

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

May 23, 2008

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

HAWAII

Consent to Lease Amendment of Lands under Governor's  
Executive Order No. 2849 to The Arc of Hilo, Piihonua,  
Hawaii, Tax Map Key: (3) 2-3-32:6.

CONTROLLING AGENCY:

Department of Human Services (DHS)

APPLICANT:

The Arc of Hilo

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes, as amended.

ZONING:

State Land Use District: Urban  
County of Hawaii CZO: R-1

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State  
Constitution: YES \_\_\_\_\_ NO \_\_\_\_\_x

CURRENT USE STATUS:

Governor's Executive Order No. 2849 to Department of Social  
Services and Housing for the Hilo Rehabilitation Complex site  
purposes.

LEASE TERMS & CONDITIONS:

LOCATION:

Portion of Government lands of Piihonua situated at South Hilo, Hawaii, identified by Tax Map Key: (3) 2-3-32:6, as shown on the attached map labeled Exhibit A.

AREA:

5.396 acres, more or less.

CHARACTER OF USE:

The demised premises shall be used by The Arc of Hilo for purposes of work evaluation, work training, work adjustment and other services directly relating to its vocational rehabilitation activities as set forth in its operating program and in accordance with existing and future agreements and/or contracts with DHS and/or other programs to improve the lives of persons with disabilities.

TERM:

25 years, commencing July 2, 2002 and expiring on June 30, 2027.

RENT AMOUNT:

\$1.00 per annum.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

The controlling agency shall be responsible for ensuring compliance with Chapter 343, HRS.

DCCA VERIFICATION:

Place of business registration confirmed:	YES	<u>  x  </u>	NO	<u>      </u>
Registered business name confirmed:	YES	<u>  x  </u>	NO	<u>      </u>
Applicant in good standing confirmed:	YES	<u>  x  </u>	NO	<u>      </u>

REMARKS:

The Land Board at its meeting of November 5, 2003, under agenda Item D-15, consented to the lease between DHS and The Arc of Hilo. The subject lease with The Arc of Hilo, formerly known as the Hilo Association to Help Retarded Citizens dba Hilo Vocational Rehabilitation Center was to allow for the expansion of rehabilitation programs.

The Arc of Hilo is planning to construct a new 17,600 square foot single-story building, expand parking and add a new driveway for training and preparing persons with disabilities to develop self-

sufficiency and to improve their quality of life. Federal, State and local resources will fund the improvements including State grant-in-aids, Community Development Block Grant, Federal Economic Development Administration and Federal E.D.I. Earmarks, and the Office of Hawaiian Affairs. The lease amendment is for the purpose of securing Federal funding from the Economic Development Administration (EDA). EDA is requiring the lease not be cancelled without the written approval of EDA and that EDA will have the right to commence a cure of default on the part of the Lessee (The Arc of Hilo).

The proposed lease amendment was not discussed in 2003. DHS has no objections to EDA's request and requests the Land Board consent to the lease amendment.

RECOMMENDATION:

That the Board consent to the lease amendment between Department of Human Services and The Arc of Hilo, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:

1. Review and approval by the Department of the Attorney General; and
2. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



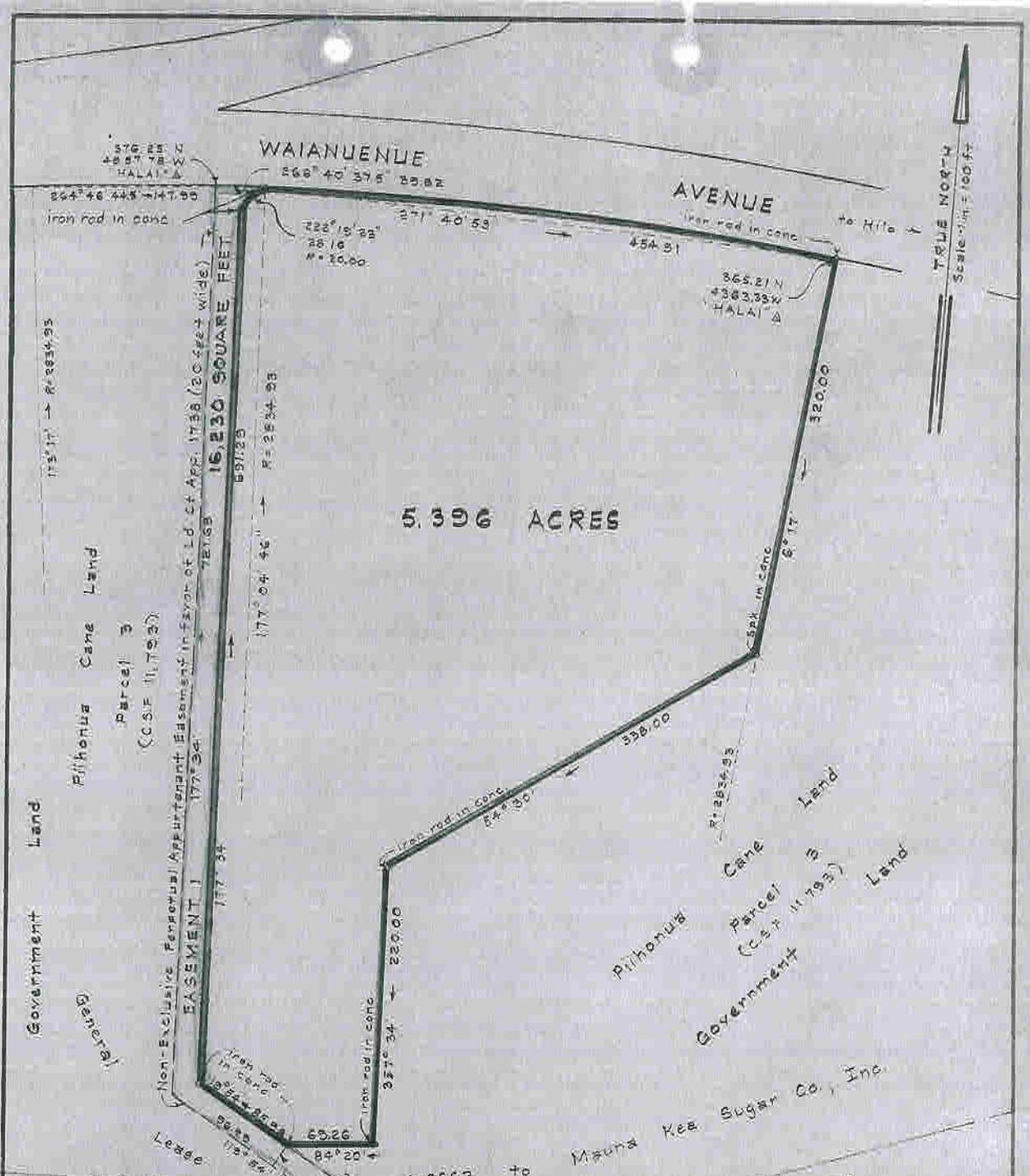
Charlene E. Unoki  
Assistant Administrator

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson





TRUE NORTH  
Scale: 1 inch = 100 feet

HILO WATERSHED RESERVATION  
Gov. Exec. Order 1418  
(C.S.F. 11/25)

HILO REHABILITATION COMPLEX SITE  
AND EASEMENT 1

Pi'ihonua, South Hilo, Island of Hawaii, Hawaii  
Scale: 1 inch = 100 feet

JOB H-7256  
C BK E-R1/30

EXHIBIT **A**

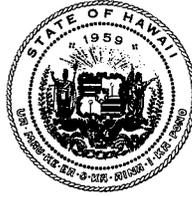
TAX MAP 2-3-32

SURVEY DIVISION  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
STATE OF HAWAII

C. S. F. No. 17,779

R.2. July 9, 1976





STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
VOCATIONAL REHABILITATION AND SERVICES FOR THE BLIND DIVISION  
601 Kamokila Boulevard, Room 515, Kapolei, Hawaii 96707

May 7, 2008

RECEIVED  
LAND DIVISION  
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DEPARTMENT OF LAND &  
NATURAL RESOURCES  
HONOLULU, HAWAII

Ms. Charlene Unoki  
Department of Land and  
Natural Resources  
P.O. Box 621  
Honolulu, HI 96809

Dear Ms. Unoki:

Re: Arc of Hilo Lease Agreement  
TMK 21-3-32 5.396 Acres  
Piihonua, South Hilo, Hawaii

Attached is a Request for State Lands – Application Form (No. LD-01) to amend the Arc of Hilo lease agreement for the purpose of securing federal funding from the Economic Development Administration (EDA). I would appreciate your assistance in processing this request for review by the DLNR Land Board.

The proposed amendment will stipulate that the Lease will not be cancelled without the written approval of EDA and the EDA will have the right to commence a cure of default on the part of the Lessee.

The Arc of Hilo plans to construct a new 17,600 sq ft single-story building, expand parking and add new driveway for training and preparing persons with disabilities to develop self-sufficiency and to improve their quality of life, consistent with the purpose of the current lease. Federal, state and local resources will fund the improvements including the federal Economic Development Administration.

The Arc of Hilo would appreciate any assistance to expedite this request and amendment to the Lease. If there are any questions, please contact me at 692-7729.

Sincerely,

Guy Tagomori  
Staff Specialist

Attachments

EXHIBIT "B"