

State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawai'i 96813

January 25, 2018

Chairperson and Members
Board of Land and Natural Resources
State of Hawai'i
Honolulu, Hawai'i

Board Members:

SUBJECT: APPROVE A DISPOSITION OF LAND THAT WAS ACQUIRED WITH A GRANT FROM THE LAND CONSERVATION FUND BY THE KONA HISTORICAL SOCIETY AT KONA, HAWAII, TAX MAP KEY NUMBER (3) 8-2-015:013, INCLUDING WAIVER OF REVENUE SHARING PROVISIONS, TO GREENWELL FARMS INCORPORATED.

SUMMARY

The Division recommends that the Board approve a proposed disposition of land that was acquired with a grant from the Land Conservation Fund by the Kona Historical Society at Kona, Hawai'i, Tax Map Key Number (3) 8-2-015:013. The proposed disposition is a one-year lease of designated portions of a 5.5-acre parcel to Greenwell Farms Incorporated for agricultural use (coffee farming) that supports on-site conservation efforts. Based on an analysis of the grant file, the results of a recent site visit at the property, and ongoing discussion with the grantee, the Division finds that the proposed disposition would not conflict with the protection of resource values as identified in the grantee's Legacy Land grant application and as documented by the grantee's pre-closing due diligence, and would not conflict with contractual and statutory requirements, including deed restrictions, that the property be managed consistently with the purposes for which it was awarded a Legacy Land Conservation Program grant and Chapter 173A, Hawai'i Revised Statutes.

BACKGROUND

In its letter dated December 28, 2018, Kona Historical Society (KHS) requested that the Board consider a proposed disposition of property, via lease, that KHS acquired with a grant from the Land Conservation Fund (Exhibit I). The following background information establishes the context for a Board decision on this request.

On June 30, 2007, the Board and the Kona Historical Society (KHS) entered into a Legacy Land Conservation Program (LLCP) Grant Agreement (Exhibit II, Contract No. 57134). In performing the terms of the Grant Agreement, KHS used a \$287,250 grant from the Land Conservation Fund to acquire 5.5 acres, more or less, of land at Kealakekua, South Kona, Island of Hawai'i for the protection of resource values stated in sections A, D, and F of KHS's grant application (*see* Exhibit II, Exhibit A, Kona Historical Society Project Application). These resource values include remnants of features associated with the Kona Field System; four registered historic structures and landscaping;

ITEM C- 2

and an authentic historic example of a 1920's coffee farm that typifies what was once a common way of life of Kona between 1900 and 1945. The Grant Agreement states that "Property acquired with LLCP funding from the Land Conservation Fund shall be held and managed in a manner designated to protect the Property's resource values" (Exhibit II, Attachment 1, Scope of Performance, at Project Description). As part of its due diligence for closing the grant-funded land acquisition transaction, KHS submitted a LLCP Resource Value Documentation Form (Exhibit III, dated July 21, 2008) that includes twenty color photographs of the property (one aerial view dated 2008, and nineteen "current" ground views, dates unknown).

In accordance with the terms of the Grant Agreement (*see* Exhibit II at Performance, paragraph 3), the deed that KHS holds for the property contains the following language, the last two sentences of which mirror the requirements of Sections 173A-9 and 173A-10, Hawai'i Revised Statutes (HRS), regarding disposition and revenue sharing, respectively (*see* Exhibit IV, recorded October 10, 2008):

The property shall be managed consistently with the purposes for which it was awarded a Legacy Land Conservation Program grant and Chapter 173A, Hawai'i Revised Statutes. The Kona Historical Society shall not dispose of, encumber its title or other interests in, or convert the use of this property without the written approval of BLNR or its successor agencies. If the property is sold, leased, rented, or otherwise disposed of by the Kona Historical Society, that portion of the net proceeds (sale price less actual expenses of sale) of such sale, rental, or proceeds equal to the proportion that the state grant bears to the original cost of the property shall be paid to the State of Hawaii.

After closing the conservation transaction, KHS submitted an initial LLCP Grant Recipient Self-Report Form, dated April 27, 2011; a second Form dated January 31, 2015; and a third dated December 9, 2017. Together, these three reports (Exhibit V) indicated that:

- (1) The Kona Coffee Living History Farm (Uchida Farm) is a working coffee and macadamia nut farm. It is open to the general public and offers an interpretive program set in the early 1900's as a self-guided tour and as guided group tours for schools and tour companies. Special events can be arranged, and there are days throughout the year with special events or festivals when entry is free to the public.
- (2) The site has not been altered substantially since the land was acquired. Regular maintenance, crop care, and pasture and fencing improvements have been made, along with a concrete driveway and small parking area, and a small tented kiosk for visitor orientation and product sales.

The LLCP conducted a site visit on March 29, 2018 "for the purpose of inspecting the condition of the property and resources." *See* Section 13-140-33, Hawai'i Administrative Rules (HAR). The results of the site visit indicate that the condition of the property and its resources retains its value as a resource to the State and remains satisfactory for achieving program purposes, and that KHS continues to hold and manage the property acquired with LLCP funding from the Land Conservation Fund in a manner designated to protect the property's resource values. During the site visit, LLCP staff discussed disposition requirements with KHS, which led to this request for Board approval of the proposed lease agreement (Exhibit VI). The Division believes that the proposed lease agreement adequately incorporates notice of Legacy Land Conservation Program objectives and requirements, as provided on pages 3 (under **Permitted Uses**), 4 (under **Rights of Entry and Sublet**), and 5 (under **Assignment**). Although KHS and its potential lessee have not yet mapped and measured the

designated portions of the property that are in coffee cultivation and would be subject to the proposed lease, it is generally recognized that the lease will not include the spaces enclosed by envelopes drawn around existing structures, gardens, and other non-coffee public use areas.

DISCUSSION

Board Approval

Section 173A-9, Hawaii Revised Statutes (HRS), requires that “[a]ny land acquired by any nonprofit land conservation organization under this chapter may be sold, leased, or otherwise disposed of with the prior written approval of the board.” The tests for approval that the Board may consider include:

- (1) Whether the property is/would be held and managed in a manner designed to protect the Property’s resource values. *See* Exhibit I, Grant Agreement.
- (2) Whether the property is/would be managed consistently with the purposes for which the Kona Historical Society was awarded a Legacy Land Conservation Program (LLCP) Grant and Chapter 173A, HRS. *See* Exhibit I, Grant Agreement.
- (3) Whether the lessee is eligible to receive an LLCP award. *See* HAR § 13-140-34(c)(1)(A) or (c)(2)(A).
- (4) Whether the lessee will be capable of managing the land in accordance with the purposes for which the board awarded a LLCP grant. *See* HAR § 13-140-34(c)(1)(B) or (c)(2)(B).
- (5) Whether the net proceeds of the sale will allow the State to recover its appropriate portion of the funds that were originally contributed pursuant to section 173A-10, HRS. HAR § 13-140-34(c)(1)(C).
- (6) Best interests of the State under Chapter 173A, HRS. *See* HAR § 13-140-34(c)(3).

The Division believes that the proposed lease (Exhibit VI) does not conflict with (1) holding and managing the property in a manner designed to protect the Property’s resource values, and (2) managing the property for the purposes for which KHS was awarded an LLCP grant. The lease would be consistent with Chapter 173A, Hawai‘i Revised Statutes, because the agricultural lease provides for maintaining the health and upkeep of the coffee crop, using a suitable combination of historic practices and contemporary technology, that contributes to resource protection and to achievement of the LLCP grant purposes. The Division also believes that the lease is in the best interests of the State under Chapter 173A, HRS, as determined using criteria listed under Section 13-140-39, HAR, particularly:

- (4) Opportunities for appropriate public access and enjoyment;
- (10) Status and adequacy of management planning;
- (13) Connection to regional planning and protection efforts; and
- (14) Capacity for long-term management.

Although Greenwell Farms Incorporated (GFI), the proposed lessee, may not be eligible to receive an LLCP award, the Division concludes that GFI appears to be capable of managing the land in accordance with the purposes for which the Board awarded a LLCP grant, based on its knowledge of historical cropping practices, track record in the crop care industry, and familiarity with the condition of the existing crops (e.g., *see* Exhibit I, noting that GFI’s “involvement in the industry for

generations places them in the unique position of understanding period-pruning and aesthetic issues, and even museum goals on our site,” and that GFI “is widely recognized as one of the top leaders in the industry and . . . they are frequent winners of crop care and business practices awards, having recently won a chamber of commerce award and Pualu business innovation award.”).

A narrow interpretation of the lease documents suggest that the proposed disposition is for value or consideration. Although Kona coffee is widely-known as a high value crop, the Division notes KHS’s discussion of how “[s]mall farmers still have difficulty making a profit market” and “challenges of this industry has made the [farming] effort unpredictable . . . result[ing] in break even or negative cash positions relative to the contractors in several of these years with regard to crop” (*see* Exhibit 1). The proceeds from the disposition, as proposed, appear to reflect the reality of KHS’s economic position, and will not allow the State to recover its appropriate portion of the funds that were originally contributed pursuant to section 173A-10, HRS, which is “that portion of the rental or proceeds equal to the proportion that the grant by the State bears to the original cost of the land.” In this case, the proportion that the grant by the State bears to the original cost of the land is approximately 95.8% ($\$287,250/\$3,000,000$), and the State would receive \$0.96 per year as its portion of the \$1.00 token annual rent. The Division prefers a broader interpretation which suggests that the token lease rent of \$1.00 per year is not a transaction for value or consideration. The Division believes that it would cost the Department far more than \$0.96 per year to process a payment of \$0.96 per year from KHS, and that the payment process would impose an unnecessary and counter-productive burden on both KHS and the Department.

For program purposes, the Division’s main concerns are that the land acquired continues to hold its value as a resource to the state, as represented in the grantee’s application; the lessee has notice of program objectives and requirements; the lease terms and conditions do not conflict with program objectives and requirements; and the lessor retains overall responsibility for the achievement of program objectives and compliance with program requirements.

Chapter 343, Hawai‘i Revised Statutes, Environmental Review

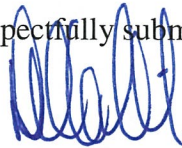
The Kona Living History Farm (Uchida Farm) is listed on the State and National Registers of Historic Places. On September 3, 2008, the Division filed a Declaration of Exemption from the preparation of an environmental assessment for its action of granting funds to Kona Historical Society for purchasing a fee interest in the property (Exemption Class I, Exempt Item Number 15). In consulting with Land Division, Historic Preservation Division, and the County of Hawai‘i about the propriety of the proposed exemption, the Division noted that “KHS will continue to operate a self-sustaining coffee farm and living history tours on the property.” Board approval of the KHS lease agreement would not change the existing uses of the property and would not trigger environmental review requirements under subsection 343-5(a), Hawai‘i Revised Statutes, because approval of the lease merely enables a change in management authority, not a change in use.

RECOMMENDATIONS

That the Board:

- (1) Approve, in writing, (a) a lease of land acquired by the Kona Historical Society (Lessor) with a grant from the Land Conservation Fund to Greenwell Farms Incorporated (Lessee), under the terms and conditions stated in the Greenwell Farms Incorporated Agricultural Lease, attached to this submittal as Exhibit VI, and (b) a waiver of revenue sharing provisions for the token annual lease rental, provided that the Lessor submits a copy of the fully-executed lease to the Legacy Land Conservation Program.
- (2) Authorize the Chairperson to draft and sign the Board's written approval for a lease of land and waiver of revenue sharing provision, as approved in Recommendation (1) above.

Respectfully submitted,



DAVID G. SMITH, Administrator

APPROVED FOR SUBMITTAL:



SUZANNE D. CASE, Chairperson
Board of Land and Natural Resources

ATTACHMENTS:

- Exhibit I: Letter from Kona Historical Society, December 28, 2018
- Exhibit II: Legacy Land Conservation Program Grant Agreement, Contract No. 57134, as amended
- Exhibit III: Resource Value Documentation Form, Legacy Land Conservation Program
- Exhibit IV: Warranty Deed
- Exhibit V: Grant Recipient Self-Report Forms, Legacy Land Conservation Program
- Exhibit VI: Proposed Greenwell Farms Incorporated Agricultural Lease (without Exhibit B, Contract No. 57148)



EXHIBIT I
January 25, 2019

KONA HISTORICAL SOCIETY

Preserving Kona's Stories

P.O. Box 398
Captain Cook,
Hawai'i 96704

T 808.323.3222
F 808.323.2398

khs@konahistorical.org
www.konahistorical.org

Officers
William "Buddy" Norwood
President

Ethan Olins
Treasurer

M.E. Greenwell
Secretary

Directors
Stephanie Ackerman
Balbi Brooks
Carol Greenwell
Lisa Hummel
Sally Inkster
Shane Akoni Nelsen
Dylan Nonaka
Hannah Springer
Mike Vitousek
Wade Yasuda

Executive Director
Joy Holland

Program Director
Ku'ulani Auld

December 28, 2018

State of Hawaii Department of Land & Natural Resources
Board of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, HI 96813

Aloha Board of Land And Natural Resources,

Attached hereto please find a draft lease agreement between Kona Historical Society (KHS) and Greenwell Farms Incorporated (GFI). This agreement pertains to certain portions of the Kona Historical Society Legacy Lands property referenced in the attached draft. This site requires a high degree of care and maintenance of coffee crop and agricultural portions of its Kona Coffee Living History Farm. The agreement between KHS and GFI facilitates KHS fulfilling its obligation to maintain and preserve green space for public enjoyment, to continue carrying out the mission of the museum of preserving Hawaii's unique character and history through interpretation and museum programs, while also observing the specific goals and stipulations of DLNR.

Over the years, but in particular in the last 7 years, KHS has observed a variety of different strategies and employed several different contractors (both those dedicated to our site alone, and those stewarding several sites) to maintain its roughly 5.5 acre parcel of coffee-land and harvest its crop on the Kona Coffee Living History Farm. Coffee Beetle Borer, drought, small-scale production, labor (picker) shortages, and other market challenges of this industry has made the effort unpredictable, and the management and oversight of crop care and contractors a real human resource drain for a small museum staff. This industry is an industry of scale. Small farmers still have difficulty making a profit. The net effect for KHS has detracted from the museum's main mission of interpreting and educating visitors, *keiki*, and *kama'aina* about the history of Kona Coffee and early 20th century life in Hawaii. It has also resulted in break even or negative cash positions relative to the contractors in several of these years with regard to crop yield. Some years this was due to picker shortages and missed picks/rounds—so they were contractor-centered, but still a reality of small farm contract care—in other years the small size of the parcel and relative high labor costs have made this site less likely to be high yielding. Other factors like precipitation and limitations to certain types of pest control and modern farming strategies on a historic site have made what some might consider a cash crop, more of a liability for KHS.

GFI has expertise in the care of this specific type of agricultural crop. They have knowledge of historical and heritage farms, and their involvement in the industry for generations places them in the unique position of understanding period-pruning and aesthetic issues, and even museum goals on our site. The care they will provide for the crop on this land will help perpetuate the legacy of this property, and help guarantee a higher standard of care, while freeing up museum staff to focus on public engagement.

Greenwell Farms Incorporated is widely recognized as one of the top leaders in the industry and aside from cupping and other "product-quality" awards, they are frequent winners of crop care and business practices awards, having recently won a chamber of commerce award and Pualu business innovation award. Their wholesale product is high-quality and many small businesses and small Kona farms have wholesale or "coffee processing" relationships with them due to their product and reputation. Their care of KHS's farm site through this lease will help us to conserve the granted lands in a much more efficient way. Thank you for the Board's consideration. We're confident this agreement will help to ensure the continuance of the Society's mission to enrich our community by nurturing an understanding of, and inspiring an appreciation for, Kona's unique sense of place.

Warmest wishes,

Joy Holland
Executive Director

William "Buddy" Norwood
President, Board of Directors

STATE OF HAWAII
AMENDMENT NO. 1
TO LEGACY LAND CONSERVATION PROGRAM
GRANT AGREEMENT

This Amendment, entered into on June 30, 2007, by and between the BOARD OF LAND AND NATURAL RESOURCES, STATE OF HAWAII ("STATE"), by its Chairperson, whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813, and the Kona Historical Society ("AWARDEE"), a nonprofit corporation under the laws of the State of Hawaii, whose business address and federal and state taxpayer identification numbers are as follows: P.O. Box 398, Captain Cook, HI 96704, (tax id no.???) 99-0167275; W40406554-01

RECITALS

A. WHEREAS, the STATE and the AWARDEE entered into a State of Hawaii Legacy Land Conservation Program Grant Agreement dated June 30, 2007, (hereinafter referred to as the "Agreement") whereby the AWARDEE agreed to the terms described in the Agreement; and

B. WHEREAS, the parties now desire to amend the Agreement.

NOW, THEREFORE, the STATE and the AWARDEE mutually agree to amend the Agreement as follows:

The Compensation and Payment Schedule set forth as Attachment 3 to the Agreement is amended to reduce the amount of the award to AWARDEE from Three Hundred One Thousand and No/100 Dollars (\$301,000.00) to Two Hundred Eighty Seven Thousand Two Hundred Fifty and No/100 Dollars (\$287,250.00).

Explanation: The reduction in the award amount results from the difference between the value of the land as stated in AWARDEE's application (attached as Exhibit A to the Agreement), which is One Million Two Hundred Thousand and No/100 Dollars (\$1,200,000.00), and the appraised fair market value of the land, which is Three Hundred Eighty Thousand and No/100 Dollars (\$380,000.00).

AWARDEE's total project costs shall be as follows:

\$300,000 (land purchase price)
\$80,000 (land value donation from the landowner)
\$3,000 (cost of the appraisal)
total = \$383,000 (total project costs)

Under Chapter 173A, Hawaii Revised Statutes, a nonprofit organization must provide at least twenty-five percent (25%) matching funds to the total project costs for

which Legacy Land funds are awarded. Therefore, Two Hundred Eighty Seven Thousand Two Hundred Fifty and No/100 Dollars (\$287,250.00) is the maximum award amount equal to seventy-five percent (75%) of AWARDDEE's total project costs.

The entire Agreement, as amended herein, shall remain in full force and effect.

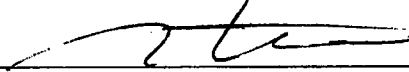
IN VIEW OF THE ABOVE, the parties execute this Amendment by their signatures, to be effective as of the date first above written.

STATE




Chairperson
Board of Land and Natural Resources

AWARDEE

By _____

Its PRESIDENT *
(Title)

APPROVED AS TO FORM:



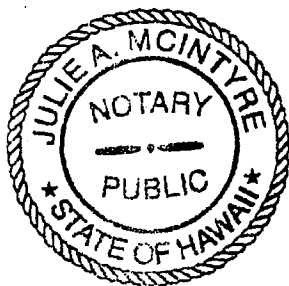
Deputy Attorney General

*Evidence of authority of the AWARDDEE's representative to sign this amended agreement for the AWARDDEE must be attached.

AWARDEE'S ACKNOWLEDGMENT

STATE OF HAWAII)
COUNTY OF Hawaii) SS.

On this 9th day of April, 2008, before me personally appeared William Norwood, to me personally known, who being by me duly sworn, did say that he/she is the President of Kona Historical Society, the AWARDEE named in the foregoing instrument, and that he/she is authorized to sign said instrument on behalf of the AWARDEE, and acknowledges that he/she executes said instrument as the free act and deed of the AWARDEE.



Julie A. McIntyre
Notary Public, State of Hawaii

My commission expires: 7/25/08

**STATE OF HAWAII
LEGACY LAND CONSERVATION PROGRAM
GRANT AGREEMENT**

This Agreement, entered into on June 30, 20 07, by and between the BOARD OF LAND AND NATURAL RESOURCES, STATE OF HAWAII ("STATE"), by its Chairperson, whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813, and the Kona Historical Society ("AWARDEE"), a nonprofit corporation under the laws of the State of Hawaii, whose business address and federal and state taxpayer identification numbers are as follows: P.O. Box 398, Captain Cook, HI 96704 99-0167275; W40406554-01

EXHIBITS

- Exhibit A Project Application
Exhibit B Checklist for Legacy Land Conservation Program Projects

Exhibits A and B are hereby made a part of this Agreement.

RECITALS

WHEREAS, Chapter 173A, Hawaii Revised Statutes ("HRS"), establishes standards for disbursing public funds to state agencies, counties, and nonprofit land conservation organizations to fulfill public purposes;

WHEREAS, the AWARDEE has requested funding from the STATE for the project described in Exhibit A and Attachment 1 of this Agreement;

WHEREAS, the STATE finds that the AWARDEE's performance as described in Attachment 1 of this Agreement will fulfill the public purpose set forth therein;

WHEREAS, the STATE desires to contract with the AWARDEE to fulfill the specified public purpose, and the AWARDEE is agreeable to performing under this Agreement;

WHEREAS, money is available to fund this Agreement pursuant to: Chapter 173A, HRS, LNR 101 (S-07-317-514) in the following maximum amount: Three Hundred One Thousand and No/100 Dollars (\$301,000.00);

NOW, THEREFORE, in consideration of the promises contained in this Agreement, the STATE and the AWARDEE agree as follows:

A. SCOPE OF PERFORMANCE

The AWARDEE shall perform, in a proper and satisfactory manner as determined by the STATE, the project described in the "Scope of Performance" set forth in Attachment 1, which is hereby made a part of this Agreement.

B. TIME OF PERFORMANCE

The performance required of the AWARDEE under this Agreement shall be completed in accordance with the "Time Schedule" set forth in Attachment 2, which is hereby made a part of this Agreement.

C. COMPENSATION

The AWARDEE shall be compensated for performance of the project under this Agreement according to the "Compensation and Payment Schedule," set forth in Attachment 3, which is hereby made a part of this Agreement.

D. STANDARDS OF CONDUCT DECLARATION

The "Standards of Conduct Declaration" by AWARDEE, set forth in Attachment 4, is hereby made a part of this Agreement.

E. OTHER TERMS AND CONDITIONS

The "General Conditions for Legacy Land Conservation Program Grant Agreements," set forth in Attachment 5, is hereby made a part of this Agreement.

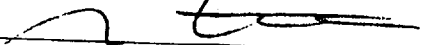
IN WITNESS WHEREOF, the STATE and the AWARDEE have executed this Agreement effective as of the date first above written.

STATE

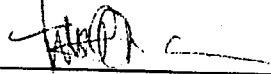


Chairperson
Board of Land and Natural Resources

AWARDEE

By 
Its _____ *
PRESIDENT
(Title)

APPROVED AS TO FORM:



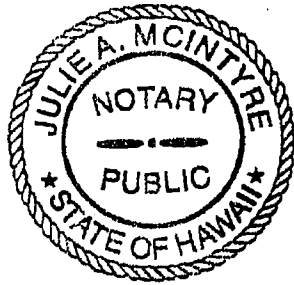
Deputy Attorney General

*Evidence of authority of the AWARDEE's representative to sign this Agreement for the AWARDEE must be attached.

AWARDEE'S ACKNOWLEDGMENT

STATE OF HAWAII)
COUNTY OF Hawaii) SS.

On this 9th day of April, 20 08, before me personally appeared William Norwood, to me personally known, who being by me duly sworn, did say that he/she is the President of Kona Historical Society, the AWARDEE named in the foregoing instrument, and that he/she is authorized to sign said instrument on behalf of the AWARDEE, and acknowledges that he/she executes said instrument as the free act and deed of the AWARDEE.



Julie A. McIntyre
Notary Public, State of Hawaii

My commission expires: 7/25/08

SCOPE OF PERFORMANCE

Project Description

The AWARDEE shall use funds from the Legacy Land Conservation Program ("LLCP") for land acquisition of: 5.536 acres, more or less, at Kealahou, South Kona, Hawaii ("Property") for the protection of resource values stated in Sections "A," "D," and "F" of the Project Application attached hereto as Exhibit A. Property acquired with LLCP funding from the Land Conservation Fund shall be held and managed in a manner designed to protect the Property's resource values.

Performance

The AWARDEE is required to do the following:

1. Submit a request for payment containing all documentation required in Attachment 3 ("Compensation and Payment Schedule") to the satisfaction of the STATE.
2. Complete acquisition of the Property and record a document of conveyance of the Property to AWARDEE.
3. The document of conveyance to AWARDEE shall include the following paragraphs:

"The property has been acquired with funds from a state grant from the Legacy Land Conservation Program. Title of the property conveyed by this deed shall vest in the Kona Historical Society, subject to disposition instructions from the State of Hawaii, Board of Land and Natural Resources ("BLNR") or its successor agencies. The property shall be managed consistently with the purposes for which it was awarded a Legacy Land Conservation Program grant and Chapter 173A, Hawaii Revised Statutes. The Kona Historical Society shall not dispose of, encumber its title or other interests in, or convert the use of this property without the written approval of BLNR or its successor agencies."

"If the property is sold, leased, rented, or otherwise disposed of by the Kona Historical Society, that portion of the net proceeds (sale price less actual expenses of sale) of such sale, rental, or proceeds equal to the proportion that the state grant bears to the original cost of the property shall be paid to the State of Hawaii."
4. Cooperate with the STATE in all efforts to document the condition and status of the resource values for which the grant funds were provided.
5. Any substantive changes to the Project Application must be agreed to by the AWARDEE and the Chairperson of the Board of Land and Natural Resources in writing.

6. If AWARDEE is a county or a nonprofit land conservation organization, no LLCP funds shall be released by the STATE unless twenty-five percent (25%) of total project costs are matched by direct moneys, a combination of public and private funds, land value donation, in-kind contributions, or a combination of these sources

TIME SCHEDULE

This Agreement shall be in effect beginning June 30, 2007. AWARDDEE shall complete acquisition of the Property and record the conveyance no later than June 6, 2008. If any of the performances required in the Scope of Performance are not completed within the time stated, AWARDDEE may be required to return all funds previously received by it pursuant to this Agreement. The Chairperson of the Board of Land and Natural Resources may extend the time for performance of any requirement.

COMPENSATION AND PAYMENT SCHEDULE

In full consideration of the services to be performed under this Agreement, from Chapter 173A, Hawaii Revised Statutes, and LNR 101 (S-07-317-514), the STATE and the AWARDDEE agree to the following:

- a) AWARDDEE's request for payment, in the form of an invoice, shall be delivered personally or sent by United States first class mail, postage prepaid to:

Legacy Land Conservation Program
Division of Forestry and Wildlife
Department of Land and Natural Resources
1151 Punchbowl Street, Room 325
Honolulu, Hawaii 96813

The request for payment must be received by the LLC by June 6, 2009.
A maximum payment of THREE HUNDRED ONE THOUSAND AND NO/100 DOLLARS (\$301,000.00) shall be made upon:

- i. AWARDDEE's completion of the Checklist for Legacy Land Conservation Program Projects attached hereto as Exhibit B;
 - ii. AWARDDEE's compliance with all LLCP policies and practices;
 - iii. the STATE's receipt of an original invoice and copies of all bills, invoices, receipts, and a contract of sale; and
 - iv. the STATE's receipt of AWARDDEE's tax clearances from the Hawaii State Department of Taxation and the Internal Revenue Service.
- b) Within thirty (30) days of acquiring the Property, but no later than July 6, 2009, AWARDDEE shall submit to the STATE a copy of the recorded conveyance document transferring ownership of the 5.536 acres, more or less, at Kealakekua, South Kona, Hawaii to AWARDDEE.
- c) The total amount awarded under this Agreement will be dependent upon the project being completed with no substantive changes to the Project Application. The amount of the award shall not be increased, but the STATE may reduce the award if the project changes in any way that the STATE deems substantial. For example, a reduction in acreage, purchase price, or fair market value may be deemed substantial and sufficient justification for a reduction in the award.

STANDARDS OF CONDUCT DECLARATION

For the purposes of this declaration:

“Agency” means and includes the State, the legislature and its committees, all executive departments boards, commissions, committees, bureaus, offices; and all independent commissions and other establishments of the state government but excluding the courts.

“Controlling interest” means an interest in a business or other undertaking which is sufficient in fact to control, whether the interest is greater or less than fifty per cent (50%).

“Employee” means any nominated, appointed, or elected officer or employee of the State, including members of boards, commissions, and committees, and employees under contract to the State or of the constitutional convention, but excluding legislators, delegates to the constitutional convention, justices, and judges. (Section 84-3, HRS).

On behalf of the Kona Historical Society, AWARDEE, the undersigned does declare as follows:

1. AWARDEE is is not a legislator or an employee or a business in which a legislator or an employee has a controlling interest. (Section 84-15(a), HRS).
2. AWARDEE has not been represented or assisted personally in the matter by an individual who has been an employee of the agency awarding this Agreement within the preceding two years and who participated while so employed in the matter with which the Agreement is directly concerned. (Section 84-15(b), HRS).
3. AWARDEE has not been assisted or represented by a legislator or employee for a fee or other compensation to obtain this Agreement and will not be assisted or represented by a legislator or employee for a fee or other compensation in the performance of this Agreement, if the legislator or employee has been involved in the development or award of the Agreement. (Section 84-14(d), HRS).
4. AWARDEE has not been represented on matters related to this Agreement, for a fee or other consideration by an individual who, within the past twelve (12) months, has been an agency employee, or in the case of the Legislature, a legislator, and participated while an employee or legislator on matters related to this Agreement. (Sections 84-18(b) and (c), HRS).

AWARDEE understands that the Agreement to which this document is attached is voidable on behalf of the STATE if this Agreement was entered into in violation of any provision of chapter 84, Hawaii Revised Statutes, commonly referred to as the Code of Ethics, including the provisions which are the source for the declarations above.

Additionally, any fee, compensation, gift, or profit received by any person as a result of a violation of the Code of Ethics may be recovered by the STATE.

AWARDEE:

By Stephanie Ackerman
(Signature)

Print Name Stephanie Ackerman

Print Title Secretary

Name of AWARDEE

Kona Historical Society

Date June 02, 2008

**GENERAL CONDITIONS FOR LEGACY LAND
CONSERVATION PROGRAM GRANT AGREEMENTS**

1. Awardee's Qualifying Standards.
 - a. The AWARDDEE is a state agency, county, or a nonprofit land conservation organization.
 - b. If the AWARDDEE is a non-profit land conservation organization, AWARDDEE has been determined by the Internal Revenue Service to be a non-profit organization, and AWARDDEE has a governing board whose members have no material conflict of interest and serve without compensation.
2. Recordkeeping Requirements. The AWARDDEE shall in accordance with generally accepted accounting practices, maintain fiscal records and supporting documents and related files, papers, receipts, reports, and other evidence that sufficiently and properly reflect all direct and indirect expenditures and management and fiscal practices related to the AWARDDEE's performance under this Agreement. The AWARDDEE shall retain all records related to the AWARDDEE's performance under this Agreement for at least three (3) years after the date of submission of the AWARDDEE's Final Project Report.
3. Audit of AWARDDEE. The AWARDDEE shall allow the STATE full access to records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant. This right of access shall last as long as the records and other related documents are retained.
4. Nondiscrimination. No person performing work under this Agreement, including any employee or agent of the AWARDDEE, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.
5. Inspection of Property. The AWARDDEE shall permit the STATE and its agents and representatives, at all reasonable times, the right to enter and examine the Property to ensure compliance with chapter 173A, Hawaii Revised Statutes, and the terms of this Agreement.
6. Conflicts of Interest. The AWARDDEE represents that neither the AWARDDEE, nor any employee or agent of the AWARDDEE, presently has any interest, and promises that no such interest, direct or indirect, shall be acquired, that would or might conflict in any manner or degree with the AWARDDEE's performance under this Agreement.

7. Compliance with Laws. The AWARDDEE shall comply with chapter 173A, Hawaii Revised Statutes, chapter 343, Hawaii Revised Statutes, and all federal, state, and county laws, ordinances, codes, rules, and regulations, as the same may be amended from time to time, that in any way affect the AWARDDEE's performance under this Agreement.
8. Indemnification and Defense. The AWARDDEE shall defend, indemnify, and hold harmless the State of Hawaii, the contracting agency, and their officers, employees, and agents from and against all liability, loss, damage, and cost, and expense, including all attorneys' fees, and all claims, suits, and demands therefor, arising out of or in resulting from the acts or omissions of the AWARDDEE or AWARDDEE's employees, officers, or agents under this Agreement. The provisions of this paragraph shall remain in full force and effect notwithstanding the expiration or early termination of this Agreement.
9. Cost of Litigation. In case the STATE shall, without any fault on its part, be made a party to any litigation commenced by or against the AWARDDEE in connection with this Agreement, the AWARDDEE shall pay all costs and expenses incurred by or imposed on the STATE, including attorneys' fees.
10. Relationship of Parties; Independent Contractor Status and Responsibilities, Including Tax Responsibilities.
 - a. In the performance of this Agreement, the AWARDDEE is an "independent contractor," with the authority and responsibility to control and direct the performance required under this Agreement; however, the STATE shall have a general right of inspection to determine whether, in the STATE's opinion, the AWARDDEE is in compliance with this Agreement.
 - b. The AWARDDEE and the AWARDDEE's employees and agents are not by reason of this Agreement, agents or employees of the STATE for any purpose, and the AWARDDEE, and the AWARDDEE's employees and agents shall not be entitled to claim or receive from the STATE any vacation, sick leave, retirement, workers' compensation, unemployment insurance, or other benefits provided to state employees.
 - c. The AWARDDEE shall be responsible for the accuracy, completeness, and adequacy of AWARDDEE's performance under this Agreement. Furthermore, the AWARDDEE intentionally, voluntarily, and knowingly assumes the sole and entire liability to the AWARDDEE's employees and agents, and to any individual not a party to this Agreement, for all loss, damage, or injury caused by the AWARDDEE, or the AWARDDEE's employees or agents, in the course of their employment.
 - d. The AWARDDEE shall be responsible for payment of all applicable federal, state, and county taxes and fees which may become due and

owing by the AWARDDEE by reason of this Agreement, including but not limited to (i) income taxes, (ii) employment related fees, assessments, and taxes, (iii) general excise taxes, (iv) real property taxes, and (v) conveyance taxes. The AWARDDEE also is responsible for obtaining all licenses, permits, and certificates that may be required in order to perform this Agreement.

- e. The AWARDDEE shall obtain a general excise tax license from the Department of Taxation, State of Hawaii, in accordance with section 237-9, Hawaii Revised Statutes, and shall comply with all requirements thereof. The AWARDDEE shall obtain a tax clearance certificate from the Director of Taxation, State of Hawaii, and the Internal Revenue Service, U.S. Department of the Treasury, showing that all delinquent taxes, if any, levied or accrued under state law and the Internal Revenue Code of 1986, as amended, against the AWARDDEE have been paid and submit the same to the STATE prior to commencing any performance under this Agreement.
 - f. The AWARDDEE is responsible for securing all employee-related insurance coverage for the AWARDDEE and the AWARDDEE's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.
11. Payment Procedures: Tax Clearance. All payments under this Agreement shall be made only upon submission by AWARDDEE of (i) original invoices specifying the amount due and certifying that it has completed performance in accordance with the Agreement, and (ii) tax clearances from the Hawaii State Department of Taxation and the Internal Revenue Service. Such payments are subject to availability of funds and allotment by the Director of Finance in accordance with chapter 37, Hawaii Revised Statutes. Further, all payments shall be made in accordance with and subject to chapter 40, Hawaii Revised Statutes.

12. Publicity.

- a. The AWARDEE shall not refer to the STATE, or any office, agency, or officer thereof, or any state employee, in any of the AWARDEE's brochures, advertisements, or other publicity of the AWARDEE without written permission from the Public Information Office of the State of Hawaii, Department of Land and Natural Resources. All media contacts with the AWARDEE about the subject matter of this Agreement shall be referred to the State of Hawaii, Department of Land and Natural Resources, Legacy Land Conservation Program.
- b. The AWARDEE consents to the STATE's use of AWARDEE and the Property's name, photograph, image, or likeness in brochures, advertisements, or other publicity relating to the Legacy Land Conservation Program. The STATE shall have complete ownership of all material which is developed, prepared, assembled, or conceived for brochures, advertisements, or other publicity relating to the Legacy Land Conservation Program.

13. Confidentiality of Material.

- a. All material given to or made available to the AWARDEE by virtue of this Agreement, which is identified as proprietary or confidential information, will be safeguarded by the AWARDEE and shall not be disclosed to any individual or organization without the prior written approval of the STATE.
- b. All information, data, or other material provided by the AWARDEE to the STATE shall be subject to the Uniform Information Practices Act, chapter 92F, Hawaii Revised Statutes.

14. Suspension and Termination of Agreement.

- a. The STATE reserves the right at any time and for any reason to suspend this Agreement for any reasonable period, upon written notice to the AWARDEE. Upon receipt of said notice, the AWARDEE shall immediately comply with said notice and suspend all performance under this Agreement at the time stated.
- b. If, for any cause, the AWARDEE breaches this Agreement by failing to satisfactorily fulfill in a timely or proper manner the AWARDEE's obligations under this Agreement or by failing to perform any of the promises, terms, or conditions of this Agreement, and having been given reasonable notice of and opportunity to cure such default, fails to take satisfactory corrective action within the time specified by the STATE, the STATE shall have the right to terminate this Agreement by giving written

notice to the AWARDDEE of such termination at least seven (7) calendar days before the effective date of such termination. Furthermore, the STATE may terminate this Agreement without statement of cause at any time by giving written notice to the AWARDDEE of such termination at least thirty (30) calendar days before the effective date of such termination.

- c. Upon termination of the Agreement, the AWARDDEE, within thirty (30) calendar days of the effective date of such termination, shall compile and submit in an orderly manner to the STATE an accounting of the work performed up to the date of termination. In such event, the AWARDDEE shall be paid for the actual cost of the services rendered, if any, but in no event more than the total compensation payable to the AWARDDEE under this Agreement.
- d. If this Agreement is terminated for cause, the AWARDDEE shall not be relieved of liability to the STATE for damages sustained because of any breach by the AWARDDEE of this Agreement. In such event, the STATE may retain any amounts which may be due and owing to the AWARDDEE until such time as the exact amount of damages due to the STATE from the AWARDDEE has been determined. The STATE may also set off any damages so determined against the amounts retained.

- 15. Disputes. No dispute arising under this Agreement may be sued upon by the AWARDDEE until after the AWARDDEE's written request to the Chairperson of the Board of Land and Natural Resources ("CHAIRPERSON") to informally resolve the dispute is rejected, or until ninety (90) calendar days after the CHAIRPERSON's receipt of the AWARDDEE's written request whichever comes first. While the CHAIRPERSON considers the AWARDDEE's written request, the AWARDDEE agrees to proceed diligently with the performance necessary to complete the Project unless otherwise instructed in writing by the CHAIRPERSON.
- 16. State Remedies. The AWARDDEE understands that in the event that it no longer meets all of the standards set forth in paragraph 1 of these General Conditions, or in the event that AWARDDEE fails to comply with any of the other requirements, provisions, or conditions set forth in this Agreement, that the STATE may refuse to make further payments to AWARDDEE or may seek reimbursement for payments made to AWARDDEE under this Agreement. In addition to the remedies set forth above, the STATE shall be entitled to pursue any other remedy available at law or in equity.
- 17. Modifications of Agreement. Any modification, alteration, amendment, change, or extension of any term, provision, or condition of this Agreement permitted by this Agreement shall be made by written amendment to this Agreement, signed by the AWARDDEE and the STATE.

18. Notices. Any written notice required to be given by a party to this Agreement shall be (a) delivered personally, or (b) sent by United States first class mail, postage prepaid, to the CHAIRPERSON at the CHAIRPERSON's office in Honolulu, Hawaii or to the AWARDEE at the AWARDEE's address as indicated in the Agreement. A notice shall be deemed to have been received three (3) days after mailing or at the time of actual receipt, whichever is earlier. The AWARDEE is responsible for notifying the CHAIRPERSON in writing of any change of address.
19. Waiver. Prior to the disbursement of funds, the CHAIRPERSON, in his or her discretion, may waive certain conditions set forth in this Agreement. No waiver shall be effective unless in writing executed by the CHAIRPERSON. The failure of the STATE to insist upon the strict compliance with any term, provision, or condition of this Agreement shall not constitute or be deemed to constitute a waiver or relinquishment of the STATE's right to enforce the same in accordance with this Agreement. The fact that the STATE specifically refers to one section of the Hawaii Revised Statutes, and does not include other statutory sections in this Agreement shall not constitute a waiver or relinquishment of the STATE's rights or the AWARDEE's obligations under the statutes.
20. Severability. In the event that any provision of this Agreement is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of this Agreement.
21. Governing Law. The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Agreement shall be brought in a state court of competent jurisdiction in Honolulu, Hawaii.
22. Survival. AWARDEE's obligations and the STATE's remedies shall survive the funding of the grant and the acquisition of this Property by AWARDEE.
23. Entire Contract. This Contract sets forth all of the agreements, conditions, understandings, promises, warranties, and representations between the STATE and the AWARDEE relative to this Agreement. This Agreement supercedes all prior agreements, conditions, understandings, promises, warranties, and representations, which shall no further force or effect. There are no agreements, conditions, understandings, promises, warranties, or representations, oral or written, express or implied, between the STATE and the AWARDEE other than as set forth or as referred to herein.

Exhibit A

Kona Historical Society
Project Application

Legacy Land Conservation Program
2006-2007 (Fiscal Year 2007)



**REQUEST FOR LAND
CONSERVATION
FUNDING (Act 156 SLH
2005)**

For agency use	
Date of Received:	____/____/____
Application No.:	_____
Application Status:	_____
Total Request:	\$ _____
Reply Date:	_____

GRANT APPLICATION FORM

Forms and Required Preliminary Documentation must be postmarked or hand delivered by the October 16, 2006, 4:30 p.m. HST to (refer to Application Instructions for more information):

Department of Land and Natural Resources
Legacy Land Conservation Program
1151 Punchbowl Street, Room 325 Tel: (808) 586-0921
Honolulu, Hawaii 96813
www.hawaii.gov/dlnr/dofaw/lcp

SECTION A. APPLICANT INFORMATION

Agency or Organization Name	Kona Historical Society
Mailing Address (PO Box or Street, City, State, Zip)	P.O. Box 398 Captain Cook, Hi. 96704
Contact Person and Title	Jill R. Olson
Phone Numbers (best contact, work, cellular)	808-323-3222
Email	jill@konahistorical.org
Does agency/organization have a project and organization website? Please include URL:	Yes www.konahistorical.org

SECTION B. TYPE OF ACQUISITION

1. We are requesting funding for the acquisition of:

Fee simple interest in private land		(see attached)
Permanent conservation easement	X	

2. We intend for the property interest to be held by:

State of Hawaii		(see attached)
County of:		
Other (indicate entity): Kona Historical Society	X	

KONA HISTORICAL SOCIETY
Legacy Land Conservation Program – Grant Application Form

Section B. Type of Acquisition

#1 & #2

The Kona Historical Society (KHS) is proposing that the Legacy Land Conservation Program provide KHS with \$301,000 to purchase the Kona Coffee Living History Farm – D./ Uchida Farm from Kealakekua Ranch, Ltd. In return, the Society will sign a Memorandum of Agreement or Conservation Easement to preserve the site as an historical museum in perpetuity.

3. We propose that the property be acquired for the following preservation purpose(s)
(check all that apply):

Watershed protection		Parks	
Coastal areas, beaches and ocean access		Natural areas	
Habitat protection		Agricultural production	X
Cultural and historical sites	X	Open spaces and scenic resources	X
Recreational and public hunting areas			

SECTION D. DESCRIPTION OF LAND (SUMMARY)

1. Location of property (please be as specific as possible; for example, "Molooa, makai, located on the northshore of Kaula"):

In the ahupuaa of Kealakekua - Across from Bishop Museum's Amy Greenwell Ethnobotanical Garden and near-by the Manago Hotel off of Mamalahoa Hwy.

2. Tax Map Key(s) (for example, "(4) 5-6-007:008"):

TMK 8-2-15:13 (lot2)

3. Size of property (indicate acreage or square footage):

5.536 Acres

4. What types of easement(s) are located on the property? (for example, vehicular, pedestrian for beach access, utility, etc.):

Utility Easement

5. Will the public have access to property or easement? Yes No

6. Please provide the following land use information:

State Land Use Designation	
County Zoning	
County General /Community Plan Designation	RS-10
Flood Zone Designation	

7. Is property located in a Special Management Area? Yes No

8. What types of structures, if any, are on the property? (for example, house, storage sheds, etc.):

Four historic structures & landscape (house, out buildings & coffee)

**Kona Historical Society
Legacy Land Conservation Program – Grant Application**

Section D . Description of Land

10. Briefly describe the flora etc.

The farm has been in cultivation at least since 1900 and probably during pre-contact period. It is situated in the prime agricultural lands, referred to as the Kona Field System, and later referred to as the Kona Coffee Belt. Pre contact species (either indigenous or Polynesian introduced) include Mountain Apple, Banana, Kuku, Ti. Endemic or invasive species would include: coffee macadamia nut, guava, lilikoi, orange, papaya avocado, and persimmon. The only invasive currently considered pests are a variety of grasses and broad leaf weeds.

9. If there are historic structures or sites on the property, please indicate all types.

Cultural or archaeological sites, such as heiau, lo'i, burial caves, dunes, or remnant walls:	with the Hawaiian Field System (part of a larger Kona Field System that extends across the street to the Bishop Museum's Amy Greenwell Ethnobotanical Garden.)
Registered historic buildings or structures:	4 bkdgs & landscape on State & National Register
Other type:	

Remnants of stipe feayres associated with the Hawaiian Field System (part of a larger Kona Field System that extends across the street to the Bishop Museum's Amy Greenwell Ethnobotanical Garden.)

10. Briefly describe the flora and fauna are found on the property (such as species of endemic and indigenous; Polynesian introduced; invasive; etc.):

See attached

11. What are the most exceptional natural resources (such as streams, estuaries, dunes, or caves) on the property?

No natural resources as defined by the wquestion

12. What types of surveys, if any, have been conducted regarding the property? (for example, Environmental Assessment (EA), archaeological survey, etc):

Archeological, Topo,

13. What kinds of land uses/activities border the property? (for example urban/residential; fallow agricultural lands; native forest; coastal preserves; commercial activities, etc.):

Bishop Museum's Amy Greenwell Ethnobotanical Garden is directly mauka above the Mamalahoa Hwy., Private residents border on two sides, an electric transformer is on the Kailua side of the property. The site has been recognized as an important part of the Kona Heritage Corridor.

14. If there are suspected or potential hazards associated on/related to this property, please check all the following that apply:

There are no known hazards.	
The property is a designated brownfield (former industrial use)	XX
There has been illegal dumping /hazardous materials.	
The property is prone to flooding or is a natural drainage basin.	
The property is prone to falling rocks or mudslides.	
The property lays fallow/overgrown and ground is not level (rocky)	
Other suspected or potential hazards:	

SECTION E. FUNDING REQUEST

1. What is the total estimated value of the property or conservation easement?

2. How was the estimated value determined?

Appraisal Report (please indicate date of report)	1992
Current County Tax Assessed Value	
Other: Per a local realtor - the going rate for RS-10 property near KCLHF	

3. Is the property currently listed for sale or has it been listed for sale within the past two years?

Yes (asking price:)

No

4. What is the total estimated cost for acquisition? (Please use the table provided below):

Estimated Acquisition Cost Worksheet				
Expense Item	Estimated Cost	% of Costs to be Paid by:		
		Land Owner	Applicant	Other
Appraisal report	1,000		x	
Title report				
Property survey				
Subdivision				
Environmental investigation				
Other:				
Other:				
Other:				
Other:				
Total Estimated Acquisition Costs	\$ 1000			
Estimated Value of Property	\$			
TOTAL ANTICIPATED COST OF ACQUISITION	\$ 301,000			

5. Anticipated matching funds (Please use table below):

Estimated Matching Funds Worksheet			
Type	\$ Amount	Source of Funds or Basis of Valuation	Status (Secured/Pending/etc.)
Private funds			
Public/other funds			
Public/other funds			
Public/other funds			
Public/other funds			
Land value donation	1,700,000		
In-kind contributions			
TOTAL MATCHING FUNDS	\$		
*AMOUNT BEING REQUESTED FROM THE LEGACY LAND PROGRAM	\$ 301,000		
TOTAL ANTICIPATED PROJECT FUNDING	\$ 301,000		

6. What is the estimated timeframe funding will expire two-years from

(see attached)

← total amount of project funding is match + LCF funds. Here is \$2,001,000. For discussion w/ Jill. stones? (note that

**Kona Historical Society
Legacy Land Conservation Program – Grant Application**

Section E – Funding Request

6. What is the estimate timeframe for acquisition and etc.
With the support of Kealakekua Ranch, Ltd. KHS plans to purchase the property as soon as the funds become available from the State of Hawaii Legacy Land Program.

If you do decide that we are being considered, we will need to get a more recent land appraisal than the one dated 1992. We will be contacting Larry Baird who did the original appraisal and should have something within a few months.

Other than the appraisal, KHS does not foresee any difficulties.

SECTION F. PROJECT DESCRIPTION

Please type your answers on a separate sheet and attach it to the application form (no more than two pages total). Make sure to number your answers so they correlate with the numbered questions below.

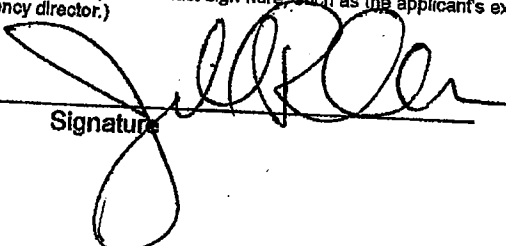
1. Briefly describe the significance/importance of the property and/or easement (such as public use, natural areas, slope and elevation, soil type, flora and fauna, etc.).
(see attached)
2. Identify any conditions that threaten the significance/importance of the subject site. This may include how the property or easement relates to neighboring lands (for example, whether project will expand upon an existing conservation area, or provide open space in developed area, etc).
(see attached)
3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, the source of operation and maintenance funding and who (if not the applicant) will manage the property/easement.
(see attached)

SECTION G. CERTIFICATION

I/We hereby certify that the statements and information contained in this Legacy Land Program Grant Application, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, this application may be rejected.

(1) Jill R. Olson Executive Director
Printed Name Title

(An authorized person must sign here, such as the applicant's executive director, county commission chairperson, or state agency director.)

 October 10, 2006
Signature Date

Kona Historical Society
Legacy Land Conservation Program – Grant Application

Section F Project Description:

1. Briefly describe the significance/importance of the property etc.

The Kona Coffee Living History Farm – D. Uchida Farm is an important historic resource especially as it relates to the culture here in Kona. As development and population increases has occurred here in Kona (population by 400% over the past 20 years) we have seen the culture and architecture, that dominated the landscape for more than 100 years, eroded. Small coffee farms which once dominate the Kona landscape have given way to housing developments, large gated communities, estates and coffee “plantations”. What was once typical is now rare indeed. The KCLHF was placed on the State and National Registers of Historic Places for this very reason. Not because it is the best example of a 1920s coffee farm, but rather because it typifies what was once common and a way of life of nearly all of the residents of the Kona Districts between 1900 and 1945. Once this history, this way of life, passes from the direct memory of the last generation to have lived on farms like the KCLHF (Japanese Nisei, Filipino, Hawaiian, Portuguese and others born before 1930) and once the architectural resources, which have already become rare, are all gone, the KCLHF will be the only authentic heritage site to preserve and tell this important part of Kona and indeed Hawaii’s history.

2. Identify any conditions that threaten etc.

At the present time, the Kona Coffee Living History Farm – D. Uchida Farm (KCLHF) is owned by Kealakekua Ranch, Ltd. The Kona Historical Society has an *Agreement to Lease and for Option Purchase* the property (5.5 acres) for \$300,000 before 2031.

This Agreement was made when Sherwood Greenwell was President of Kealakekua Ranch, Ltd. and also President of the Kona Historical Society. He was very supportive of this project and was selling the site for a just a portion of its real value.

Sherwood passed away about three years ago and his two children, Martha Elizabeth Greenwell and Arthur Nicholas Greenwell, now own the property. Although we have their support, we do not know what would happen if the property were suddenly passed on to Sherwood’s grand-children, who have never been involved in the project and might choose to sell the property to someone else.

Although KHS still has several years to go on their lease and agreement to purchase the property, the KHS Board and KCLHF supporters are anxious to secure this site. This is especially true about the original volunteer Coffee Farm Committee members (the last generation who grew up on a coffee farm and were raised by Japanese immigrant parents). Most of these individuals are now in their 80s and, of the ten original Nisei community members that started this project in 1992, only three are left. They feel a

real urgency to secure the site as soon as possible so that their legacy will be preserved for future generations.

3. Briefly describe the proposed use of the acquired property etc.
The site is under cultivation in coffee and Mac nuts with a variety of fruit trees and Polynesian introduced plants (see question 10). The Kona Historical Society is providing a living history program since 1999 which is available for public access M-F from 9am to 3 pm. The elevation is 1500' with a natural slope and acidic, volcanic soil, perfect for coffee.



KONA HISTORICAL SOCIETY

October 10, 2006

Molly Schmidt
Coordinator, Legacy Land Conservation Program
Dept. of Land & Natural Resources
Legacy Land Conservation Program
1151 Punchbowl Street, Room 325
Honolulu, Hi. 96813

**Re: Purchase of Kona Historical Society's
Kona Coffee Living History Farm - D. Uchida Farm**

Dear Molly:

On behalf of the Kona Historical Society I am enclosing a grant application for the purchase of the Kona Coffee Living History Farm - D. Uchida Farm (KCLH) for your consideration. In addition to the application, we have included the preliminary documentation required: the general location map, three pictures of site, IRS determination letter, letter from current land owner, appraisal and, preliminary title report.

I am also enclosing some background information and letters of support for the program which I hope you will take the time to review.

If you have any questions, please contact me at 323-3222. Thank you for your consideration.

Sincerely,

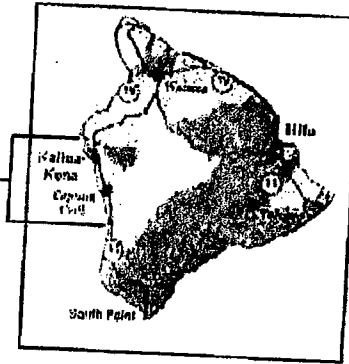
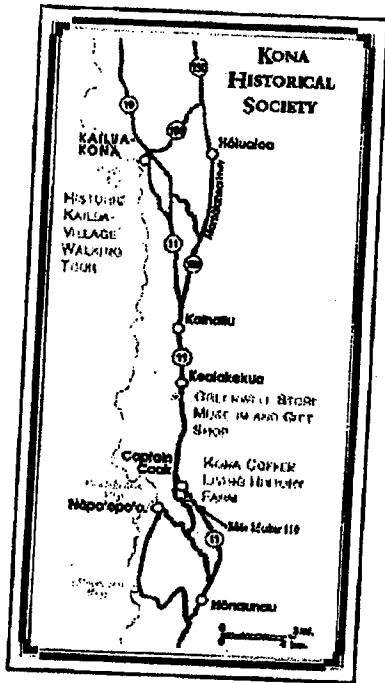
KONA HISTORICAL SOCIETY



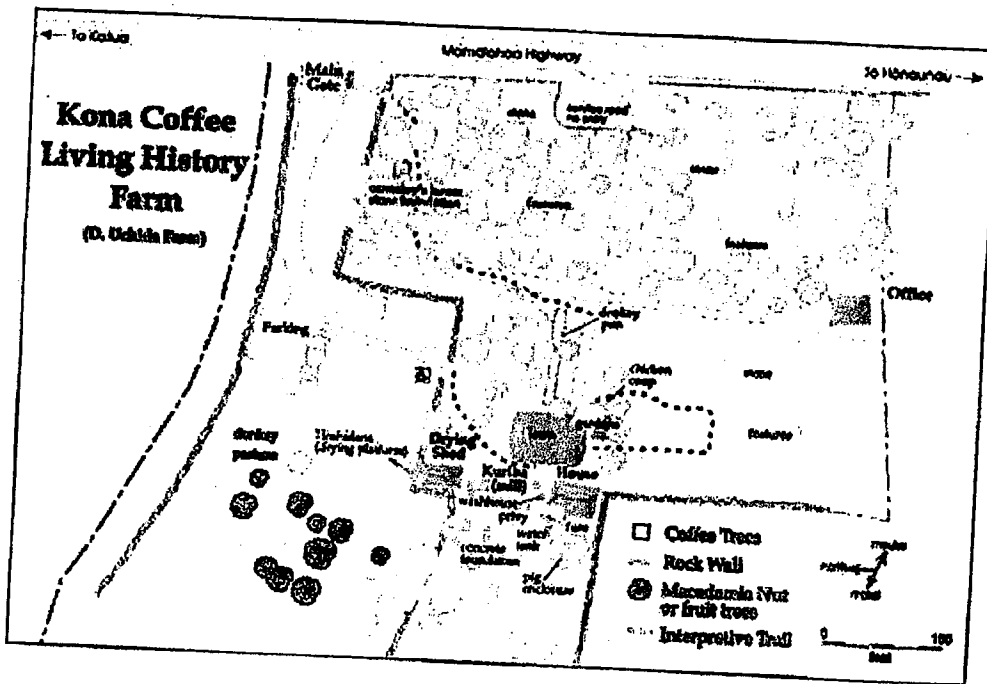
Jill R. Olson
Executive Director



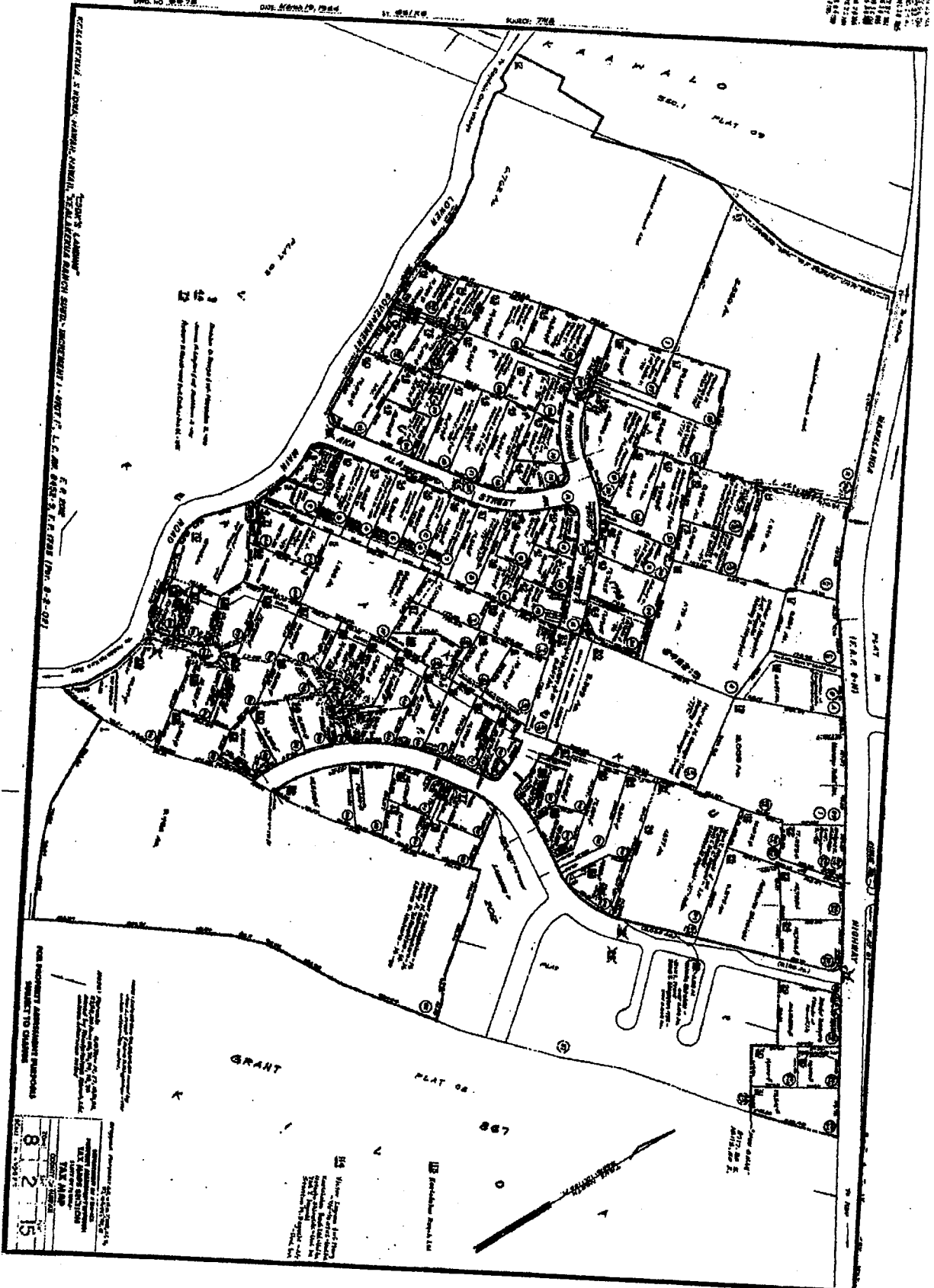
Kona Historical Society's Legacy Lands Proposal Maps and Pictures



Above and Left: Locator maps
Below: Site map



1. The area shown on this map is subject to the provisions of the Hawaiian Homestead Act, Chapter 208, H.R.S., as amended, and the rules and regulations thereunder.



THE HAWAIIAN HOMESTEAD ACT, CHAPTER 208, H.R.S., AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER, APPLY TO THE AREA SHOWN ON THIS MAP.

THE HAWAIIAN HOMESTEAD ACT, CHAPTER 208, H.R.S., AS AMENDED, AND THE RULES AND REGULATIONS THEREUNDER, APPLY TO THE AREA SHOWN ON THIS MAP.

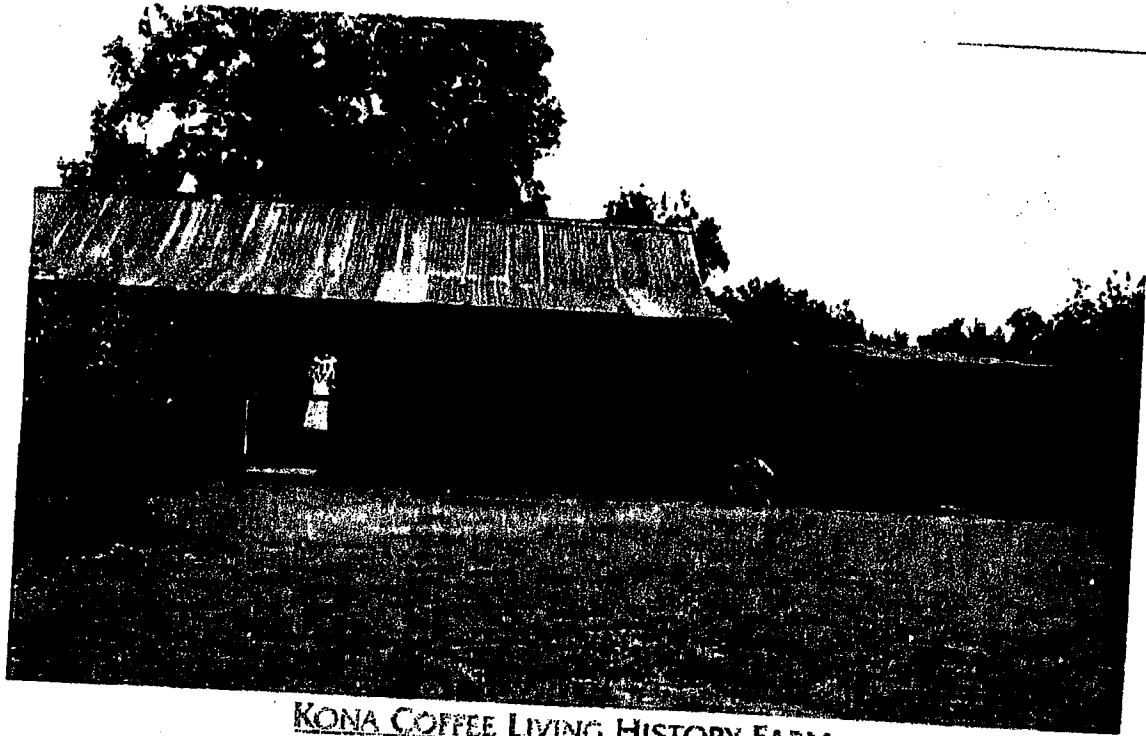
8	2	15
---	---	----



Kona Historical Society's Legacy Lands Proposal
Maps and Pictures



Interpretive programs with costumed interpreters who talk about the daily lives and chores of
Kona coffee farmers ca. 1930.



KONA COFFEE LIVING HISTORY FARM
Awards and Recognition

- National Register of Historic Places**
U.S. Department of the Interior
- State Register of Historic Places**
State of Hawai'i DLNR
- National Preservation Honor Award**
National Trust for Historic Preservation
- Historic Preservation Award**
Historic Hawai'i Foundation
- Award of Merit**
American Association of State & Local History



Smithsonian

The first Smithsonian Institution Affiliate in the State of Hawai'i



NATIONAL TRUST
HISTORIC PRESERVATION®

The site is the only permanent National Endowment for the Humanities exhibit in the state of Hawai'i.



Kealakekua Ranch, Ltd.

Kealakekua Ranch Center

82-6066 Mamalahoa Highway, #3 & #4 * P. O. Box 399, Captain Cook, Hawaii 96704
Ph: (808) 323-3188 / (808) 323-3025 * Fax (808) 323-3335 * E-mail: kealranch001@hawaii.rr.com

October 2, 2006

State of Hawaii
Dept. of Land & Natural Resources
Legacy Land Conservation Program
1151 Punchbowl St., Room 325
Honolulu, Hi. 96813

**Re: Legacy Land Conservation Program – Grant Application
Kona Historical Society – Purchase of Kona Coffee Living History Farm – D.
Uchida Farm (TMK: 8-2-15: 13 – Lot 2)**

Dear Ladies & Gentlemen:

On behalf of Kealakekua Ranch, Ltd., I support the Kona Historical Society's (KHS) Grant Application for the State of Hawaii Legacy Land Conservation Program for KHS to purchase the Kona Coffee Living History Farm – D. Uchida Farm.

Although we have a lease agreement with KHS, on an interim basis, it has always been the intent of both Kealakekua Ranch, Ltd. and KHS that this purchase take place as soon as possible while there is still support within the current ownership.

Sincerely,

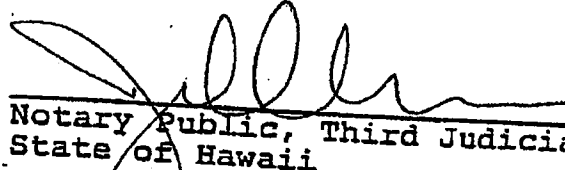
KEALAKEKUA RANCH, LTD.

Martha E. Greenwell
President/Secretary

STATE OF HAWAII
COUNTY OF HAWAII

)
) SS.
)

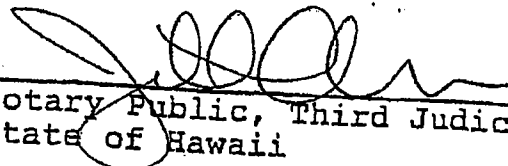
On this 4th day of October, 2006,
before me personally appeared Martha E. Greenwell
and President, to me personally known,
who, being by me duly sworn, did say that ~~they are~~ she is the
President and she is the
respectively, of KEALAKEKUA RANCH, LTD.; that the seal
affixed to said instrument is the corporate seal of said
corporation; that said instrument was signed and sealed in
behalf of said corporation by authority of its Board of
Directors, and said Martha E. Greenwell
and Martha E. Greenwell acknowledged the
instrument to be the free act and deed of said corporation.


Notary Public, Third Judicial Circuit
State of Hawaii
My commission expires: 4/10/2010
Jill R. Olson

STATE OF HAWAII
COUNTY OF HAWAII

)
) SS.
)

On this 4th day of October, 2006,
before me personally appeared Martha E. Greenwell
and person(s) described in and who executed the foregoing
instrument and she acknowledged that she executed the
same as her free act and deed.


Notary Public, Third Judicial Circuit
State of Hawaii
My commission expires: 4/10/2010
Jill R. Olson



KONA HISTORICAL SOCIETY

October 24, 2006

Molly Schmidt
Coordinator, Legacy Land Conservation Program
Dept. of Land & Natural Resources
Legacy Land Conservation Program
1151 Punchbowl Street, Room 325
Honolulu, HI. 96813

Dear Molly:

Re: Legacy Land Grant Application
- **Kona Coffee Living History Farm - D. Uchida Farm.**

Here is the information you requested that should complete our application:

Section D - Description of Land
6 - State Land Use Designation:

- County General/Community Plan Designation	Urban
- Flood Zone Designation	Low density Urban
	Zone X - Panel #1156C

I hope this completes the application. Let me know if you need anything else.

Aloha,

KONA HISTORICAL SOCIETY


Jill R Olson
Executive Director

Address any reply to: P.O. Box 2382, St. Louis, MO, 63103
Department of the Treasury
 LL: 76:1751
RECEIVED
 DISTRICT DIRECTOR OF INTERNAL REVENUE SERVICE
 OCT 19 1955
 Determination Section (213) 637-4533
 Lena Historical Society
 Post Office Box 37
 Captain Cook, Illinois 96704

Accounting Period (month): December 31
 Form 990 Required: Yes No
 Accounting Period Ending: December 31, 1950

Continued

Based on the information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(2) of the Internal Revenue Code.

Because you are a newly created organization, we are not making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization of the type described in section 170(b)(1)(A)(i) and 509(a)(1).

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date above shown.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a publicly supported organization as long as you continue to meet the requirements of the applicable support test. If, however, you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, in the event you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Contributors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. In addition, if you submit the required information

within the 90 days, donors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section 170(b)(1)(A)(i) organization is published in the Internal Revenue Bulletin, donors and donors may not rely on this determination after the date of such publication. Also, a donor or donor may not rely on this determination if he was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 170(b)(1)(A)(i) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 170(b)(1)(A)(i) organization.

Donors may deduct contributions to you as provided in section 17 of the Code. Requests, legation, devices, transfers, or gifts to you for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2512 of the Code.

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal estate taxes. If you have any questions concerning these taxes, please let us know.

If your course of support, or your purpose, character, or other of operation is changed, you should let us know so we can consider the effect of the change on your status. Also, you should inform us of all changes in your name or address.

If the you box at the top of this letter is checked, you are required to file Form 990, Return of Organization Exempt From Income Tax, only if your gross receipts each year are normally more than \$5,000. The return is due by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file the return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

APR 30 1981

U:EO: 81: 0741
Our Letter Dated: October

APPENDIX E
IRS LETTER

Person to Contact: Norma J.

Contact Telephone Number: (21

Kona Historical Society
P.O. Box 308
Kapala, Hawaii 96704

Gentlemen:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 509(a)(1)*. Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1)* status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1)* organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

W. H. Carme

District Director

section 170(b)(1)(A)(vi)

Box 2350, Los Angeles, Calif. 90053

1992 Land Appraisal

LAND APPRAISAL REPORT

Property: Kealakakua Ranch, Ltd.
 Property Address: Below Mamalahoa Hwy-No address assigned
 City: Captain Cook
 Legal Description: Lot #25 Kealakakua Ranch Subd. L.C. Aw. 8452:9 Kealakakua, South Kona, Hawaii
 Date of Sale: 2390 (1982) (yr)
 Loan Term: 15 yrs
 Appraiser: J. Baird/L. Baird
 Address: Captain Cook, HI

NEIGHBORHOOD

Location: Urban Suburban Rural
 Built up: Over 75% 25% to 75% Under 25%
 Growth Rate: Rapid Steady Slow
 Property Values: Increasing Stable Declining
 Demand/Supply: Shortage In Balance Oversupply
 Marketing Time: Under 3 mos. 4-6 mos. 7 or 8 mos.
 Present Land Use: 2-4 Family 30% Vacant Apts. Condo Commercial
 Change in Present Land Use: Not Likely Likely (+) Taking Place (+)
 Predominant Occupancy: Owner Tenant 0-6 % Vacant
 Single Family Price Range: \$ 150,000 to \$ 500,000
 Single Family Age: Newyrs. to 40 yr. Present Age 15 yrs
 Prevalent value \$ 300,000

Comments including those factors, favorable or unfavorable affecting marketability (e.g. public parks, schools, view, noise): Area below Mamalahoa Hwy 1.5mi S of Kanawana school. Police, fire, govt. serves 0.5mi. Banks 2mi. Shopping 0.5-2mi. Hospitals, 2mi. Agriculture/acreage (coffee, mac nut) area. Residential subdivisions predominate area with larger sq parcels interspersed.

Dimensions: See attached map
 Zoning classification: RS-10 (Residential, min. 10,000sq ft lots) 5.76 Acres
 Highest and best use: Present use Other (Specify) Future Residential Subdivision
 Public: Street (Describe) Individual
 Gas: Cesspool
 Water: Unsewered Eject & Test
 San Sewer: Street Lights
 OFF SITE IMPROVEMENTS: Street Access Public Private
 Surface: Asphalt
 Maintenance: Public Private
 Storm Sewer: Curb/Gutter
 Sidewalk: Street Lights
 Topo: Moderate
 Size: Larger than average
 Shape: Irregular
 View: Bay
 Drainage: Appears Adequate

Comments favorable or unfavorable including any apparent adverse easements, encroachments or other adverse conditions: FIRM CP 155188 1580 "X" 9/88 No adverse encroachments. Utility easement on S upper corner, not detrimental. Old house on site (built 1926) not considered to add value. Site approx 3/4 planted to mature coffee & mac nuts. Site is leased on year to year basis, not considered to affect value.

The appraiser has reviewed three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description of comparable reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable is superior to or less desirable than the subject property, a plus (+) adjustment is made thus reducing the indicated value of subject or a significant item in the comparable is inferior to or less desirable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	Below Mamalahoa 8-2-15-13	Napoopoo Road 8-2-2-39	81-6666 Mamalahoa Hwy 8-1-1-9	Kamakani Street 8-2-16-1
Distance to Subject		1 Mile SW	2 Miles NE	0.5 Mile S
Size	Per Acre	\$ 380,000	\$ 400,000	\$ 243,000
Price		\$ 60434/Ac	\$ 133333/Ac	\$ 252021/Ac
Date of Sale and Time Adjustment	Inspection	TMK Service/RSS	TMK Service/RSS	TMK Service/RSS
Location	Capt. Cook 9/92			
Site/View	5.76 Acres	Napoopoo Road 5.72 Acres	11/90 Kealakakua 3.00 Acres	7/91 Capt. Cook 0.89 Acre
Topography	Coast	Coast	Ocean	Ocean
Improvement	Moderate	Mod-Steep + 5,000	Moderate + 25,000	Near Level - 5,000
Zoning	No Value	None	Coffee-No Val	None
Sales or Financing Concessions	RS-10	A-5A +100000	RS-15	RS-7.5
Net Aq. (Total)	Cash	92-151630	Cash	91-101038
Indicated Value of Subject		\$ 105,000	\$ 100,000	\$ 236,000
Comments on Market Data	Comp#1 inferior topography & zoning, inferior view, similar topography. Comp#3 smaller site, inferior view, better topography.			
Comments and Conditions of Appraisal	Appraisal completed without legal description & relied upon tax office data. Effective date of appraisal 5/31/92. Date of inspection 12/15/92. Date report signed 12/28/92.			
Final Recommendation	The market approach best reflects actions of buyers & sellers in the open market therefore is the best measure of subject's value. Larry Baird CGA 286, exp. 12/31/93.			

ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF May 31 19 92 to be \$ 485,000

Appraiser: Joe V. Baird/Larry Baird

Exhibit B

Checklist for Legacy Land Conservation Program Projects

FOR NONPROFIT AND COUNTY GRANTEES: The following items must be completed to the STATE's satisfaction prior to the final award:

- Title report review and appraisal certification. A current title report of the property interest to be acquired must be obtained and approved through the Department of Land and Natural Resources, Land Division ("LD"). An appraisal of the property interest to be acquired must be done and certification obtained through LD, with final approval by the Chairperson of the Board of Land and Natural Resources. AWARDDEE shall first supply LD a current title report, then contact the LD Appraisal Manager regarding certification requirements prior to issuing appraisal instructions for a new appraisal or ordering an update of a pre-existing appraisal.
- Matching funds. Evidence of matching funds, as required by law, must be provided to LLCP.
- Escrow. Funds that are to be used for the purchase of property will be deposited directly into escrow by LLCP.
- Title insurance. As of the 2008-2009 (Fiscal Year 2008) grant cycle, AWARDEES must obtain title insurance in the full amount of the purchase price, insuring that the title to the Property is vested in the AWARDDEE.
- Accounting. AWARDDEE must provide an accounting of all LLCP grant funds to be expended, evidenced by supporting documentation.
- ESA. One or more Environmental Site Assessment(s) (ESA) as may be required by STATE.
- HRS Ch. 343 compliance. An Environmental Assessment and/or Cultural Assessment as may be required by law.
- Resource value documentation. AWARDDEE shall submit a written statement and photographs that reflect the current status and condition of the resources for which the land is to be protected. The statement shall be certified by AWARDDEE and the photographs shall be taken from identifiable locations on the Property.
- Deed. AWARDDEE shall submit a copy of proposed deed prior to execution of deed for review and approval by STATE.



KONA HISTORICAL SOCIETY

Officers

William "Buddy" Norwood-Pres.
Allen Wall-V. Pres.
Dean Uemura-Treas.
Stephanie Ackerman-Sec.

Board of Directors

Wendy Craven
Dale Fegerstrom
Alfreida Fujita
Carol Greenwell
M.E.G. Greenwell
Sally Inkster
Ed Kaneko
Ruby McDonald
Tomoe Nimori
Anne Irene Wilcox
David Young

Associate Directors

Pauline Amarino
Balbi Brooks
Wilma Paris

Executive Director

Jill R. Olson

Assistant Executive Director

Kurulani Auld

Development Assistant

Susan Rice

June 2, 2008

Molly Schmidt
Coordinator, Legacy Land Conservation Program
DLNR/Division of Forestry and Wildlife
1151 Punchbowl Street, Rm. 325
Honolulu, Hawaii 96817

Re.State of Hawai`i Legacy and Land Conservation Program Grant Agreement

This letter is to confirm that William "Buddy" Norwood, is the President, of the Kona Historical Society. As such, William "Buddy" Norwood has been vested by the corporation's Board of Directors with the power and authority to act and sign in its behalf such documents as the Legacy Land Conservation Program Grant Agreement.

These officer positions are established in Kona Historical Society bylaws and William "Buddy" Norwood was elected to serve in this capacity at a formal meeting of its Board of Directors.

Sincerely,

KONA HISTORICAL SOCIETY

Stephanie Ackerman

Stephanie Ackerman
Secretary

KONA HISTORICAL SOCIETY
Board of Director's Meeting
November 15, 2007

A G E N D A

1. **Call to Order** – November 15, Kona Historical Society Headquarters – Kalukalu,
So. Kona – 8:30 A.M. – President, Buddy Norwood

2. **Approval of Minutes** – July 5, 2007

3. **Nomination of Officers & Directors for 2008**

Officers:

President	Buddy Norwood
Vice President	Alan Wall
Treasurer	Dean Uemura
Secretary	Stephanie Ackerman

Board of Directors:

Meg Greenwell	Wendy Craven	Dale Fergerstrom
Alfrieda Fujita	Carol Greenwell	Sally Inkster
Ed Kaneko	Ruby McDonald	Tomoe Nimori
David Young	Anne Irene Wilcox	

Assoc. Directors:

Pauline Amarino	Balbi Brooks	Wilma Paris
-----------------	--------------	-------------

4. **Finance – Tone Lamkin**

- a. Budget to date – status of finances
- b. 2008 Budget Draft
- c. Investment Policies – Finance Committee
- d. Corporate Resolution for Purchase of Uchida Farm

5. **Approval of Personnel Policies as ofdate**

6. **Executive Director's Report**

7. **Committee Reports**

8. **Other Business**

9. **Adjourn**

FORM A-5
(REV. 2006)

STATE OF HAWAII — DEPARTMENT OF TAXATION
TAX CLEARANCE APPLICATION
PLEASE TYPE OR PRINT CLEARLY

1. **APPLICANT INFORMATION:** (PLEASE PRINT CLEARLY)

Applicant's Name Kona Historical Society
Address P. O. Box 398
City/State/Zip Code Captain Cook, HI 96704
DBA/Trade Name _____

2. **TAX IDENTIFICATION NUMBER(S):** (Complete applicable ID numbers)

HAWAII TAX ID # W 3 0 0 4 4 3 3 1
FEDERAL EMPLOYER ID # 9 9 - 0 1 6 7 2 7 5
(FEIN)
SOCIAL SECURITY #(SSN) _____

3. **APPLICANT IS A/AN:** (CHECK ONLY ONE BOX)

- CORPORATION
- INDIVIDUAL
- LIMITED LIABILITY COMPANY
- Single Member LLC disregarded as separate from owner; enter owner's FEIN/SSN _____
- Subsidiary Corporation; enter parent corporation's name and FEIN _____
- S CORPORATION
- PARTNERSHIP
- LIMITED LIABILITY PARTNERSHIP
- TAX EXEMPT ORGANIZATION
- ESTATE
- TRUST

4. **THE TAX CLEARANCE IS REQUIRED FOR:**

- CITY, COUNTY, OR STATE GOVERNMENT CONTRACT IN HAWAII *
- REAL ESTATE LICENSE
- FINANCIAL CLOSING
- HAWAII STATE RESIDENCY
- SUBCONTRACT
- CONTRACTOR LICENSE
- PROGRESS PAYMENT
- FEDERAL CONTRACT
- OTHER _____
- LIQUOR LICENSE *
- BULK SALES**
- PERSONAL
- LOAN

* IRS APPROVAL STAMP IS ONLY REQUIRED FOR PURPOSES INDICATED BY AN ASTERISK.
** ATTACH FORM G-8A, REPORT OF BULK SALE OR TRANSFER

5. **NO. OF CERTIFIED COPIES REQUESTED:** 8

6. **SIGNATURE:**

William P. Norwood

PRINT NAME

President

PRINT TITLE: Corporate Officer, General Partner or Member, Individual (Sole Proprietor), Trustee, Executor

SIGNATURE

DATE 4/08/08

TELEPHONE (808) 323-3222

FAX (808) 323-2398

FOR OFFICE USE ONLY

BUSINESS START DATE IN HAWAII
IF APPLICABLE
01/01/82

HAWAII RETURNS FILED
IF APPLICABLE
20____ 20____ 20____

State of Hawaii
APPROVED
APR 17 2008
per [Signature]
Department of Taxation

*IRS APPROVAL STAMP
INTERNAL REVENUE SERVICE
APPROVED
APR 22 2008
[Signature]
94-2004D

CERTIFIED COPY STAMP

POWER OF ATTORNEY. If submitted by someone other than a Corporate Officer, General Partner or Member, Individual (Sole Proprietor), Trustee, or Executor, a power of attorney (State of Hawaii, Department of Taxation, Form N-848) must be submitted with this application. If a Tax Clearance is required from the Internal Revenue Service, IRS Form 8821, or IRS Form 2848 is also required. Applications submitted without proper authorization will be sent to the address of record with the taxing authority. **UNSIGNED APPLICATIONS WILL NOT BE PROCESSED.**
PLEASE TYPE OR PRINT CLEARLY — THE FRONT PAGE OF THIS APPLICATION BECOMES THE CERTIFICATE UPON APPROVAL.
SEE PAGE 2 ON REVERSE & SEPARATE INSTRUCTIONS. Failure to provide required information on page 2 of this application or as required in the separate instructions to this application will result in a denial of the Tax Clearance request.



STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
FORM LIR#27 APPLICATION FOR
CERTIFICATE OF COMPLIANCE WITH SECTION 3-122-112, HAR

1. APPLICANT INFORMATION: (Please Type or Print Clearly)

*Applicant's Business Name Kona Historical Society			
Address P. O. Box 398		City Capt. Cook	State HI
DBA/Trade Name		Zip Code 96704	

* Business name must be the same name submitted with the applicant's bid or proposal.

2. IDENTIFICATION NUMBER(S): (Complete Applicable ID Numbers)

State Department of Labor Unemployment Insurance ID# 0000480371	Federal Employer ID# (FEIN) 99-0167275
--------------------------------------------------------------------	-------------------------------------------

3. EMPLOYERS: If you have a State Department of Labor Unemployment Insurance ID#, please skip question 3 only:

Do you currently have employee(s) working in the State of Hawaii? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No W 40406554-01	Do you plan to have employee(s) work in the State of Hawaii? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
--------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------

SEE INSTRUCTION SHEET FOR FILING INSTRUCTIONS. Failure to provide above required information on this application will result in a denial of this request. Unsigned applications will not be processed.

4. SIGNATURE:

Signature 	Date 4/08/08	Telephone No. (808) 323-3222	Fax No. (808) 323-2398
Print Name: William F. Norwood	PRINT TITLE: Corporate Officer, General Partner or Member, Individual (Sole Proprietor), Trustee, Executor		
Email Address: khs@konahistorical.org	President		

NOTE: If this application is stamped "PENDING", another LIR#27 must be submitted when employees are performing services in the State to determine compliance with the State of Hawaii labor laws. Approval constitutes a certificate of compliance with labor laws based on information available to the Department as of the approval date

THIS APPLICATION BECOMES THE CERTIFICATE UPON APPROVAL.
Facsimiles and copies of this approval form are proof of compliance.

FOR OFFICE USE ONLY		Department of Labor and Industrial Relations Approval Stamp APPROVED Administrator Initials: <u>W</u> Date: <u>4/9/08</u>
DLIR Log No. 81575	Date Received 4.9.08	

This certificate is valid for SIX (6) MONTHS from the approval date.

vendors.ehawaii.gov

Visit our Website at www.hawaii.gov/labor for ALL interactive and downloadable forms.

RESOURCE VALUE DOCUMENTATION FORM
Legacy Land Conservation Program

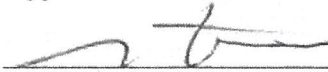
I, William F. Norwood (name), do hereby swear or affirm that I am the
President (title) of Kona Historical Society (organization or governmental
entity) and that I am authorized to certify that the information contained in the documents and
attachments listed below is true and correct, and that the information represents the true and accurate
condition of the property at the time of its acquisition by Kona Historical Society (organization
or governmental entity), omitting no material information.

List all documents and attachments:

Current photos of the Farm

Aerial photo of the Farm

I acknowledge and agree that any misrepresentation herein is a breach of the Legacy Land
Conservation Program grant award, and may be actionable under Hawaii law for false statement, fraud,
or other applicable offense.

Signed 
William F. Norwood, President

Dated July 21, 2008

STATE OF HAWAII)
) SS.
COUNTY OF)

On this 21st day of July, 2008 before me personally appeared William F. Norwood, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Jill R. Olson
Notary Public, State of Hawaii
Jill R. Olson
Third Judicial Circuit
My commission expires: 4/9/2010

Doc. Date:	<u>7/21/08</u>	# Pages:	<u>5</u>
Notary Name:	<u>Jill R. Olson</u>	Circuit	
Doc. Description:	<u>Resource Value Documentation - Program</u> <u>State of Hawaii; Legacy Land Conservation Program</u>		
Notary Signature	<u>[Signature]</u>	Date	<u>7/21/08</u> (Stamps or Seal)

KONA HISTORICAL SOCIETY *↻*

Preserving Kona's Stories

Legacy Lands Award- Kona Coffee Living History Farm The Farm as it appears in Spring 2008



clockwise from top left::

Chickens roam the front yard.

Front view of the house with flying capr for Boys' Day.

The hoshidana.

Interior of the kitchen.

Roadside sign on Mamalahoa Highway.

Walkway entrance, looking toward the parking lot. The grassy area to the right is also used for parking.

Manryo berries with redwood water tank in the background.

A Kona Coffee Living History farm interpreter shows visitors a coffee basket.

The water tank and *furo*.





clockwise from top left:

Laundry hanging in the yard by the house.

Charlie the donkey and his handler, yard in front of the house.

Walkway leading into the farm from the parking lot.

Walkway leading into the farm from the top on the driveway.

The driveway, with the kiosk and parking lot at bottom.

Old tools underneath the hoshidana.

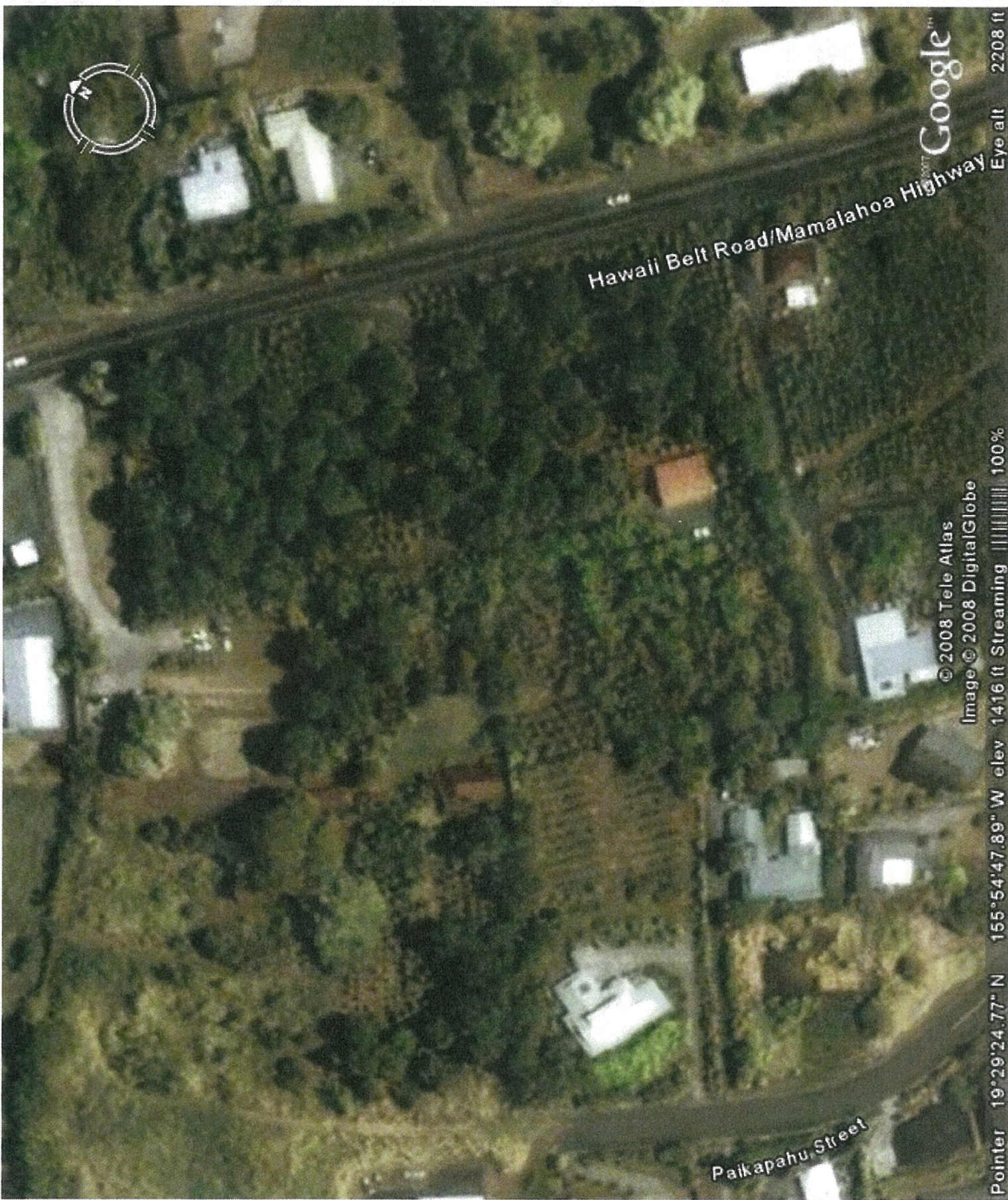
The coffee orchard.

Looking inside the house.

Shoes lined up at the entrance to the house.

Spring coffee blossoms, with the hoshidana in the background.





Google

Hawaii Belt Road/Mamalahoa Highway

Eye alt 2208 ft

© 2008 Tele Atlas

Image © 2008 DigitalGlobe

Pointer 19°29'24.77" N 155°54'47.89" W elev 1416 ft Streaming 100%

Paikapahu Street

EXHIBIT IV
January 25, 2019



R-212 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
NOV 24, 2008 08:01 AM
Doc No(s) 2008-178179



/s/ NICKI ANN THOMPSON
ACTING REGISTRAR
CTax (15): \$450.00

20 2/2 Z12

LAND COURT

REGULAR SYSTEM

Return By Mail Pick-Up To:

KONA HISTORICAL SOCIETY
P. O. Box 398
Captain Cook, HI 96704

TITLE NO.: 200745935-^A
ESCROW NO.: A7-301-3846
JANET LUM WON

TOTAL NUMBER OF PAGES: 8

RS
②

TITLE OF DOCUMENT:

WARRANTY DEED

PARTIES TO DOCUMENT:

GRANTOR: KEALAKEKUA RANCH, LTD., a Hawaii corporation, whose mailing address is P. O. Box 399, Captain Cook, HI 96704

GRANTEE: KONA HISTORICAL SOCIETY, a Hawaii non-profit corporation, whose mailing address is P. O. Box 398, Captain Cook, HI 96704

TAX MAP KEY (3) 8-2-015-013

4812-3168-3842/K25138/7-15-08

WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS:

That **KEALAKEKUA RANCH, LTD., a Hawaii corporation**, whose mailing address is **P. O. Box 399, Captain Cook, HI 96704**, hereinafter called the "Grantor", for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and pursuant to that certain Agreement to Extend Lease and For Option to Purchase recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2002-053286 and other good and valuable consideration to the Grantor paid by **KONA HISTORICAL SOCIETY, a Hawaii non-profit corporation**, whose mailing address is **P. O. Box 398, Captain Cook, HI 96704**, hereinafter called the "Grantee", the receipt whereof is hereby acknowledged, does hereby grant, bargain, sell and convey unto the Grantee all of that certain real property designated on the tax maps of the Third Taxation Division, State of Hawaii, as Tax Map Key **8-2-015-013**, more particularly described in Exhibit A attached hereto and made a part hereof, subject to the encumbrances noted therein.

TOGETHER WITH ALL and singular the buildings, improvements, rights, tenements, hereditaments, easements, privileges and appurtenances thereunto belonging or appertaining or held and enjoyed in connection therewith.

TO HAVE AND TO HOLD the same unto the Grantee, **as its sole and separate property**, its successors and assigns, in fee simple forever.

AND THE SAID GRANTOR does hereby covenant with the Grantee that the Grantor is lawfully seised in fee simple of said granted premises and that the said premises are free and clear of all encumbrances except as aforesaid, and except for assessments for real property taxes. And the said Grantor further covenants and agrees that the Grantor has good right to sell and convey the said premises in the manner aforesaid; that the Grantor will **WARRANT AND DEFEND** the same unto the Grantee against the lawful claims and demands of all persons, except as aforesaid.

The property has been acquired with funds from a state grant from the Legacy Land Conservation Program. Title of the property conveyed by this deed shall vest in the Kona Historical Society, subject to disposition instructions from the State of Hawaii, Board of Land and Natural Resources ("BLNR") or its successor agencies. The property shall be managed consistently with the purposes for which it was awarded a Legal Land Conservation Program

grant and Chapter 173A, Hawaii Revised Statutes. The Kona Historical Society shall not dispose of, encumber its title or other interests in, or convert the use of this property without the written approval of BLNR or its successor agencies.

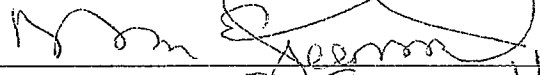
If the property is sold, leased, rented, or otherwise disposed of by the Kona Historical Society, that portion of the net proceeds equal to the proportion that the state grant bears to the original cost of the property shall be paid to the State of Hawaii.

The parties hereto agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same agreement, binding all of the parties hereto, notwithstanding all of the parties are not signatory to the original or the same counterparts. For all purposes, including without limitation, recordation, filing and delivery of this instrument, duplicate unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

IT IS MUTUALLY AGREED that the terms "Grantor" and "Grantee", as and when used hereinabove or hereinbelow shall mean and include the masculine or feminine, the singular or plural number, individuals, associations, trustees, corporations or partnerships, and their and each of their respective successors in interest, heirs, executors, personal representatives, administrators and permitted assigns, according to the context thereof, and that if these presents shall be signed by two or more grantors, or by two or more grantees, all covenants of such parties shall be and for all purposes deemed to be their joint and several covenants.

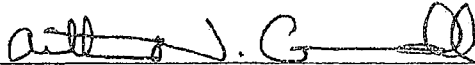
IN WITNESS WHEREOF, the Grantor has executed these presents on this 24th day of October, 2008.

KEALAKEKUA RANCH, LTD., a Hawaii corporation


By: Marjorie E. Greenwell
Its: Pres/Sec

APPROVED AS TO FORM
CARLSMITH BALL LLP

BY Robert D. Triantos
7-15-08


By: Arthur N. Greenwell
Its: Vice Pres/Treas.

STATE OF HAWAII)
) ss.
COUNTY OF HAWAII)

On this 24~~th~~ day of October, 2008, before me personally appeared MARTHA E. GREENWELL and _____, to me personally known, who, being by me duly sworn or affirmed, did say that ^{she is} ~~they are~~ the President/Secretary and _____, respectively, of KEALAKEKUA RANCH, LTD., a Hawaii corporation, and that such persons executed the foregoing instrument as the free act and deed of such persons, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Mariene Elisaga
Name: _____

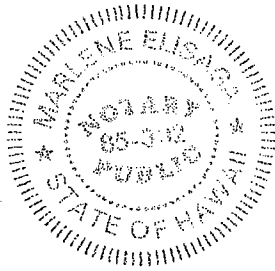
Notary Public, State of Hawaii Mariene Elisaga
Expiration Date: AUGUST 1, 200

My commission expires: _____

NOTARY CERTIFICATE (Hawaii Administrative Rules §5-11-8)	
Document Identification or Description: <u>Warranty Deed</u>	
Doc. Date: <u>October 24, 2008</u>	
No. of Pages: <u>7</u>	Jurisdiction: <u>3rd</u> Circuit (in which notarial act is performed)
<u>Mariene Elisaga</u>	<u>10/24/08</u>
Signature of Notary	Date of Certificate
<u>MARIENE ELISAGA</u>	(Official Stamp or Seal)
Printed Name of Notary	

STATE OF HAWAII)
) ss.
COUNTY OF HAWAII)

On this 14th day of November, 2008, before me personally appeared Arthur N. Greenwell ~~and~~ _____, to me personally known, who, being by me duly sworn or affirmed, did say that ^{he is} ~~they are~~ the Vice President / Treasurer ~~and~~ _____, ~~respectively~~, of KEALAKEKUA RANCH, LTD., a Hawaii corporation, and that such persons executed the foregoing instrument as the free act and deed of such persons, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



Marlene Elisaga
Name: _____

Notary Public, State of Hawaii Marlene Elisaga
Expiration Date: August 1, 2011

My commission expires: _____

NOTARY CERTIFICATE (Hawaii Administrative Rules §5-11-8)	
Document Identification or Description: <u>Warranty Deed</u>	
Doc. Date: <u>October 24, 2008</u>	
No. of Pages: <u>8</u>	Jurisdiction: <u>3rd</u> Circuit (in which notarial act is performed)
<u>Marlene Elisaga</u>	<u>11/14/08</u>
Signature of Notary	Date of Certificate
<u>Marlene Elisaga</u>	
Printed Name of Notary	



(Official Stamp or Seal)

EXHIBIT "A"

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by Royal Patents 3607 and 7533, Land Commission Award 8452, Apana 9 to A. Keohokalole) situate, lying and being on the Westerly side of Hawaii Belt Road (F.A.P. No. 8-H) at Kealakekua, South Kona, Island and County of Hawaii, State of Hawaii, being LOT 2, same being portion of Lot 25-B and thus bounded and described as per survey dated September 26, 2000, to-wit:

Beginning at the Southeasterly corner of this parcel of land, being also the Northeasterly corner of Lot 1-A and being a point on the Westerly side of Hawaii Belt Road (F.A.P. No. 8-H), the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUU OHAU" being 7,754.28 feet South and 13,941.52 feet East and running by azimuths measured clockwise from True South:

Thence, for the next six (6) courses following along the remainder of Royal Patents 3607 and 7533, Land Commission Award 8452, Apana 9 to A. Keohokalole:

- | | | | |
|----|--------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | 42° 59' | 175.87 | feet along Lot 1-A to a point; |
| 2. | 37° 39' 30" | 34.96 | feet along Lot 1-A to a point; |
| 3. | 48° 45' | 153.00 | feet along Lot 3-B to a point; |
| 4. | 139° 06' 30" | 47.94 | feet along Lot 29 of Kealakekua Ranch Subdivision, Increment 1, Unit 1 (File Plan 1795) to a point; |
| 5. | 133° 03' | 199.55 | feet along Lot 29 and Lot 28 of Kealakekua Ranch Subdivision, Increment 1, Unit 1 (File Plan 1795) to a point; |
| 6. | 48° 06' 30" | 141.75 | feet along Lot 28 of Kealakekua Ranch Subdivision, Increment 1, Unit 1 (File Plan 1795) to a point; |
| 7. | 141° 45' 10" | 398.67 | feet along Lot 1 of this subdivision and along the remainders of Lot 25-B and Royal Patents 3607 and 7533, Land Commission Award 8452, Apana 9 to A. Keohokalole to a point; |

Thence, for the next ten (10) courses following along Royal Patents 3607 and 4386, Land Commission Award 8452, Apana 10 to A. Keohokalole:

Thence, for the next seven (7) courses following along middle of stonewall and along Lot B-1:

EXHIBIT "A"

- | | | | |
|-----|--------------|--------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. | 254° 07' | 13.00 | feet to a point; |
| 9. | 251° 15' | 149.90 | feet to a point; |
| 10. | 239° 02' | 57.10 | feet to a point; |
| 11. | 235° 28' | 51.70 | feet to a point; |
| 12. | 236° 58' | 14.30 | feet to a point; |
| 13. | 230° 24' | 15.10 | feet to a point; |
| 14. | 234° 39' | 11.70 | feet to a point; |
| 15. | 251° 16' | 4.77 | feet along Lot B-1 to a point; |
| 16. | 234° 34' | 28.96 | feet along Lot B-2 to a point; |
| 17. | 231° 14' | 107.90 | feet along Lot B-2 to a point; |
| 18. | 311° 55' 30" | 530.11 | feet along the Westerly side of Hawaii Belt Road (F.A.P. No. 8-H) to the point of beginning and containing an area of 5.536 acres, more or less. |

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR: BEATRICE H. GREENWELL, widow, AMY B. H. GREENWELL, unmarried, and SHERWOOD R. H. GREENWELL, husband of Lois A. Greenwell

GRANTEE: KEALAKEKUA RANCH, LTD., a Hawaii corporation

DATED: July 17, 1961
RECORDED: Liber 4182 Page 225

SUBJECT, HOWEVER TO:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Unrecorded GRANT OF EASEMENT by KEALAKEKUA RANCH, LTD. to HILO ELECTRIC LIGHT COMPANY, LIMITED, now known as HAWAII ELECTRIC LIGHT COMPANY, INC., dated September 29, 1969, as mentioned in instrument recorded in Liber 9167 at Page 2.

3. Unrecorded GRANT OF EASEMENT by KEALAKEKUA RANCH, LTD. to HILO ELECTRIC LIGHT COMPANY, LIMITED, now known as HAWAII ELECTRIC LIGHT COMPANY, INC., dated March 2, 1964, as mentioned in instrument recorded in Liber 9167 at Page 2.

4. DESIGNATION OF EASEMENT "1-B" (area 2,389 square feet)

PURPOSE: road and utility
SHOWN: on survey map prepared by John D. Weeks, dated December 10, 1976, revised February 15, 1977

-AS TO EASEMENT "1-B":- An easement for access and utility purposes, in favor of Lot 3 (revised), as granted in instrument dated March 29, 1977, recorded in Liber 12476 Page 681.

5. GRANT

TO: GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED
now known as HAWAIIAN TELCOM, INC.

DATED: March 5, 1984
RECORDED: Liber 17760 Page 397
GRANTING: a right and easement for utility purposes, as shown on map attached thereto

6. GRANT

TO: HAWAII ELECTRIC LIGHT COMPANY, INC. and GTE
HAWAIIAN TELEPHONE COMPANY INCORPORATED, now
known as HAWAIIAN TELCOM, INC.

DATED: August 28, 1998
RECORDED: Document No. 98-151757
GRANTING: a right and easement for utility purposes, as shown on map attached thereto

7. DESIGNATION OF EASEMENT "W-1" (10 feet wide, area 4,875 square feet)

PURPOSE: waterline
SHOWN: on survey prepared by Chrystal T. Yamasaki, with Wes Thomas Associates, dated September 23, 1999, revised August 11, 2000

GRANT RECIPIENT SELF-REPORT FORM
Legacy Land Conservation Program

(rev. 11/2014)

Complete this form and submit to:
Legacy Land Conservation Program
1151 Punchbowl Street, Rm. 325
Honolulu, HI 96813

Project title: Uchida Farm Grant amount: \$287,250

Awardee / grant recipient: Kona Historical Society

Grant agreement number: 5734 Fiscal Year of Award: FY2007

Please respond to the following questions, providing a complete answer for each question. Reference any attached documents under the appropriate question.

1. Is the property being used for the purposes intended and allowed, as described in the grant application and grant agreement? Please explain.

Yes, the Kona Coffee Living History Farm (Uchida Farm) has maintained its historic character and its heritage farm and green space, which is open to the general public. An interpretive program is offered set in the early 1900's. Its originally outlined purpose is being fulfilled.

2. List and describe all major activities that occur on the land and give a quantitative estimate of annual use for each.

•Self-Guided tours: Visitors receive a brief orientation and map of the farm's sites, and explore the historic Farm at their own pace. Interpreters inside the farmhouse and in the coffee field provide information. Approximately 8100 annually. •Adult Tour Groups: Tour companies schedule 30-45 clients at a time. In groups of 10-15 individuals, they visit 4 farm stations with interpretation at each setting. Approximately 2700 annually. •School Groups: Field trips for ages pre-school to college, feature interpretation at 5 stations. Approximately 1500 per year. •Farm annual free festival attracts over 400 community.

+

3. What level of public access is currently allowed or provided for?

The Farm is open to the public from Monday - Friday, 10:00 am to 2:00 pm. Scheduled group tours, Farm open house, and special events can be arranged for before and after regular hours, and on weekends, and there are days throughout the year, with special events or festivals where entry is free to the public.

GRANT RECIPIENT SELF-REPORT FORM
Legacy Land Conservation Program

(rev. 4/2011)

4. Have any events, intentional or uncontrollable, altered the site substantially since the land was acquired using Legacy Land Conservation Program funds? What has been the impact of each alteration on the resources referenced in the grant application and grant agreement? Please provide photographic evidence and explain.

No events have altered the site substantially since the land was acquired. Regular maintenance, crop care, and pasture and fencing improvements have been made, all contributing to the historic character and green space preservation of the site.

5. Do plans exist for the alteration of the site in the next two years? Please explain. What will be the impact of each alteration on the resources referenced in the grant application and grant agreement?

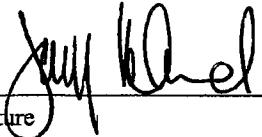
No plans exist for substantial alteration of the site that would impact the resources referenced in the grant agreement.

6. What is the name, telephone number, and email address of the preferred contact for arranging site visits?

Joy Holland, 808-323-3222; email: joy@konahistorical.org

Certification:

I hereby swear and affirm that that I am authorized to certify that the information contained in this document and listed attachments and that the above information is true and complete to the best of my knowledge.

AWARDEE:		<u>12/9/17</u>
	Signature	Date
	Joy Holland	Executive Director
	Typed or printed name	Title

GRANT RECIPIENT SELF-REPORT FORM

(rev. 11/2014)

Legacy Land Conservation Program

Complete this form and submit to:

Legacy Land Conservation Program
1151 Punchbowl Street, Rm. 325
Honolulu, HI 96813

Project title: Uchida Farm

Grant amount: \$287,250.00

Awardee / grant recipient: Kona Historical Society

Grant agreement number: 57134

Fiscal Year of Award: FY 2007

Please respond to the following questions, providing a complete answer for each question. Reference any attached documents under the appropriate question.

1. Is the property being used for the purposes intended and allowed, as described in the grant application and grant agreement? Please explain.

The Kona Coffee Living History Farm (Uchida Farm) is used for self-guided tours and guided group tours to members of the public, both visitors to Hawaii Island and local residents. It is also a working coffee and macadamia nut farm. Coffee is harvested, processed, and sold to the public on-site and via the Kona Historical Society's website. Macadamia Nuts are harvested and used in living history programs.

2. List and describe all major activities that occur on the land and give a quantitative estimate of annual use for each.

Self-Guided tours: Individuals or small groups pay an admission fee, receive an orientation and map of the farm's sites, and explore the farm at their own pace. An interpreter is stationed in the house and in the coffee field to provide information. Approximately 3000 individuals annually. **Tour Groups:** Tour companies arrange and pay for tours for 35-50 clients at a time. In groups of 10-15 they visit 4-5 farm stations with interpretation at each setting provided by farm staff. Approximately 1000 individuals annually. **School Groups:** Field trips by school children feature an interpreter at each of five historic stations, e.g. the farm house kitchen and hand laundry station. Approximately 750 students visit per year. **Open House:** This annual free event attracts around 300 visitors and local families.

3. What level of public access is currently allowed or provided for?

The Farm is open to the public from Monday through Friday, 10:00 am to 3:00 pm. Scheduled group tours can be arranged for before and after regular hours, and on weekends. The annual Farm Open House and occasional special events are scheduled on the weekend.

GRANT RECIPIENT SELF-REPORT FORM

(rev. 4/2011)

Legacy Land Conservation Program

4. Have any events, intentional or uncontrollable, altered the site substantially since the land was acquired using Legacy Land Conservation Program funds? What has been the impact of each alteration on the resources referenced in the grant application and grant agreement? Please provide photographic evidence and explain.

No events have altered the site since the land was acquired.

5. Do plans exist for the alteration of the site in the next two years? Please explain. What will be the impact of each alteration on the resources referenced in the grant application and grant agreement?


No plans exist for alteration of the site that would impact the resources referenced in the grant agreement.

6. What is the name, telephone number, and email address of the preferred contact for arranging site visits?

Gavin Miculka, Farm Manager
808-323-2006 or 979-702-9313 (cell)

Certification:

I hereby swear and affirm that that I am authorized to certify that the information contained in this document and listed attachments and that the above information is true and complete to the best of my knowledge.

AWARDEE:		Jan 31, 2015
	Signature	Date
	Joy Holland Cesca	Executive Director
	Typed or printed name	Title

GRANT RECIPIENT SELF-REPORT FORM
Legacy Land Conservation Program

(rev. 4/2011)

4. Have any events, intentional or uncontrollable, altered the site substantially since the land was acquired using Legacy Land Conservation Program funds? What has been the impact of each alteration on the resources referenced in the grant application and grant agreement? Please provide photographic evidence and explain.

No changes to the site have impacted the Farm's buildings or farm operations. A concrete driveway and small parking area, funded by grants, was added prior to the site being opened to the public. A small tented kiosk area provides orientation and sales of coffee, mac nuts and gifts.

5. Do plans exist for the alteration of the site in the next two years? Please explain. What will be the impact of each alteration on the resources referenced in the grant application and grant agreement?

No plans exist to alter the site within the next two years.

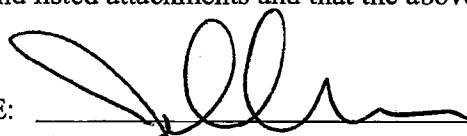
6. What is the name, telephone number, and email address of the preferred contact for arranging site visits?

Contact: Mel Morimoto, Farm Site Manager
808-323-2006 or 808-938-8824 (cell)
mel@konahistorical.org

Certification:

I hereby swear and affirm that that I am authorized to certify that the information contained in this document and listed attachments and that the above information is true and complete to the best of my knowledge.

AWARDEE:



Signature

4/27/11
Date

JILL R. OLSON

Typed or printed name

Executive Director
Title

Proposed Greenwell Farms Incorporated
Agricultural Lease

LAND COURT SYSTEM

REGULAR SYSTEM

After Recordation, Return By Mail To:
KONA HISTORICAL SOCIETY
PO Box 398
Captain Cook, HI 96704
Telephone: (808)323-3222

This document consists of 7 pages

TYPE OF DOCUMENT

GREENWELL FARMS INCORPORATED AGRICULTURAL LEASE

PARTIES TO DOCUMENT:

LESSOR: KONA HISTORICAL SOCIETY, a 501(c)3 non-profit corporation
PO Box 398
Captain Cook, HI 96704

LESSEE: GREENWELL FARMS INCORPORATED, a domestic profit corporation
PO BOX 248
KEALAKEKUA, Hawaii 96750

TAX MAP KEY FOR PROPERTY:

8-2-015:013

GREENWELL FARMS INCORPORATED AGRICULTURAL LEASE

Kona Historical Society, a 501(c)3 non-profit corporation, whose mailing address is P.O. Box 398, Captain Cook, HI 96704, hereinafter referred to as "Lessor," and Greenwell Farms International, a Hawaii domestic profit corporation, whose mailing address is P.O. Box 248 Kealahou, Hawaii 96750, hereinafter referred to as "Lessee," in consideration of the mutual covenants set forth herein, hereby agree as follows:

Premises Leased

Lessor, in consideration of the rents herein reserved and the covenants and conditions herein contained, to be observed and performed by Lessee, does hereby demise and lease to the Lessee the following described premises: Designated portions of Tax Map Key parcel number 8-2-015:013, 5.5 acres in Captain Cook, Hawaii.

The designated portions of land to be leased will be determined and agreed upon by the Lessor and the Lessee. The lands to be leased shall be limited to areas that are within the State Agricultural Land Use District, only.

Term

This lease shall continue for a term of one year commencing on _____ and expiring on _____, 20___. Upon expiration, the terms of this lease will renew automatically unless otherwise stated in writing within Sixty (60) days prior to expiration.

Payment of Rent

Lessee shall pay the sum of One Dollar (\$1.00) annually as rent during the Lease Term Payment, which shall be made on or before the first day of each Lease year during the Lease Term.

Lessee shall at own cost, establish, implement and oversee a Coffee Borer Beetle and other pest management plan, and supply maintenance materials to adequately maintain the health and upkeep of the coffee crop, including fertilizer, pesticides and personnel to pick coffee cherry. The Lessee, in certain areas designated by Lessor, shall prune coffee trees using the traditional Kona method of pruning.

Taxes and Assessments

The Lessor will be responsible for paying state and federal land related taxes and assessments.

Assumption of Risk

Lessee will assume all risk or loss of, or damage to, equipment, supplies, merchandise, and other property by whomsoever owned, stored, or placed in the demised premises, and does hereby agree that the Lessor will not be responsible for the loss or damage to any such property from any cause whatsoever, and the Lessee hereby agrees to indemnify and hold harmless Lessor from and against any and all claims for such loss or damage.

X

Lessor's Initials & Date

X

Lessee's Initials & Date

Indemnity

Lessee will hold Lessor harmless from any claim or demand by third persons for loss or damage, including claims for property damage, personal injury, or wrongful death arising out of any accidental, intentional, neglectful or third-party incident on the demised premises or for any other reason, or by any nuisance made or suffered on the premises, or by any fire thereon, or growing out of or caused by any failure on the part of the Lessee to maintain the premises in a safe condition, or caused by Lessee’s crop care personnel or equipment whether on or off of the demised premises, and will reimburse Lessor for all attorneys’ fees and other costs in connection with the defense of any such claims.

Liability Insurance

During the term of the lease, Lessee at his own expense will maintain comprehensive general liability insurance with respect to said premises in a responsible insurance company licensed to do business in the State of Hawaii. The minimum coverage shall be One Million Dollars (\$1,000,000). Lessee shall provide a current certificate of insurance naming Lessor as indemnified no later than the date of commencement of the lease.

Lost Profits

In no event, whether accidental, intentional, neglectful or for any other reason, shall any indemnified parties be entitled to recover or make a claim for any amounts in respect of loss of business, lost profits, multiples of profits, multiples of earnings, multiples of cash flow, goodwill, business reputation, consequential damages or punitive damages in calculating the amount of any Losses. For example, should the amount of coffee bean harvested on the leased lands yield less revenue than covers the cost of managing the crop for any reason, including labor shortages, coffee borer beetle, other pests, drought, wind, or flooding, Lessee will hold Lessor harmless in calculating the amount of any losses, and Lessee will not be entitled to make a claim for any amount of any Losses.

Act of God

Any delays in or failures to maintain the demised properties as outlined by this lease shall not be considered a breach of this Agreement if and to the extent caused by occurrences beyond the reasonable control of the party affected, including but not limited to: acts of God; changes in regulations or laws of any government; strikes or other concerted acts of workers; fires; floods; explosions; riots; wars; rebellions; and sabotage; and any time for performance hereunder shall be extended by the actual time of delay caused by such occurrence.

Water Distribution System

Lessee will provide its own water infrastructure and distribution at Lessee’s expense.

Permitted Uses

Lessor makes no warranties as to uses permitted by law on the demised premises. The demised premises shall be managed consistently with the purposes for which Lessor was awarded a State of Hawaii Legacy Land Conservation Program grant, and shall be used in accordance with the Agreement, attached hereto as Exhibit A, and in accordance with Chapter 173A, Hawaii Revised Statutes. All expenses in connection with use permits, building permits and the obtaining of water shall be borne by the Lessee.

X

Lessor's Initials & Date

X

Lessee's Initials & Date

Forfeiture

If Lessee shall fail to observe or perform any of the other covenants herein contained and such default shall continue for 30 days after written notice thereof given to Lessee, or if Lessee shall become bankrupt or make any assignment for the benefit of creditors or abandon said premises, or if this lease or any estate where interest of the Lessee hereunder shall be sold under any attachment or execution, Lessor may at once in any such case reenter said premises or any part thereof in the name of the whole and at his option terminate this lease without service of notice or a legal process, and may expel and remove from said premises Lessee and all persons claiming under him and his effects, without being deemed guilty of any trespass or becoming liable for any loss or damage occasioned thereby, and may bring an action for summary possession of said premises, all without prejudice to any other remedy or right of action which Lessor may have for any breach of contract. Such termination may, but need not necessarily, be recorded or filed an affidavit thereof by Lessor. Upon such termination by Lessor, all Lessee improvements shall become property of Lessor at no cost to Lessor.

Notices

Any notice or demand to Lessor or Lessee provided for or permitted by this lease may be given sufficiently for all purposes in writing mailed as registered or certified mail, addressed to such party at the post office address herein specified or the last such address designated by the party in writing to the other, or delivered personally within the State of Hawaii to Lessor or Lessee as mailing or personal delivery.

Right of Entry

Lessor and Lessor’s representatives will be regularly and permanently performing the preservation, interpretive and heritage activities outlined in its Legacy Land Conservation Program Grant Agreement Number LLCP 07-04, attached hereto as Exhibit A, throughout the term of this lease, on the certain property referenced herein.

Agricultural Hazards

Lessee’s use of fertilizers, pesticides, herbicides, and any other agricultural chemicals must be in conformance with federal and state regulations. The Lessee shall hold Lessor harmless for any damage to the Lessee, his employees or agents, including personal injury, which may be caused by the use of such products.

Sublet

The Lessee may not sublet this lease without both Lessor’s prior written approval and the prior written approval by the State of Hawaii Board of Land and Natural Resources or its successor agencies. A sublease conveyance document must provide that the sublet premises shall be managed consistently with the purposes for which Lessor was awarded a State of Hawaii Legacy Land Conservation Program grant, and that the sublet premises shall be used in accordance with the terms and conditions of the state of Hawaii Legacy Land Conservation Program Grant Agreement Number LLCP 07-04, attached hereto as Exhibit A, and in accordance with gross sublease lease rent equal to the proportion of the grant by the State bears to the original cost of the land shall be paid to the State, pursuant to Section 173A-10, Hawaii Revised Statutes. If the lease is sublet, the Lessee and all subtenants must individually maintain comprehensive general liability insurance as established in Liability Insurance.

X

Lessor's Initials & Date

X

Lessee's Initials & Date

Assignment.

This Agreement may not be assigned by either party without the prior written consent of the other party and the prior approval of the Hawaii State Board of Land and Natural Resources, which consent may not be unreasonably withheld or delayed. Notwithstanding the foregoing, this Agreement may be assigned by either party in connection with a merger, consolidation, sale of all of the equity interests of the party, or a sale of all or substantially all of the assets of the party to which this Agreement relates.

Surrender

At the expiration of the lease, the Lessee shall surrender the leased property in as good condition as it was at the beginning of the term, reasonable use, wear and tear and damages by the elements excepted, and all Lessee improvements shall become property of Lessor and no cost to Lessor. If the Lessee and Lessor agree to continue this lease for another term, Lessee shall continue to maintain the leased property in as good condition as it was at the beginning of the term, reasonable use, wear and tear and damages by the elements excepted.

Mediation

If a dispute arises out of or relates to this contract, or the alleged breach thereof, and if the dispute is not settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation within Thirty (30) days before resorting to arbitration, litigation, or some other dispute resolution procedure in a court of competent jurisdiction. In the event that parties are unable to agree on a mediator(s), then a mediator(s) shall be appointed by the West Hawaii Mediation Center. The process shall be confidential based on terms acceptable to the mediator(s) and/or mediation service provider.

Lease Termination

Lessee and Lessor each have the right to terminate this Lease by written notice to terminate signed by both parties effective Sixty (60) days following date the notice is signed if either party is not satisfied for any reason.

Modifications

None of the provisions of this lease may be waived, changed or altered, except by an instrument in writing signed by Lessor and Lessee.

Severability; Non-Waiver

In the event that any of the terms, conditions or provisions of this Agreement is held to be illegal, unenforceable or invalid by any court of competent jurisdiction, the remaining terms, conditions or provisions hereof shall remain in full force and effect. The failure or delay of either party to enforce at any time any provision of this Agreement shall not constitute a waiver of such.

Binding Effect

Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of all the parties to this Agreement and their respective heirs, legatees, legal representatives, successors, transferees and permitted assigns.

X

Lessor's Initials & Date

X

Lessee's Initials & Date

Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and fully supersedes any and all prior agreements or understandings between the parties hereto pertaining to the subject matter.

SPECIAL CONDITIONS TO THE LEASE:

1. Leased lands and Lessee’s operations on Lessor’s property shall be limited to areas that are within the State Agricultural Land Use District, only.
2. Weed control: Lessee is responsible for continual control and eradication of weeds and invasive plants. Lessee will initiate weed control program as soon as possible. Methods will include cutting brush and weed removal with Lessee’s own equipment.
3. Lessee shall conduct activities without interrupting, interfering with or distracting from museum programs, functions, sales and events performed on the leased land during the hours the demised properties are open to the public.
4. Lessee is responsible for continual repair, improvement, and maintenance of all coffee trees to prevent overgrowth, and maintain the historic aesthetic of the demised properties.
5. Lessor will provide gate keys as needed for all gates at the expense of the Lessee.
6. Lessee will not cut or adversely affect the fruit trees, vegetable plants, flowering plants or other flora or fauna specified by the Lessor.
7. Lessee will provide Lessor with an accounting of crop care expenses, yield figures, and a fair market valuation of any missed or partial “picks/harvests,” to be retained by Lessor for crop care purposes in the event of the Lessee’s early termination of the Lease.

This agreement shall be governed by and construed in accordance with the internal laws of the State of Hawaii.

In witness whereof, the parties hereto have executed this lease and all addendums including Exhibit A attached hereto on this _____ day of _____, 20__.

LESSOR:

KONA HISTORICAL SOCIETY,
a 501(c)3 non-profit corporation

By _____
JOY HOLLAND
Executive Director

LESSEE:

GREENWELL FARMS INCORPORATED,
a Hawaii corporation

By _____
STEVE HICKS
Chief Financial Officer

STATE OF HAWAII)
) SS:
COUNTY OF HAWAII)

On this _____ day of _____, 20____, before me appeared JOY HOLLAND, to me personally known, who, being by me duly sworn, did say that she is the Executive Director of KONA HISTORICAL SOCIETY, a 501(c)3 non-profit corporation, that the foregoing GREENWELL FARMS INCORPORATED AGRICULTURAL LEASE dated _____, 20____, which document consists of _____ pages, was signed on behalf of said corporation, and said JOY HOLLAND acknowledged that she executed the same as her free act and deed and as the free act and deed of said corporation.

Name of Notary:
Notary Public, Fifth Judicial Circuit,
State of Hawaii.

My commission expires: _____

STATE OF HAWAII)
) SS:
COUNTY OF HAWAII)

On this _____ day of _____, 20____, before me appeared STEVE HICKS, to me personally known, who, being by me duly sworn, did say that he is the Chief Financial Officer of GREENWELL FARMS INCORPORATED, a Hawaii corporation, that the foregoing GREENWELL FARMS INCORPORATED AGRICULTURAL LEASE dated _____, 20____, which document consists of _____ pages, was signed on behalf of said corporation, and said STEVE HICKS acknowledged that he executed the same as his free act and deed and as the free act and deed of said corporation.

Name of Notary:
Notary Public, Fifth Judicial Circuit,
State of Hawaii.

My commission expires: _____