

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

January 22, 2021

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

Hawaii

Consent to Assign General Lease No. S-3596, Loke M. Hill-Higgins, Personal Representative of the Estate of Lesley Hill, Deceased, Assignor, to Paradise Plants Home and Garden Center LLC, Assignee, Waiakea, South Hilo, Hawaii, Tax Map Key: (3) 2-2-049:011.

APPLICANT:

Loke M. Hill-Higgins, Personal Representative of the the Estate of Lesley Hill, Deceased, as Assignor, to Paradise Plants Home and Garden Center LLC, a Hawaii limited liability company, as Assignee.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands of Kanoelehua Industrial Lots situated at Waiakea, South Hilo, Hawaii, identified by Tax Map Key: (3) 2-2-049:011, as shown on the attached map labeled Exhibit A.

AREA:

16,634 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

CHARACTER OF USE:

Allowed uses under the County of Hawaii zoning code, ML-20, Limited Industrial.

TERM OF LEASE:

Original term of 55 years, commencing on 1/16/1961 and expiring on 1/15/2016. Board approved extension of 10 years commencing 1/16/2016 and expiring on 1/15/2026.¹

ANNUAL RENTAL:

\$15,000.00.

CONSIDERATION:

\$10.00.

RECOMMENDED PREMIUM:

Not applicable as the lease does not allow for a premium.

DCCA VERIFICATION:

ASSIGNOR:

As the personal representative of a decedent's estate, assignor is not required to register with DCCA.

ASSIGNEE:

Place of business registration confirmed:	YES <u>X</u>	NO <u>__</u>
Registered business name confirmed:	YES <u>X</u>	NO <u>__</u>
Good standing confirmed:	YES <u>X</u>	NO <u>__</u>

REMARKS:

Background:

Under the provisions of the special disaster legislation (Act 4, First Session Laws of Hawaii 1960), the Department of Land and Natural Resources was authorized to enter into leases of public lands to victims of natural disasters by direct negotiation. General Lease No. S-3596 was issued to Isao Morimoto dba Mori's Paint Shop of Hilo, Hawaii. This lease, with an option to purchase, was approved by the Board at its meeting of November 18, 1960 under agenda item C-6.

¹ January 22, 2016, Agenda Item D-8.

At its meeting of January 9, 1976 under agenda item D-1-y, the Board consented to an agreement of sale of GL S-3596 from Isao Morimoto, Seller, to Body & Fender Repair, Inc., Purchaser. The purchase amount of \$100,000 was to be paid in monthly installments over a period of 96 months at a rate of 10% interest.

The Board, at its meeting of December 4, 1981, under agenda item F-1-c, consented to the assignment of the agreement of sale from Body & Fender Repair, Inc., Assignor, to Laupahoehoe Transportation Company, Inc., Assignee. Further, at its meeting of November 11, 1985 under agenda item F-1-a, the Board consented to the assignment of lease from First Hawaiian Bank, Trustee under the Will of Isao Morimoto, Assignor, to Laupahoehoe Transportation Company, Inc., Assignee.

At its meeting of August 8, 1996, under agenda item D-1, the Board consented to the assignment of lease from Laupahoehoe Transportation Company, Inc., Assignor, to D. L. Downing, General Contractor, Inc. Assignee.

Further, at its meeting of January 27, 2011, under agenda item D-2, the Board consented to the assignment of lease from to D. L. Downing, General Contractor, Inc., Assignor to Lesley Hill, Assignee. The Board also consented to the change in character of use from paint shop business to the allowable use under the current County of Hawaii zoning code, ML-20, limited industrial use.

Prior to the assignment of lease, The Lessee provided a Phase 1 Environmental Site Assessment Report that revealed no evidence of recognized environmental conditions in connection with the property.

Request:

The Lessee, Lesley Hill passed away in May 2017. Her daughter, Loke M. Hill-Higgins was appointed personal representative of the estate and along with her sister, Maikalani Hill-Higgins, have submitted a request to have the lease assigned to the business entity, Paradise Plants Home and Garden Center LLC of which they are equal members.

Paradise Plants Home and Garden Center LLC is a garden supply and import business and has operated in the Hilo area for over thirty years. Loke and Maikalani Hill-Higgins plan to continue the business their mother built and will be utilizing the subject property for warehouse and storage purposes. This use is consistent with the current county zoning, industrial use.

The Assignee has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions. The Lessee is current with the terms and conditions of the lease with regards to rent and insurance.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-3596 Loke M. Hill-Higgins, Personal Representative of the Estate of Lesley Hill, Deceased, as Assignor, to Paradise Plants Home and Garden Center LLC, a Hawaii limited liability company as Assignee, subject to the following:

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

Respectfully Submitted,

Gordon C. Heit

KEM

Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:

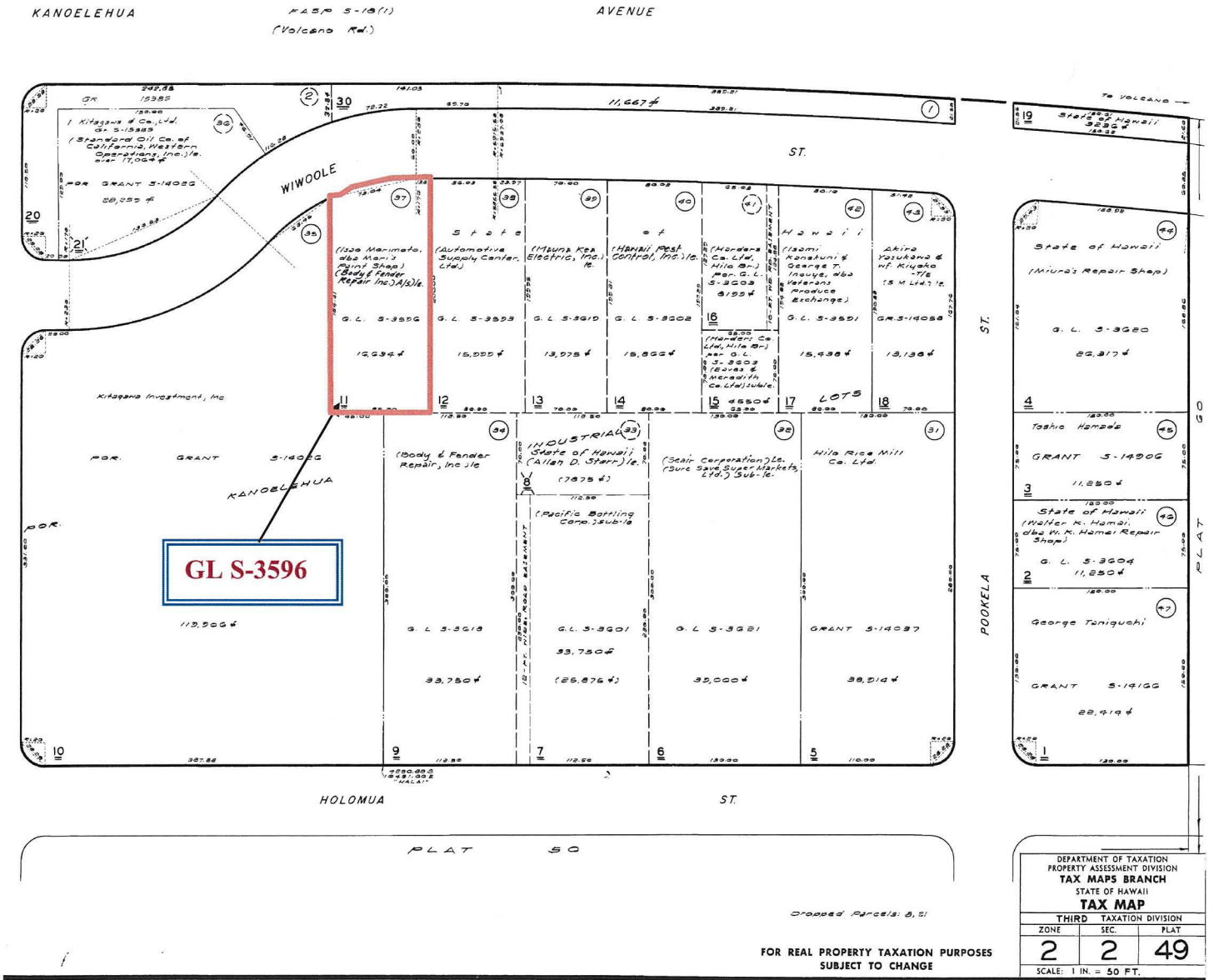
Suzanne D. Case

RT

Suzanne D. Case, Chairperson

EXHIBIT A

TMK: (3) 2-2-049:011



GL S-3596

Legend

 GL S-3596

Google Earth

Data SIO, NOAA, U.S. Navy, NGA, GEBCO
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Image Landsat / Copernicus
Data LDEO-Columbia, NSF, NOAA


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