STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

Division of Boating and Ocean Recreation Honolulu, Hawaii 96819

October 25, 2019

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

Hawai'i

Land Board Members:

SUBJECT:

CONSENT TO ASSIGN GENERAL LEASE NO. LH-19-002, PACIFIC MARINE PARTNERS, LLC ASSIGNOR TO JASON HO'OPAI. ASSIGNEE, SITUATED AT HONOKOHAU SMALL BOAT HARBOR. NORTH KONA, ISLAND OF HAWAI'I, HAWAI'I, TAX MAP KEY:

(3) 7-4-008:003 (PORTION)

APPLICANT:

Jason Ho'opai, whose mailing address is, 317 Kapulei Street, Honolulu, Hawaii 96813 hereinafter referred to as the "Applicant".

LEGAL REFERENCE:

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

LOCATION AND AREA:

Portion of Government lands situated at Honokohau Small Boat Harbor, North Kona, Island of Hawai'i, identified by Tax Map Key ("TMK") No.: (3) 7-4-008:003 (Portion), consists of approximately nine (9) acres, more or less, of fast lands, unimproved graded-gravel land, fenced with chain link fencing, as shown on the attached maps labeled Exhibits A-1 and A-2 and described in Exhibits A-3.1, A-3.2 and A-3.3

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act: YES

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

CHARACTER OF USE:

Solely for the operation of boat/trailer storage facility and vehicle parking purposes. Residential use shall not be allowed on the premises.

TERM OF LEASE

Original term of 10-years, commencing November 1, 2018, and expiring on October 31, 2028.

MONTHLY RENTAL:

The greater of \$35,250.00 payable monthly, in advance or 50% of gross receipts, which includes 50% of any sublessee.

CONSIDERATION:

This is a transfer from Mr. Hoopai's entity to himself personally. No consideration is being paid for the assignment.

RECOMMENDED PREMIUM:

Not applicable.

DCCA VERIFICATION:

Not applicable as the Assignee is an individual and as such, not required to register with the DCCA.

REMARKS:

General Lease No. LH-19-002 was awarded to Pacific Marine Partners, LLC as the only bidder at a public auction held on July 13, 2018, in Kealakehe, North Kona at Honokohau Small Boat Harbor.

Jason Ho'opai is a member of Pacific Marine Partners, LLC. Mr. Ho'opai informed staff of an internal matter currently under investigation that precipitated the delinquency of rent due for August, September and October 2019. A copy of the letter is attached and labeled Exhibit B.

Mr. Ho'opai is requesting that the lease be assigned to him personally with the understanding that the past due rent shall be paid in full.

RECOMMENDATION:

That the Board of Land and Natural Resources consent to the assignment of General Lease No. LH-19-002 from Pacific Marine Partners, LLC, Assignor, to Jason Ho'opai, Assignee, subject to the following:

- 1. That the \$105,750.00 outstanding rent for August, September and October 2019, be paid in full.
- 2. That the assignment be effective as of November, 1, 2019.
- 3. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
- 4. Review and approval by the Department of the Attorney General; and
- 5. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

EDWARD R. UNDERWOOD, Administrator Division of Boating & Ocean Recreation

APPROVED FOR SUBMITTAL:

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

Attachments:

Exhibit A Honokohau Small Boat Harbor location on the Island of Hawaii

Exhibit A-1 Google Earth Photo of the Lease Area

Exhibit A-2 Map of the Lease Area

Exhibit A-3.1 to A-3.3 Description of the lease area.

Exhibit B Letter from Jason Ho'opai

Exhibit A Honokohau Small Boat Harbor

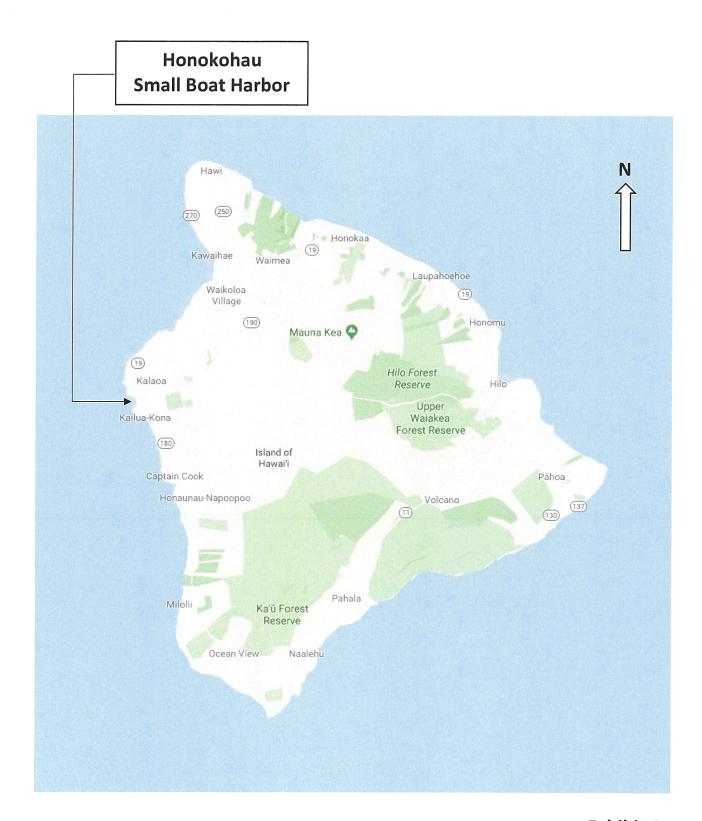


Exhibit A-1 LH-19-002 Approximately 9 Acres Exhibit A-1

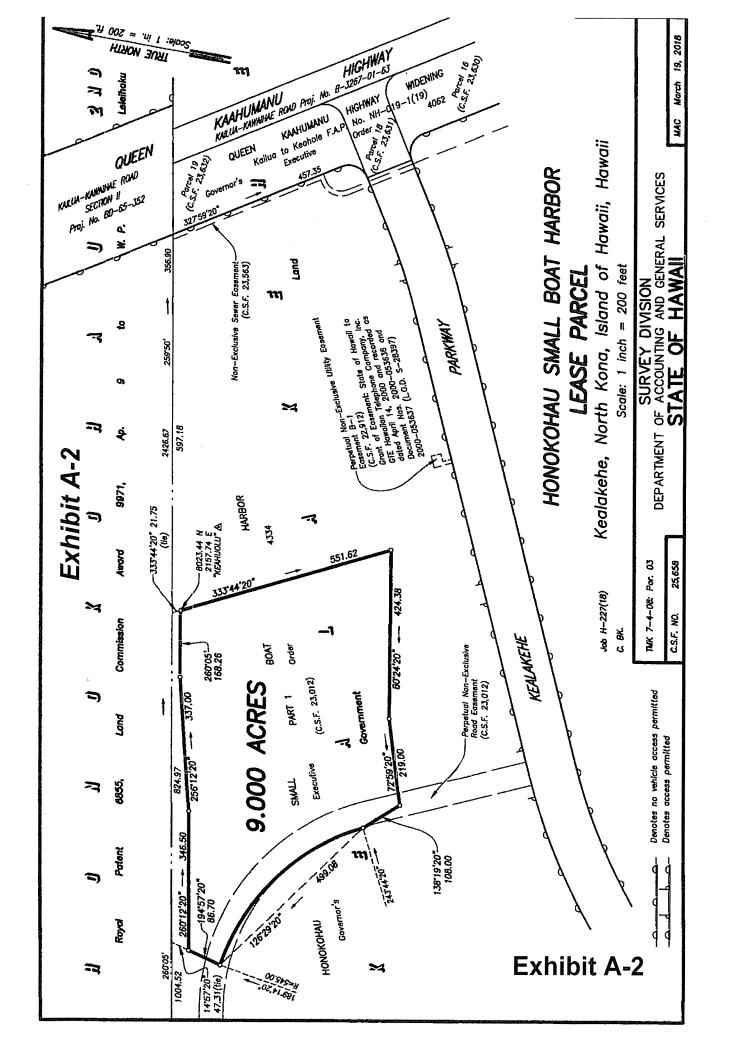


Exhibit A-3.1



STATE OF HAWAI'I SURVEY DIVISION DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES HONOLULU

C.S.F. No. 25,658

March 19, 2018

HONOKOHAU SMALL BOAT HARBOR

LEASE PARCEL

Kealakehe, North Kona, Island of Hawaii, Hawaii

Being a portion of the Government Land of Kealakehe.

Being also a portion of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334.

Beginning at the northeast corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KEAHUOLU" being 8023.44 feet North and 2157.74 feet East, thence running by azimuths measured clockwise from True South:-

Ι.	333°	44'	20"	551.62	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
2.	80°	24'	20"	424.38	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
3.	72°	59'	20"	219.00	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
4.	138°	19'	20"	108.00	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;

Exhibit A-3.2

C.S.F. No. <u>25,658</u> March 19, 2018

5.	Thence	along	the remainder	of Part 1	of Honokohau Small Boat Harbor, Governor's Executive Order 4334, on a curve to the left with a radius of 545.00 feet, the chord azimuth and distance being: 126° 29' 20" 499.08 feet;
6.	194°	57'	20"	86.70	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
7.	260°	12'	20"	346.50	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
8.	256°	12'	20"	337.00	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334;
9.	260°	05'		168.26	feet along the remainder of Part 1 of Honokohau Small Boat Harbor, Governor's Executive Order 4334 to the point of beginning and containing an AREA OF 9.000 ACRES.

Exhibit A-3.3

C.S.F. No. <u>25,658</u>

March 19, 2018

SUBJECT, HOWEVER, to a portion of Perpetual Non-Exclusive Road Easement as shown on plan attached hereto and made a part hereof.

SURVEY DIVISION DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES STATE OF HAWAII

By: Gerald Z. Yonashiro

Land Surveyor

rk

Compiled from map and desc. furn. by Wes Thomas Associates. Said map and desc. have been examined and checked as to form and mathematical correctness but not on the ground by the Survey Division.



24th September 2019

Jason Ho'opai

348 Puuhale Rd. #339 Honolulu, Hl. 96819 (415) 218-3348 jarigorr.com

RE: Pacific Marine Partners

Richard Howard DOBOR / Property Manager 123 Address St

Anytown, ST 12345

Dear Mr. Howard,

This letter is to inform you of a rogue employee at the Honokohau Marine Storage facility. The matter was identified when the then employee Jonas Ikaika Solliday, was found stealing rent monies upwards of \$19,000. from the place of business. The company is cleaning up the situation through court actions and apologize for any confusion or complications it may have caused.

If there have been any issues regarding the individual please let us know so that we can address the incident as needed.

Mahalo again for your sincere consideration of this challenge. Honokohau Marine Storage is grateful to DLNR for its patience is resolving this matter.

SEP27'19PH12:39BOR ADA

Sincerely,

Jason K. Hoʻopai

Exhibit B