DCCA VERIFICATION:
Not applicable. Applicant is a government agency.

REMARKS:
The subject property is presently encumbered under Governor's Executive Order No. 3504 to the Department of Health for the Hawaii State Hospital site. Pursuant to Chapter 171-11, Hawaii Revised Statutes, Department of Health (DOH) as the managing agency is empowered to issue leases for sites within the subject property, as long as the proposed use is consistent with the Executive Order.

Hina Mauka is a non-profit organization which provides alcohol and drug rehabilitation services. It has been in operation for thirty years.

Original Lease
The Department of Health had originally negotiated a lease to Hina Mauka, for an alcoholic and drug rehabilitation facility on the grounds of the Hawaii State Hospital site at Kaneohe, Oahu. The lease commenced April 1, 1991, expiring March 31, 2021. In 1991, Hina Mauka constructed a 42,539 square foot building on the subject two acre property.

First Renegotiated Lease
The April 1, 1991 lease was voided when a new lease was renegotiated commencing January 1, 2008 and expiring December 31,
2028. Hina Mauka needed additional space and had secured funding for the construction of a 2,400 square foot building. One of the funding sources for the new building, the City and County of Honolulu, required that Hina Mauka have a lease of 20 years beyond the expiration date of the Community Development Block Grant agreement that provided the funding.

Request for a Second Renegotiated Lease
The Department of Health is once again requesting approval for a new lease to Hina Mauka commencing January 1, 2017 and expiring on December 31, 2051.

Hina Mauka needs additional space and is in the process of commencing with renovation of its facility to allow for 8 additional beds. Funding sources for the new building, the Harold K. L. Castle Foundation and the Harry and Jeanette Weinberg Foundation, require that Hina Mauka have a lease of 23 years beyond the expiration date of the current lease.

Upon obtaining the Land Board's approval for a new lease for thirty-five (35) years, commencing January 1, 2017 and expiring on December 31, 2051, the existing lease from the Department of Health to Hina Mauka, set to expire on December 31, 2028, will be voided by DOH. The new lease will be for the same two acre property, and the two existing buildings (42,539 square foot building and 2,400 square foot building.)

There are no other pertinent issues or concerns. All work will be coordinated with the Department of Health.

RECOMMENDATION:

That the Board consent to the lease between Department of Health and Hina Mauka, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:

2. Review and approval by the Department of the Attorney General; and

3. Such other terms and conditions as may be prescribed by the Director of Health to best serve the interests of the State.

Respectfully Submitted,

[Signature]

Virginia Pressler, M.D.
Director of Health
APPROVED FOR SUBMITTAL:

[Signature]

Suzanne Case, Chairperson