

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

July 26, 2019

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

**KAUAI**

Approval of 15-Year Term Extension of General Lease No. S-4257, aFein Holdings, LLC, Lessee; Kapaa Town, Kauai, Tax Map Key: (4) 4-5-009:008.

Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, to (i) Dorland and Associates, Inc., CPAs, and (ii) Island Rental Cars, LLC, Sublessees; Kapaa Town, Kawaihau, Kauai, Tax Map Key: (4) 4-5-009: portions of 008.

After-the-fact Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, (iii) Julian M. Martinez dba Kukui Street Tattoo, (iv) Eat Chef George, LLC, (v) Hannah Finazzo-Krueger, LLC, (vi) Christopher Mario Ragsdale Jr, (vii) Adam Lang and (viii) Max Lemaire, Sublessees; Kapaa Town, Kawaihau, Kauai, Tax Map Key: (4) 4-5-009: portions of 008.

**APPLICANT(S) AND REQUEST:**

aFein Holdings, LLC, a Hawaii limited liability company, Lessee and Sublessor, to (i) Dorland and Associates, Inc., CPAs, a Hawaii corporation, (ii) Island Rental Cars, LLC, a Hawaii limited liability company, (iii) Julian M. Martinez dba Kukui Street Tattoo, (iv) Eat Chef George, LLC, a Hawaii limited liability company, (v) Hannah Finazzo-Krueger, LLC, a Hawaii limited liability company, (vi) Christopher Mario Ragsdale Jr, an individual, (vii) Adam Lang, an individual, and (viii) Max Lemaire, an individual, Sublessees, as to the request for consent to sublease and after-the-fact consent to sublease.

Proposed improvements to the leasehold property financed by the Lessee pursuant to Act 207, Session Laws of Hawaii 2011 and Section 171-36, Hawaii Revised Statutes (HRS), as amended, in an amount of approximately \$274,114.69.

In order for the Lessee to fully amortize its expenditures, Lessee is requesting an extension of General Lease No. S-4257 for a period of 15 years, commencing on August 12, 2019 and expiring on August 11, 2034 for an aggregate term of 65 years (initial 50-

year term plus the 15-year extension).

LEGAL REFERENCE:

Sections 171-36, Hawaii Revised Statutes (HRS), as amended.  
Act 207, Session Laws of Hawaii 2011.

LOCATION:

Portion of Government (Crown) lands of Kapaa situated at Kapaa Town Lots, Kawaihau, Kauai, identified by Tax Map Key: (4) 4-5-009:008, as shown on the attached map labeled EXHIBIT A & B.

AREA:

Lease: 15,280 square feet, more or less.  
Subleases: 5,622 square feet, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

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

LEASE CHARACTER OF USE:

Business purposes.

SUBLEASE CHARACTER OF USE:

Business purposes.

TERM OF LEASE:

Original term of 50 years, commencing on August 12, 1969 and expiring on August 11, 2019.

Lessee has requested a 15-year extension. The proposed extension would change the aggregate term of the lease to 65 years.

TERMS OF SUBLEASES:

Dorland and Associates, Inc., CPAs

Initially twenty-four (24) months commencing on September 1, 2016 but is currently continuing on a month-to-month basis.

Island Rental Cars, LLC

Thirty-Six (36) months commencing on September 1, 2016. The expiration date is August 31, 2019, which is past the scheduled General Lease No. S-4257 expiration date of August 11, 2019.

Julian M. Martinez dba Kukui Street Tattoo

Twenty-four (24) months commencing on January 1, 2018. The expiration date is December 31, 2019, which is past the scheduled General Lease No. S-4257 expiration date of August 11, 2019.

Eat Chef George, LLC

Twenty-four (24) months commencing on January 1, 2018. Right of first refusal to renew, with expiration 180 days before end of lease term. Option to extend the lease term for four (4) additional periods of two (2) years each. The expiration date is December 31, 2027, which is past the scheduled General Lease No. S-4257 expiration date of August 11, 2019.

Hannah Finazzo-Krueger, LLC

Sixty (60) months commencing on October 1<sup>st</sup>, 2018. The expiration date is September 30, 2023, which is past the scheduled General Lease No. S-4257 expiration date of August 11, 2019.

Christopher Mario Ragsdale Jr

Periodic tenancy commencing on the first day of February 2019 and continuing on a year-to-year basis.

Adam Lang

Periodic tenancy commencing on the first day of March 2019 and continuing on a year-to-year basis.

Max Lemaire

Periodic tenancy commencing on the first day of July 2019 and continuing on a month-to-month basis.

ANNUAL LEASE RENTAL:

Currently: \$31,200.00, due in semi-annual installments of \$15,600.00 on February 12<sup>th</sup> and August 12<sup>th</sup> of each year.

ANNUAL SUBLEASE RENTALS:

Aggregate of \$8,400 a month or \$100,800 a year.

RECOMMENDED ADJUSTMENT TO LEASE RENTAL:

Staff is requesting that the Board reserve its determination as to whether an adjustment to lease rental is appropriate until after the Department receives legal advice on the propriety of the State participating in sublease rents. At its meeting of June 28, 2019, under agenda Item D-3, the Board approved, as amended, a request to enter into a development agreement for a lease extension and consented to a sublease under a Hilo lease, General Lease No. S-3742 to JH Moku Ola, LLC. In that matter, staff recommended a 10% participation in sublease rents based on assignment and subleasing provision of the lease. The lessee objected and the Board directed staff to seek legal advice on the matter. The request for advice to the Department of the Attorney General is still pending. Accordingly, staff believes the best course is to wait until the requested legal advice is received before presenting any additional requests for sublease rent participation to the Board.

RENTAL REOPENINGS:

The last rental reopening occurred on August 12, 2009; there are no further rental reopenings scheduled.

Reopenings for the extended term shall be on August 12, 2019 and August 12, 2029.

USE OF LOAN PROCEEDS:

Building “A” (4569 Kukui Street)

The Lessee plans to remove the existing roof and replace it with new metal roofing material, remove and replace the existing gutters, replace approximately 80 feet of 2” x 10” fascia, and replace and repair the staircase to the 2<sup>nd</sup> floor.



Building “B” (4563 Kukui Street)

The Lessee plans to install silicon roofing material over the existing roof and replace and repair the plywood soffit around building.

The two existing cesspools will be abandoned, and the asphalt parking area will be patched. A new septic system will be installed for both buildings A & B. See EXHIBIT E.

DCCA VERIFICATION:

SUBLESSOR: aFein Holdings, LLC

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

SUBLESSEE: Dorland and Associates, Inc.

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

SUBLESSEE: Island Rental Cars, LLC

Place of business registration confirmed: YES  
Registered business name confirmed: YES  
Good standing confirmed: NO

Island Rental Cars, LLC has submitted their delinquent annual filings to the DCCA on June 21, 2019. The status of the filings is currently pending.

SUBLESSEE: Eat Chef George, LLC

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

SUBLESSEE: Hannah Finazzo-Krueger, LLC

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

Sublessees Julian M. Martinez dba Kukui Street Tattoo, Christopher Mario Ragsdale Jr, Adam Lang and Max Lemaire are individuals and are not required to register with the Department of Commerce and Consumer Affairs.

#### CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

With respect to the consent to sublease and requested extension of the lease, see the Exemption Notification attached as EXHIBIT F.

#### REMARKS:

##### Background

General Lease No. S-4257 (GL S-4257) was originally awarded to Hiroshi Azeka and Patsy T. Azeka. The lease is for fifty years commencing on August 12, 1969 and expiring on August 11, 2019.

At its meeting of February 26, 1988, item F-1-a, the Board granted consent to the assignment of GL S-4257 to Martin J. Kahn and Carole Ann Kahn.

At its meeting held on March 27, 1997, the Board granted consent to the assignment of GL S-4257 to Kahnahan, Inc., which consisted of Martin J. Kahn as president and William R. Hancock as vice president of the corporation.

On August 12, 2015, Kahnahan, Inc. was in default of rent payments. A Notice of Default was sent out on September 8, 2015 and received by Kahnahan, Inc. on September 21, 2015. Kahnahan, Inc. also had a performance bond that expired on December 2, 2014. A Notice of Default was sent out on February 11, 2016 and received by the lessee on February 26, 2016.

Martin J. Kahn and William R. Hancock had a tenuous business relationship with little to no communication between them. Martin J. Kahn told staff that he wished to forfeit or reassign the lease to a tenant so that Kahnahan, Inc. could be dissolved.

During the default period, Aaron Feinberg expressed an interest in taking over the lease from Kahnahan, Inc. Aaron Feinberg is the owner of aFein Holdings, LLC and Kauai Canvas, LLC. Kauai Canvas, LLC occupied a section of the 2<sup>nd</sup> floor in building "B". Kauai Canvas, LLC printed photos and art on canvas cloth for their business.

On May 2, 2016 Aaron Feinberg submitted to staff an assignment document signed by Martin J. Kahn and William R. Hancock, which transferred the ownership of General Lease No. S-4257 from Kahnahan, Inc. to aFein Holdings, LLC. Kahnahan, Inc.'s only condition was that aFein Holdings, LLC pay the State \$21,528 for Kahnahan, Inc.'s back rent, if the consent to assignment was approved by the Board.

At its meeting of July 22, 2016, Item D-4, the Board granted consent to the assignment of GL S-4257 to aFein Holdings, LLC and after-the-fact consent to sublease under GL S-4257, aFein

Holdings, LLC, lessee, to Dorland and Associates, Inc., CPAs, Island Rental Cars, LLC, and Kevin Jones, sublessees. After receiving the Board's approval aFein Holdings, LLC cured all defaults including the \$21,528 of back rent and posting the required \$62,400.00 performance bond.

In 2018, Kauai Canvas, LLC shut down its business. Aaron Feinberg still uses a portion of the 2<sup>nd</sup> floor of building "B" to store remnant art from the former Kauai Canvas, LLC.

### Subleases

With respect to subleasing, General Lease No. S-4257 provides as follows:

14. Subletting. That the Lessee shall not rent or sublet the whole or any portion of the demised premises, without the prior written approval of the Board; provided, however, that prior to such approval, the Board shall have the right to review and approve the rent to be charged to the proposed sublessee and, if necessary, revise the rent of the demised premises based upon the rental rate charged to the said sublease; provided, further, that the rent may not be revised downward.

Dorland and Associates, Inc., CPAs continue to hold their lease over an 850 square foot area on the 1<sup>st</sup> floor of building "A" for tax and accounting services at \$1,600 per month or \$19,200 a year.

Island Rental Cars, LLC continues to hold its lease over a 1,120 square foot area on the 1<sup>st</sup> floor of building "B" for detailing rental cars at \$1,500 per month or \$18,000 a year.

Kevin Jones was evicted and is no longer a sublessee.

Shortly before the extension of lease request, aFein Holdings, LLC notified staff of six (6) new sublessees which include, Julian M. Martinez dba Kukui Street Tattoo, Eat Chef George, LLC, Hannah Finazzo-Krueger, Christopher Mario Ragsdale Jr, Adam Lang and Max Lemaire.

Julian M. Martinez dba Kukui Street Tattoo is renting out a 710 square foot portion of the 1<sup>st</sup> floor of building "A" for a tattooing business at \$950 a month or \$11,000 a year.

Eat Chef George, LLC is renting a 275 square foot portion of the 2<sup>nd</sup> floor of building "B" to store equipment for a lunch truck business at \$600 a month or \$7,200 a year.

Hannah Finazzo-Krueger is renting a 1,100 square foot portion of the 2<sup>nd</sup> floor of building "A" for a mental health therapy business at \$1,800 a month or \$21,600 a year.

Christopher Mario Ragsdale Jr is renting out a 612 square foot portion of the 2<sup>nd</sup> floor of building "A". He draws art for tattoos in connection with Kukui Street Tattoo at \$1,000 a month or



\$12,000 a year.

Adam Lang is renting a 200 square foot portion of the 1<sup>st</sup> floor of building “B” for his carpentry and woodworking business at \$450 a month or \$5,400 a year.

Max Lemaire was originally a business partner in Aaron Feinberg’s Kauai Canvas, LLC business. Max Lemaire is currently renting out a 745 square foot portion of the 1<sup>st</sup> floor of building “B” for his fine art gallery business at \$500 a month or \$6,000 a year.

Consent to subleases and after-the-fact consent to the subleases are therefore needed and will have to be processed in conjunction with the lease extension request presented below. As noted above, staff is requesting that the Board consent to the subleases but reserve a determination as to whether the State can share in sublease rents until the Department receives legal advice on the issue.

#### 15-Year Lease Extension

The current 50-year lease is set to expire on August 11, 2019. The Partnership is requesting a 15-year lease extension pursuant to Section 171-36, HRS, to amortize the cost of planned improvements to the property, including roof replacement, replacing existing gutters, replacing existing staircase, replacing and repairing walls, replacing fascia, repairing trusses and installing a new septic system. An appraisal evaluation performed by a certified appraiser (EXHIBIT D) has determined that the economic life of the proposed improvements will exceed 15-year extension period requested to amortize the cost of the improvements. Lessee anticipates completing all proposed improvements within three years. Staff is including a recommendation below that Lessee substantially complete the proposed improvements and submit receipts or other acceptable evidence of the total cost thereof to staff by July 25, 2022, or the lease extension will be subject to rescission. Reopenings for the extended term shall be on August 12, 2019 and August 12, 2029.

With the exception of the unauthorized subleases (both of which matters will be resolved if the Board approves the recommendations below), the Lessee is in compliance with the terms and conditions of the lease. The Lessee is current with rent, insurance and performance bond. A recent inspection showed that the existing structures would benefit from the proposed property improvements.

The leased premises have been used substantially for the purpose for which they were leased.

#### RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed consent to sublease under and extension of lease, in accordance with Chapter 343, HRS, and



Consent to Sublease;  
After-the-fact Consent to Sublease;  
TMK (4) 4-5-009:008

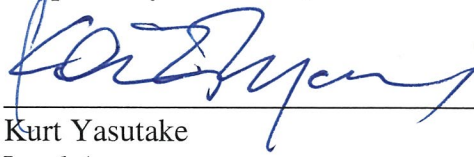
Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and therefore exempt from preparation of an environmental assessment.

2. Consent to the sublease under General Lease No. S-4257, aFein Holdings, LLC, a Hawaii limited liability corporation, Lessor, to (i) Dorland and Associates, Inc., CPAs and (ii) Island Rental Cars, LLC, Sublessees, under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - a. The standard terms and conditions of the most current consent to sublease form, as may be amended from time to time;
  - b. The Board reserves the right to determine at a later date whether the State may revise the rent under the lease based upon the rental rate charged to the sublessees;
  - c. Review and approval by the department of the Attorney General; and
  - d. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.
3. Consent after-the-fact to the sublease under General Lease No. S-4257, aFein Holdings, LLC, a Hawaii limited liability corporation, Lessor, to (iii) Julian M. Martinez dba Kukui Street Tattoo, (iv) Eat Chef George, LLC, (v) Hannah Finazzo-Krueger, LLC, (vi) Christopher Mario Ragsdale Jr, (vii) Adam Lang and (viii) Max Lemaire, Sublessees, under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
  - a. The standard terms and conditions of the most current consent to sublease form, as may be amended from time to time;
  - b. Review and approval by the department of the Attorney General; and
  - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.
4. Authorize a 15-year extension of General Lease No. S-4257, aFein Holdings, LLC, a Hawaii limited liability corporation, Lessee, under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

Consent to Sublease;  
After-the-fact Consent to Sublease;  
TMK (4) 4-5-009:008

- a. The standard terms and conditions of the most current lease extension form, as may be amended from time to time; provided that the extension document shall require Lessee to substantially complete the proposed improvements and submit receipts or other acceptable evidence of the total cost thereof to staff by July 25, 2022, or the lease extension shall be subject to rescission;
- b. Review and approval by the department of the Attorney General; and
- c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interest of the State.

Respectfully Submitted,

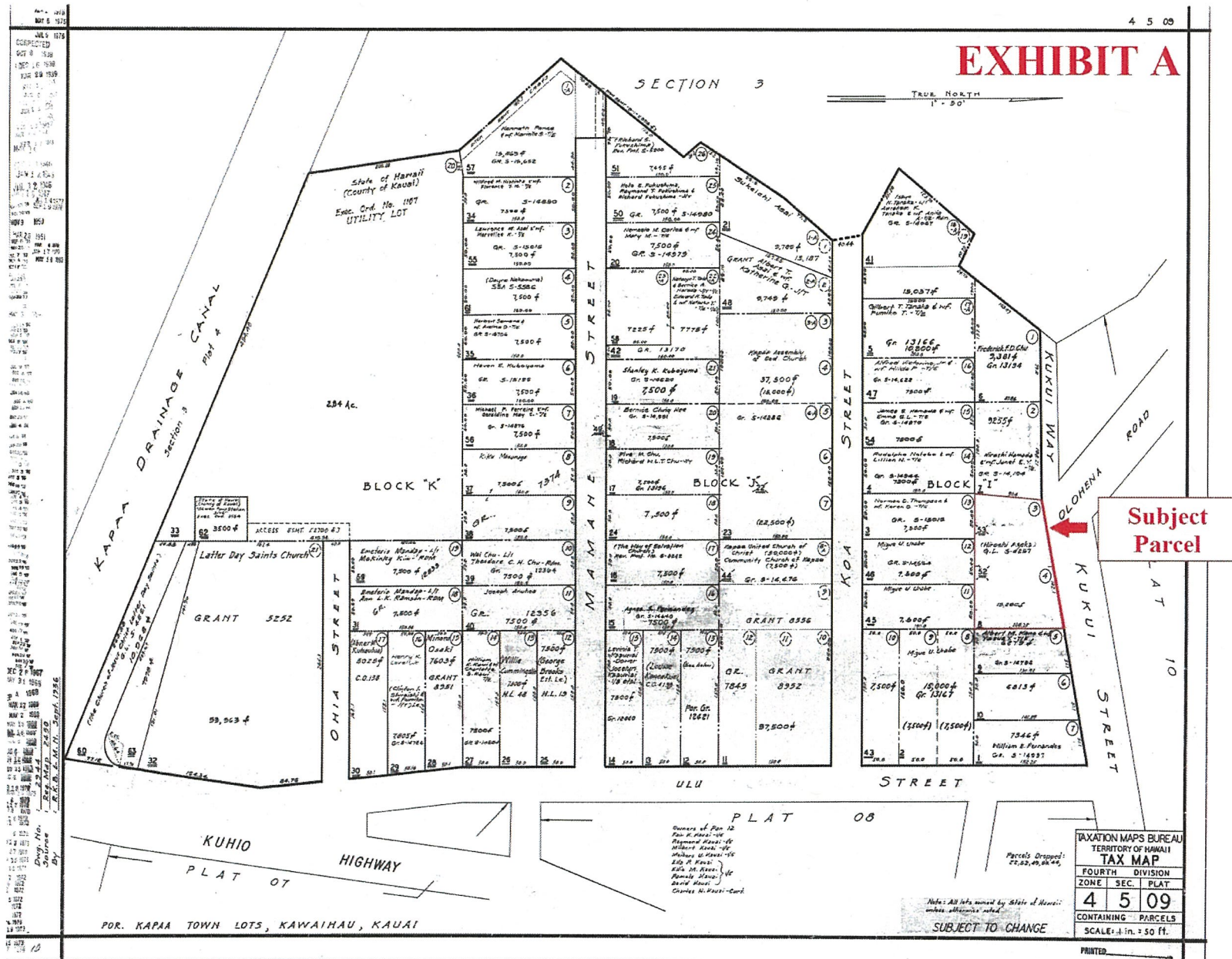
  
\_\_\_\_\_  
Kurt Yasutake  
Land Agent

APPROVED FOR SUBMITTAL:

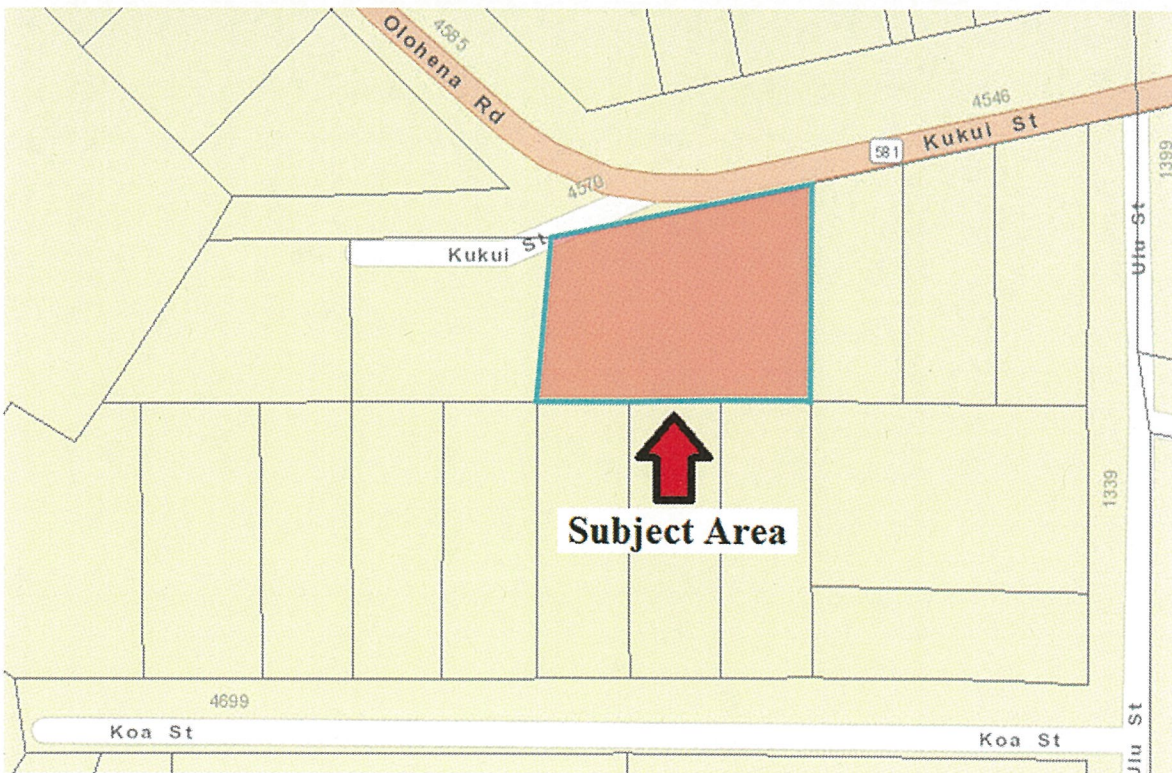
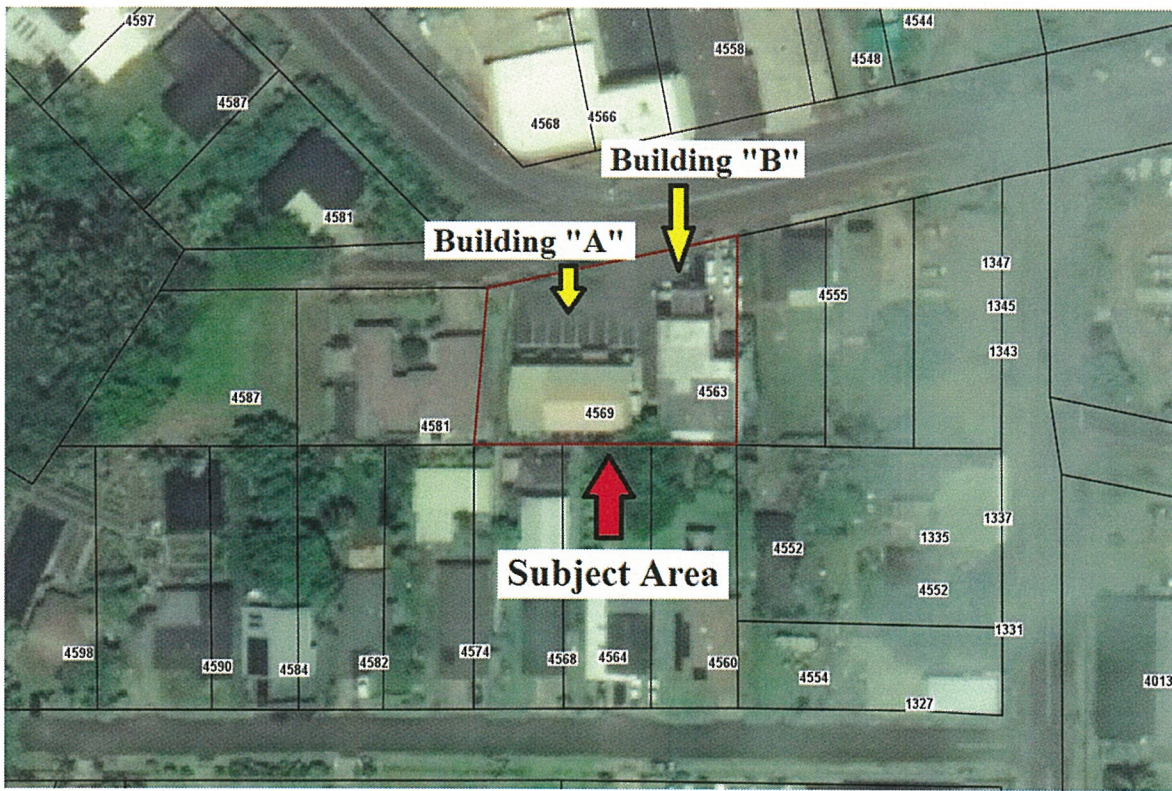
  
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Suzanne D. Case, Chairperson

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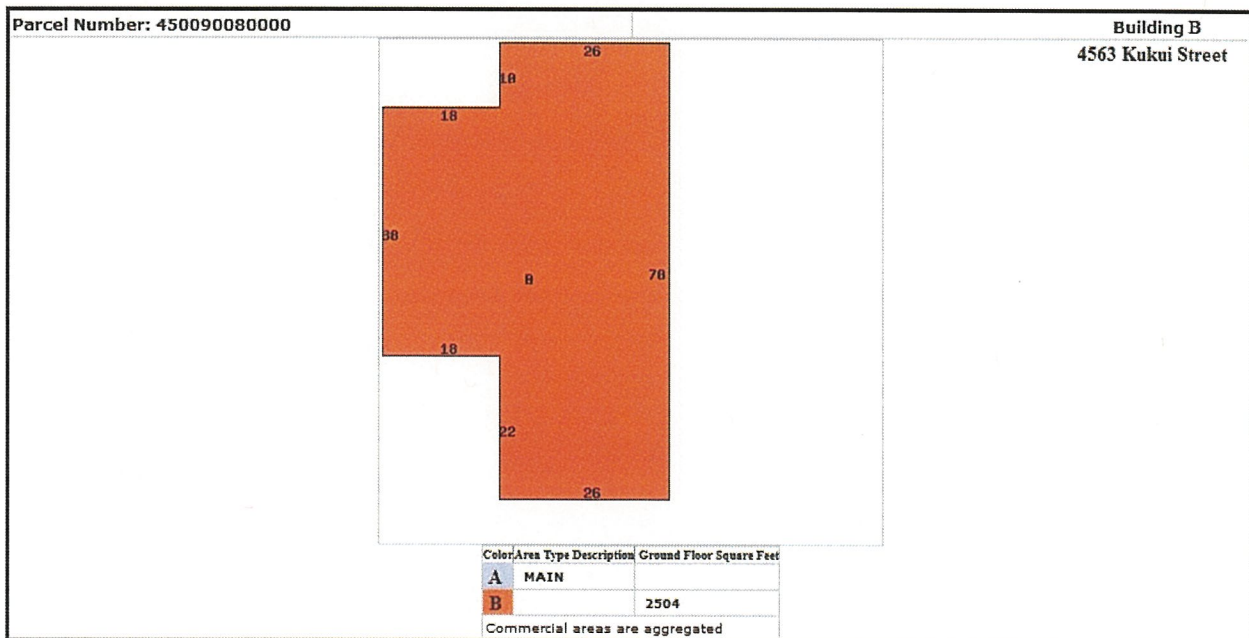
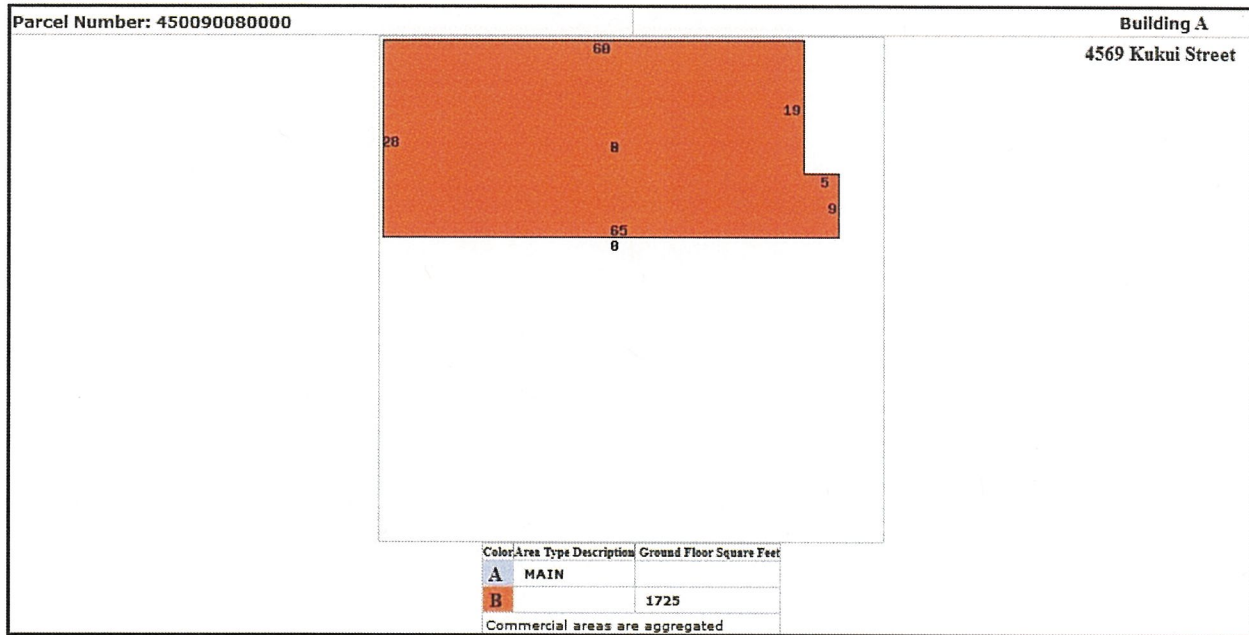
Consent to Sublease;  
After-the-fact Consent to Sublease;  
TMK (4) 4-5-009:008











**EXHIBIT B**



**EXHIBIT C**





Consent to Sublease;  
After-the-fact Consent to Sublease;  
TMK (4) 4-5-009:008



**Kauai Valuation**  
Appraisal & Real Estate Solutions

Kauai Valuation LLC  
P.O. Box 1330  
Koloa, HI 96756  
Direct: +1 808.755.5883  
Email: curtisbedwell@gmail.com

Date: June 5, 2019

aFein Holdings, LLC  
4569 Kukui St  
Kapaa, HI 96746  
808.634.5804  
aaron@afeinholdings.com

**RE aFein Holdings, TMK: (4) 4-5-9-8**

Mr. Feinberg:

Pursuant to your request; on May 30, 2019 I conducted an inspection of the above referenced subject property and reviewed documentation provided on proposed repairs and maintenance of the subject property. I understand that your request is in response to the State Department of Land and Natural Resources requirement that the improvements have a remaining economic life of at least 25 years.

Proposed repairs and renovations in the near-term, six months more or less, include:

SUMMARY SCOPE OF REPAIRS			
SCOPE OF WORK	BUILDING	CONTRACTOR	BID
Roof replacement	4563 Kukui St	Island Metals Installations	\$4,791.68
Soffit Repair	4563 Kukui St	Keller Construction	\$24,084.00
Roof replacement	4569 Kukui St	Island Metals Installations	\$19,880.27
Gutter Replacement	4569 Kukui St	Island Metals Installations	\$6,197.94
Fascia & Truss Repair	4569 Kukui St	Keller Construction* (Verbal)	\$15,000.00
Staircase Replacement	4569 Kukui St	Keller Construction	\$9,736.80
Cesspool to Septic	4563 & 4569 Kukui St	Keller Construction	\$209,424.00
			<b>\$289,114.69</b>

The total estimated repair costs for the scope of the repairs is \$289,114.69.

Based on my on-site physical inspection it is my opinion that the existing building improvements have a current remaining economic life of 27 years. Furthermore, upon completion of the proposed repairs listed above, it is my opinion that the remaining economic life upon completion will be extended to 38 years.

If there are any specific questions or concerns, or if Kauai Valuation can be of additional assistance, please contact the individual listed below.

Sincerely,

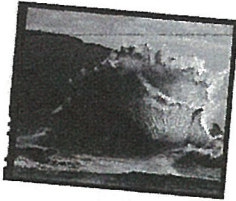
**KAUAI VALUATION**

Curtis J. Bedwell, MAI  
Certified General Real Estate Appraiser  
State of Hawaii License No. CGA - 1007  
Expiration Date 12/31/2019  
808-755-5883  
curtisbedwell@gmail.com

**EXHIBIT D**



July 26, 2019



aFein Holdings, LLC

PO Box 223612  
Princeville, HI 96722

CELL  
808.634.5804

EMAIL  
aaron@afeinholdings.com

DATE  
May 20, 2019

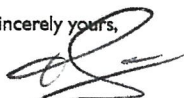
TO  
DNLNR

To Whom It May Concern,

This is to formally request the maximum lease extension for S-4257. The current proposed repairs and upgrades are as follows:

Roof replacement - 4563 Kukui St	Island Metals Installations	\$ 4,791.68
Roof replacement - 4569 Kukui St	Island Metals Installations	\$ 19,880.27
Gutter replacement -4569 Kukui St	Island Metals Installations	\$ 6,197.94
Soffit Repair - 4563 Kukui St	Keller Construction	\$ 24,084.00
Fascia & Truss Repair - 4569 Kukui St	Keller Construction	tbd
Staircase replacement - 4569 Kukui St	Keller Construction	\$ 9,736.80
Cesspool to Septic Conversion	Keller Construction	\$ 209,424.00
Total		\$ 274,114.69
		not including TBD bid

Sincerely yours,



Aaron Feinberg

PM4:03:02

MAY 21 '19

DLNR KDLO RCV

**EXHIBIT E**

5216 Kihei Road  
Kapaa, HI 96746 US  
8088225304  
chrissuard@gmail.com

**Aaron Feinberg**  
**For: 4563 Kukui Street Kapaa**

**DATE 11/20/2018**

Application of rubberized roofing sealant coating (12 year manufacturer warranty product) to existing rolled roofing surface. Price does not include repair or replacement of any structural material or roofing.

SUBTOTAL	4,600.00
TAX (4.167%)	191.68
TOTAL	<b>\$4,791.68</b>

Accepted Date

July 26, 2019

**Island Metals Installations**  
5216 Kihel Road  
Kapaa, HI 96746 US  
8088225304  
chrissuard@gmail.com

## ESTIMATE

### ADDRESS

Aaron Feinberg  
For: 4569 Kukui Street Kapaa

ESTIMATE # 1004

DATE 11/20/2018

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
11/20/2018	<b>Metal Roof Removal</b>	Removal of existing metal roofing material	1	3,500.00	3,500.00T
11/20/2018	<b>Scrap hauling</b>	Hauling and recycling of roofing material and debris	1	0.00	0.00T
11/20/2018	<b>Roof Installation</b>	Installation of new metal roofing material and trim	1	7,700.00	7,700.00T
11/20/2018	<b>Roofing Material</b>	26 gage Kynar metal roofing, trim, screws and sealant	1	7,750.00	7,750.00T
11/20/2018	<b>Delivery</b>		1	135.00	135.00T

Removal of main existing metal roof (40'x70') and entrance awning (8'x14'), replacement with galvalume corrugated roofing and trim. Metal will be removed and replaced in sections to insure interior protection through duration of project.

<b>SUBTOTAL</b>	19,085.00
<b>TAX (4.167%)</b>	795.27
<b>TOTAL</b>	<b>\$19,880.27</b>

Accepted By

Accepted Date

July 26, 2019

**Island Metals Installations**  
5216 Kihel Road  
Kapaa, HI 96746 US  
8088225304  
chrissuard@gmail.com

## ESTIMATE

### ADDRESS

Aaron Feinberg  
For: 4569 Kukui Street Kapaa

**ESTIMATE # 1005**

**DATE 11/20/2018**

DATE	SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
11/20/2018	Gutter demolition	removal of gutters around exterior of roof	1	1,500.00	1,500.00T
11/20/2018	Scrap hauling	hauling of old gutters and debris	1	300.00	300.00T
11/20/2018	Gutter installation	installation of new gutters around exterior of roof	1	3,000.00	3,000.00T
11/20/2018	Gutter supplies	New custom gutters, sealant and fastners	1	1,150.00	1,150.00T

Remove 140 feet of custom gutter inset within fascia of the structure, and install new custom gutters into preexisting frame. Replacement will be of gutter only, original gutter downspouts and structure will be untouched.

SUBTOTAL	5,950.00
TAX (4.167%)	247.94
<b>TOTAL</b>	<b>\$6,197.94</b>

Accepted By

Accepted Date



July 26, 2019



**March 17, 2019**

**Proposal - PLYWOOD SOFFIT 4563 KUKUI STREET**

**AFein Holdings, LLC**

**P.O. Box 223612**

**Princeville, HI 96722**

**Replace and repair plywood soffit around building located at 4563 Kukui Street, Kapaa, Hawaii 96746. Approximately 36 - 4'x8' sheets required. Will prime and match existing paint.**

**Total (Includes Hawaii State Tax): \$24,084**

**Keller Construction – P.O. Box 297 Kilauea Hawaii 96754  
randyonkauai@hotmail.com  
808-639-9925**

July 26, 2019



March 17, 2019

**Proposal - Fascia & Trusses 4569 KUKUI STREET**

**AFein Holdings, LLC**

**P.O. Box 223612**

**Princeville, HI 96722**

**Replace approximately 80' - 2"X10" FASCIA around building located at 4569 Kukui Street, Kapaa, Hawaii 96746. Will prime and match existing paint. Prior to this we will need stamp plans to repair all of the dry rot on the trusses. Pending what architect /engineer says how to proceed on the rebuilding of trusses. This should be done prior to reroofing.**

**Total Pending Architect/Engineer Design**

**Keller Construction – P.O. Box 297 Kilauea Hawaii 96754  
randyonkauai@hotmail.com  
808-639-9925**

July 26, 2019



**March 17, 2019**

**Proposal – Staircase 4569 KUKUI STREET**

**AFein Holdings, LLC**

**P.O. Box 223612**

**Princeville, HI 96722**

**Replace and repair staircase to upstairs at building located at 4569 Kukui Street, Kapaa, Hawaii 96746.**

**Total (Includes Hawaii State Tax): \$9736.80**

**Keller Construction – P.O. Box 297 Kilauea Hawaii 96754**  
**randyonkauai@hotmail.com**  
**808-639-9925**



July 26, 2019



**March 17, 2019**

**Proposal - SEPTIC KUKUI STREET**

**AFein Holdings, LLC**

**P.O. Box 223612**

**Princeville, HI 96722**

**Pending Engineer's Design & Approval**

**Install new septic system for 2 existing buildings located at 4563 and 4569  
Kukui St, Kapaa, Hawaii 96746.**

**Also includes abandoning two separate existing cesspools and patching  
asphalt parking area.**

**Total (Includes Hawaii State Tax):** **\$209,424**

**Keller Construction – P.O. Box 297 Kilauea Hawaii 96754  
randyonkauai@hotmail.com  
808-639-9925**



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

POST OFFICE BOX 621  
HONOLULU, HAWAII 96809

July 3, 2019

SUZANNE D. CASE  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA  
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.  
DEPUTY DIRECTOR - WATER

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

**EXEMPTION NOTIFICATION**

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

**Project Title:** Approval of 15-Year Term Extension of General Lease No. S-4257, aFein Holdings, LLC, Lessee; Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, to (i) Dorland and Associates, Inc., CPAs, and (ii) Island Rental Cars, LLC, Sublessees After-the-fact Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, (iii) Kukui Street Tattoo, (iv) Eat Chef George, LLC, (v) Hannah Finazzo-Krueger, LLC, (vi) Christopher Mario Ragsdale Jr, (vii) Adam Lang and (viii) Max Lemaire, Sublessees.

**Project / Reference No.:** GL S-4257

**Project Location:** Kapaa Town, Kawaihau, Kauai, Tax Map Key: (4) 4-5-009:008.

**Project Description:** Approval of 15-Year Term Extension of General Lease No. S-4257, aFein Holdings, LLC, Lessee. Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, to Dorland and Associates, Inc., CPAs, and Island Rental Cars, LLC, Sublessees; After-the-fact Consent to Sublease under General Lease No. S-4257, aFein Holdings, LLC, Lessee, Kukui Street Tattoo, Eat Chef George, LLC, Hannah Finazzo-Krueger, LLC, Christopher Mario Ragsdale Jr, Adam Lang and Max Lemaire, Sublessees. The lease is currently scheduled to expire on August 11, 2019.

**Chap. 343 Trigger(s):** Use of State Land

**Exemption Class No. and Description:** In accordance with Hawaii Administrative Rule Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states "Operations,

**EXHIBIT F**

repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing.” Item 47, “Leases of state land involving negligible or no expansion or change of use beyond that previously existing.”

**Cumulative Impact of Planned Successive Actions in Same Place Significant?:**

No. The subleases and extension are a continuation of an existing use of this improved property for business purposes. No new improvements that would alter the purpose or increase the capacity, density, height or dimensions of the existing structure are planned. Staff believes there are no cumulative impacts.

**Action May Have Significant Impact on Particularly Sensitive Environment?:**

No. The lease premises are located in an area already developed for commercial and residential use. No new improvements that would alter the purpose or increase the capacity, density, height or dimensions of the existing structure are planned. Staff believes there are no cumulative impacts.

**Analysis:**

This action involves a request for a 15-year extension of the lease; a consent to sublease Dorland and Associates, Inc., CPAs and Island Rental Cars, LLC; an after-the-fact consent to sublease to Kukui Street Tattoo, Eat Chef George, LLC, Hannah Finazzo-Krueger, LLC, Christopher Mario Ragsdale Jr, Adam Lang and Max Lemaire. The lease extension and sublease are a continuation of an existing use of this improved property for business purposes. No new improvements that would alter the purpose or increase the capacity, density, height or dimensions of the existing structure are planned. The lease extension and sublease approvals represent no or negligible expansion of the existing use. Therefore, staff believes the lease extension and sublease approvals result in no significant impact to the natural, environmental and/or cultural resources in the area, and that the actions should be found to be exempt from the preparation of an environmental assessment.

**Consulted Parties:**

County of Kauai Public Works Department was consulted and had no comments.

**Recommendation:**

That the Board find this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.