

KATHY L. KAOHU
County Clerk



JAMES G.M. KRUEGER
Deputy County Clerk

OFFICE OF THE COUNTY CLERK

COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/county/clerk

November 10, 2020

Honorable Riki Hokama, Chair
Healthy Families and Communities Committee
Council of the County of Maui
Wailuku, Hawaii 96793

Dear Chair Hokama:

Respectfully transmitted are copies of the following communications that were referred to your Committee by the Council of the County of Maui at its meeting of November 10, 2020:

COUNTY COMMUNICATIONS:

- No. 20-558 - Karla H. Peters, Director of Parks and Recreation
- No. 20-559 - Karla H. Peters, Director of Parks and Recreation
- No. 20-560 - Yuki Lei K. Sugimura, Councilmember

Respectfully,

A handwritten signature in cursive script that reads "Kathy L. Kaohu".

KATHY L. KAOHU
County Clerk

/lks

Enclosures

cc: Director of Council Services

MICHAEL P. VICTORINO
Mayor

KARLA H. PETERS
Director

MARY A. KIELTY
Deputy Director



RECEIVED
2020 OCT 28 PM 2:51
OFFICE OF THE MAYOR

DEPARTMENT OF PARKS AND RECREATION

700 Hali'a Nako Street, Unit 2, Wailuku, Hawaii 96793
Main Line (808) 270-7230 / Facsimile (808) 270-7942

October 27, 2020

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Michael P. Victorino 10/28/20
Mayor Date

For Transmittal to:

Honorable Alice Lee, Chair
and Members of Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Lee and Members:

**SUBJECT: PROPOSED RESOLUTION AUTHORIZING A GRANT OF A LEASE OF
COUNTY RECREATIONAL SPACE TO PAIA YOUTH COUNCIL, INC.**

I am transmitting a proposed resolution entitled, "AUTHORIZING A GRANT OF A LEASE OF COUNTY RECREATIONAL SPACE TO PAIA YOUTH COUNCIL, INC."

The purpose of the proposed resolution is to authorize the grant of a lease of County recreational space located at TMK: (2)2-5-005:017 (por.) and (2)2-6-001:001 (por.) approximately 3.39 acres total, at an annual rental of ONE AND NO/100 DOLLARS (\$1.00) for a period ending April 30, 2071.

I respectfully request that this matter be referred to the appropriate Council committee for review, discussion and appropriate action.

Thank you for your attention to this matter. Should you have any questions or require additional information, please feel free to contact Lyle Kobashigawa, Grants Coordinator, at Ext. 7949.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Peters", written over a horizontal line.

KARLA H. PETERS
Director of Parks and Recreation

Attachment
c: Mary A. Kielty, Deputy Director
KHP:lk

COUNTY COMMUNICATION NO. 20-559

Resolution No. _____

Resolution

No. _____

**AUTHORIZING A GRANT OF A LEASE OF COUNTY RECREATIONAL
SPACE TO PAIA YOUTH COUNCIL, INC.**

WHEREAS, PAIA YOUTH COUNCIL, INC., a Hawaii nonprofit corporation, desires to obtain a lease of recreational space from the County of Maui for a nominal sum; and

WHEREAS, the real property Paia Youth Council, Inc. desires to occupy are those certain parcels more particularly identified as Tax Map Key Number (2) 2-5-005:017 (por.), and Tax Map Key Number (2) 2-6-001:001 (por.) an area measuring 3.39 acres ("Premises"), and more particularly described and depicted in the Lease Agreement, attached hereto as Exhibit "1"; and

WHEREAS, pursuant to Maui County Code Section 3.36.090, the Council of the County of Maui may authorize the grant of a lease of County Recreation Space by resolution; and

BE IT RESOLVED by the Council of the County of Maui:

1. That Paia Youth Council, Inc. be granted the right to occupy the Premises in accordance with the terms and conditions of the proposed

Resolution No. _____

Lease, at an annual rental of ONE AND NO/100 DOLLAR (\$1.00) to expire April 30, 2071, unless sooner terminated as provided in Exhibit 1; and

2. That the Mayor and the Director of Finance or their authorized representatives are authorized to execute the proposed Lease Agreement; and

3. That certified copies of this Resolution be transmitted to the Mayor, the Director of Finance, the Director of Parks and Recreation, and the Executive Director of Paia Youth Council, Inc.

APPROVED AS TO FORM
AND LEGALITY:

/s/ Mimi Desjardins
MIMI DESJARDINS
Deputy Corporation Counsel
County of Maui
LF 2019-1556
2020-07-28, Resolution

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail (X) Pickup ()

To: DEPARTMENT OF FINANCE
County of Maui
200 South High Street
Wailuku, Maui, Hawaii 96793

Affects TMK Nos.: (2)2-5-005:017(por.) Total No. of Pages: ____
(2)2-6-001:001(por.)

PAIA YOUTH COUNCIL, INC.
LEASE OF COUNTY RECREATIONAL SPACE

THIS LEASE, made this _____ day of _____, 2020, by and between the COUNTY OF MAUI, a political subdivision of the State of Hawaii, whose principal place of business and mailing address is 200 South High Street, Wailuku, Maui, Hawaii 96793, hereinafter referred to as "Lessor", and the PAIA YOUTH COUNCIL, INC., a Hawaii nonprofit corporation, whose mailing address is Post Office Box 790999, Paia, Maui, Hawaii 96779, hereinafter referred to as "Lessee", and collectively referred to as the "Parties".

W I T N E S S E T H:

WHEREAS, the Lessor is the owner of those certain parcels of land that Lessee desires to lease.

WHEREAS, Lessee currently occupies and operates the site; and

WHEREAS, the County of Maui supports Lessee and hopes to assist Lessee by issuing this Lease so that Lessee may conduct its activities on the site; NOW, THEREFORE,

Lessor, for and in consideration of Lessee's covenants and agreements set forth herein, does hereby agree to grant a lease to Lessee and Lessee hereby accepts said lease on the terms and conditions set forth below:

A. Premises. The leased area comprises approximately 3.39 acres, containing the area identified as Tax Map Key Number (2)2-5-005:017(por.) and Tax Map Key Number (2)2-6-001:001(por.), more particularly described in Exhibit "A", attached hereto and by reference incorporated herein, hereinafter collectively referred to as the "Premises." The estimated yearly fair market rental value of the premises, effective March 19, 2020, is \$13,455.00, as determined by the Director of Finance.

B. Use of Premises. Lessee shall use the Premises to provide for a drop-in youth center for ages nine through eighteen, including a life skills program, a young adult mentoring program for alumni ages eighteen through twenty-one, a skate park for all

ages, a canoe hale for all ages, a hula halau for all ages, a movement arts center for all ages, and instruction in Hawaiian language for all ages. The use of the Premises for any other purpose shall require the prior written approval of Lessor, through its Director of the Department of Parks and Recreation ("Director").

C. Restrictions On Use. Lessee must provide, at a minimum, a fifteen-foot unencumbered access way, which shall include sufficient turning radius to allow large trucks or vehicles to maneuver from Hana Highway to the Paia Wastewater Pump Station entrance gates as shown on Exhibit "B" attached hereto. Access shall be available at all times of the day or night. Lessee shall erect "No Parking" signs in the area adjacent to the gate entrance to keep the area clear of obstructions. If Lessee paves the leased area surrounding the gate to the Paia Wastewater Pump Station, the pavement shall be striped and labeled "No Parking" in front of the gate entrance.

No structures or buildings shall be erected over the existing sewer lines and force mains. An area fifteen feet wide centered on said lines shall be free and clear of any structures, fences or building overhangs in order to allow for maintenance, rehabilitation or replacement of said lines.

Lessee shall provide designated pathways approved by the Director of Parks and Recreation for unlimited, safe public access

to the shoreline and surrounding areas of the Premises at all times.

D. Term. This Lease shall commence upon execution and expire upon the 30th day of April, 2071, unless sooner terminated as provided herein.

E. Rent. Lessor reserving and the Lessee yielding and paying to the Lessor the nominal rental amount of ONE and no/100 DOLLAR (\$1.00) per annum, the receipt and sufficiency of which is hereby acknowledged.

F. Maintenance. The Premises shall be maintained at all times in clean and usable condition for the term of this lease. This includes maintenance of all buildings, the skate park, and regular tree trimming. If the Director determines, in the Director's sole but reasonable discretion, that the Premises are not being properly maintained, the Director may transmit a written notice to Lessee outlining the request for maintenance. Failure to initiate a cure within thirty days and fully remedy said maintenance issue(s) within ninety days of receipt of written notice, to the reasonable satisfaction of the Director, shall be deemed a breach of this lease; provided, however, in the case of maintenance issue(s) that cannot be fully remedied within ninety days of receipt of written notice or where a cure cannot be initiated within thirty days of receipt of written notice, Lessee shall commence promptly to cure the maintenance issue(s) and thereafter diligently undertake the curing of said

maintenance issue(s) until said maintenance issue(s) are remedied to the reasonable satisfaction of the Director. The time within which the maintenance issue(s) may be cured may be extended for such period as may be deemed necessary by the Director to complete the curing thereof with diligence. Failure to cure said maintenance issue(s) to the reasonable satisfaction of the Director within the time frame set forth by the Director shall be deemed a breach of this lease.

G. Additional Covenants, Terms and Conditions. Additional covenants, terms and conditions of this Lease are set forth in Exhibits "C" and "D" attached hereto and by reference made a part hereof.

H. Parking lot. Lessee may have temporary, non-exclusive use of the Lower Paia Park parking lot adjacent to the Premises. Lessee shall not restrict the public's use of and access to the parking lot which serves Lower Paia Park, which is located adjacent to the Premises. Lessee shall have permanent parking adequate for program needs at the location within the lease boundaries, to be determined in the new building design, and which shall be for the exclusive use of the Paia Youth and Cultural Center. Lessee is solely responsible for the costs of planning, designing and construction of this parking lot.

I. Construction of new buildings by Lessee. In the event Lessee wishes to construct new or additional buildings, or renovate any existing structures on said premises, it shall first

obtain all required permits before commencing any such work. Lessee agrees to maintain all buildings and structures during the period of the lease. At the end of the lease term, any structures on said premises shall become the sole property of the Lessor.

J. Grant requirements. Within three (3) weeks after the end of the fiscal year, Lessee shall transmit to the Department of Parks and Recreation a report, using Exhibit "E", provided herewith, containing the following information for the quarter and for the fiscal year to date:

1. Program status summary;
2. Program data summary;
3. Summary of participant characteristics;
4. Changes in real property tax assessment for the real property;
5. Earnings from the grant of real property; and
6. Narrative report.

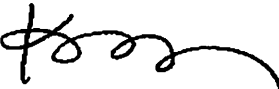
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IN WITNESS WHEREOF, the Parties hereto have caused these presents to be executed on the date set forth above.

LESSOR:

APPROVAL RECOMMENDED:

COUNTY OF MAUI



KARLA H. PETERS
Director of Department
of Parks and Recreation

By _____
MICHAEL P. VICTORINO
Its Mayor

APPROVED AS TO FORM
AND LEGALITY:


/s/ Mimi Desjardins

MIMI DESJARDINS
Deputy Corporation Counsel
County of Maui

By _____
SCOTT K. TERUYA
Its Director of Finance

LESSEE:

PAIA YOUTH COUNCIL, INC.

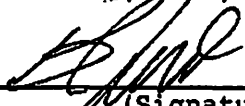
By 

(Signature)
Susan White

(Print Name)

Its Executive Director

(Title)

By 

(Signature)
Billy Talbot

(Print Name)

Its Board President

(Title)

STATE OF HAWAII)
)
COUNTY OF MAUI) SS.

On this _____ day of _____, 20____, before me personally appeared MICHAEL P. VICTORINO, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 7-5.11 and Section 9-18 of the Charter of the County of Maui; and the said MICHAEL P. VICTORINO acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Stamp or Seal]

Notary Public, State of Hawaii

Print Name: _____

My commission expires: _____

NOTARY PUBLIC CERTIFICATION	
Doc. Date: _____	# Pages: _____
Notary Name: _____	Judicial Circuit: _____
Doc. Description: _____	

[Stamp or Seal]	
Notary Signature: _____	
Date: _____	

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this _____ day of _____, 20____, before me appeared SCOTT K. TERUYA, to me personally known, who being by me duly sworn, did say that he is the Director of Finance of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Section 9-18 of the Charter of the County of Maui; and the said SCOTT K. TERUYA acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Stamp or Seal]

Notary Public, State of Hawaii

Print Name: _____

My commission expires: _____

NOTARY PUBLIC CERTIFICATION	
Doc. Date: _____	# Pages: _____
Notary Name: _____	Judicial Circuit: _____
Doc. Description: _____	

[Stamp or Seal]	
Notary Signature: _____	
Date: _____	

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 7th day of October, 2020, before me personally appeared Gusman White, 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[Stamp or Seal]

Notary Public, State of Hawaii

Print Name: Gerena L. Freitas

My commission expires: 9-28-2023


NOTARY PUBLIC CERTIFICATION		
Doc. Date:	Undated at time of notarization	# Pages: <u>29</u>
Notary Name:	<u>Gerena L. Freitas</u>	Judicial Circuit: <u>2nd</u>
Doc. Description: <u>Pala Vroth Council, Inc.</u> <u>Lease of County Recreational Space</u>		
Notary Signature: <u>[Signature]</u>		[Stamp or Seal] <u>L.S.</u>
Date: <u>10/7/2020</u>		


STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 7th day of October, 2020, before me personally appeared William Telly Sakart, 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

LS [Stamp or Seal]


Notary Public, State of Hawaii
Print Name: Serena L. Freitas
My commission expires: 9-28-2023

NOTARY PUBLIC CERTIFICATION		
Doc. Date:	Undated at time of notarization	# Pages: <u>29</u>
Notary Name:	<u>Serena L. Freitas</u>	Judicial Circuit: <u>2nd</u>
Doc. Description: <u>Pala Youth Council, Inc.</u>		
<u>Lease of Private County Recreational</u>		
<u>Space</u>		
Notary Signature: 		[Stamp or Seal] <u>LS</u>
Date: <u>10/7/2020</u>		

PAIA YOUTH COUNCIL, INC. LEASE AREA

Being a portion of Lot B of the Ulmer Lime Kiln Subdivision and being also a portion of the land deeded by the Board of Education to the Trustees of Oahu College dated January 30, 1860 recorded in Liber 12, Page 400, being a Lease Area for the Paia Youth Council, Inc.

Situated at Paia, Hamakuapoko, Makawao, Maui, Hawaii
TMK: (2) 2-5-005:017 portion & TMK: (2) 2-6-001:001 portion

Beginning at a 2-inch pipe (found) at the southeasterly corner of this Lease Area, being the southeasterly corner of a portion of the land deeded by the Board of Education to the Trustees of Oahu College dated January 30, 1860 recorded in Liber 12, Page 400 [TMK: (2) 2-6-001:001], being also the southwesterly corner of Executive Order No. 1199 [TMK: (2) 2-6-002:015], and being also a point on the northerly side of Puna Road (40-ft. wide) [TMK: (2) 2-5-005:017] the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUUNENE 2" being 5,948.08 feet north and 3,890.69 feet east and running by azimuths measured clockwise from true south; thence,

1. 111° 53' 25.71 feet along the northerly side of Puna Road (40-ft. wide) [TMK: (2) 2-5-005:017] to a Mag Nail (set) on A.C. pavement; thence,
2. Following along the same along a curve to the left with a radius of 974.93 feet, the direct azimuth and distance being,

108° 44' 34.5" 106.82 feet to a Mag Nail (set) on A.C. pavement;
3. 84° 30' 15.74 feet along the same to a 1/2-inch pipe (set);
4. 348° 55' 11.00 feet along the same to a Mag Nail (set) on A.C. pavement;
5. 73° 19' 31.40 feet along the same to a 1/2-inch pipe (set);
6. 351° 48' 4.91 feet along the same to a 1/2-inch pipe (set);
7. 81° 26' 10.42 feet along the same to a 3/4-inch pipe (found);
8. 12° 55' 2.45 feet along Lot B of the Ulmer Lime Kiln Subdivision [TMK: (2) 2-5-005:017] to a 1/2-inch pipe (set);
9. 66° 52' 80.24 feet along the same to a 1/2-inch pipe (set);
10. 336° 52' 28.11 feet along the same to a 1/2-inch pipe (set);
11. 246° 52' 31.42 feet along the same to a 1/2-inch pipe (set);
12. 336° 52' 87.50 feet along the same to a 1/2-inch pipe (set);

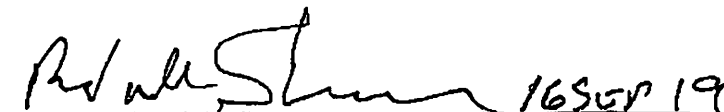
PAIA YOUTH COUNCIL, INC. LEASE AREA

TMK: (2) 2-5-005:017 portion & TMK: (2) 2-6-001:001 portion

Page 2 of 2

13. 66° 33' 210.00 feet along the same to a 1/2-inch pipe (set);
14. 156° 52' 154.43 feet along the same to a 1/2-inch pipe (set);
15. 78° 52' 30" 283.93 feet along the same to a 1/2-inch pipe (set);
16. 168° 58' 225.61 feet along Lot B of the Uliner Lime Kiln Subdivision [TMK: (2) 2-5-005:017] & Puna Road (40-ft. wide) [TMK: (2) 2-5-005:017] & a portion of the land deeded by the Board of Education to the Trustees of Oahu College dated January 30, 1860 recorded in Liber 12, Page 400 [TMK: (2) 2-6-001:001] to a 1/2-inch pipe (set);
17. 249° 52' 29.55 feet along a portion of the land deeded by the Board of Education to the Trustees of Oahu College dated January 30, 1860 recorded in Liber 12, Page 400 [TMK: (2) 2-6-001:001];
18. 256° 21' 131.44 feet along the same;
19. 352° 39' 74.54 feet along the same;
20. 266° 39' 287.07 feet along the same;
21. 178° 50' 65.40 feet along the same;
22. 293° 28' 31.10 feet along the same;
23. 266° 11' 282.55 feet along the same;
24. 2° 29' 169.40 feet along Executive Order No. 1199 [TMK: (2) 2-6-002:015] to the point of beginning and containing an area of 3.390 acres.

This description is based on an actual field survey and was prepared by me or under my direct supervision.

 16 SEP 19

Randall Sherman

Date

Licensed Professional Land Surveyor
State of Hawaii Certificate Number LS4187
License Expiration Date: April 30, 2020
Land Court Certificate Number 189



Valley Isle Surveyors, Inc.

P.O. Box 1001

Kihei, HI 96753

TEL: (808) 874-8066

EXHIBIT "A"

COPY

— current
— new

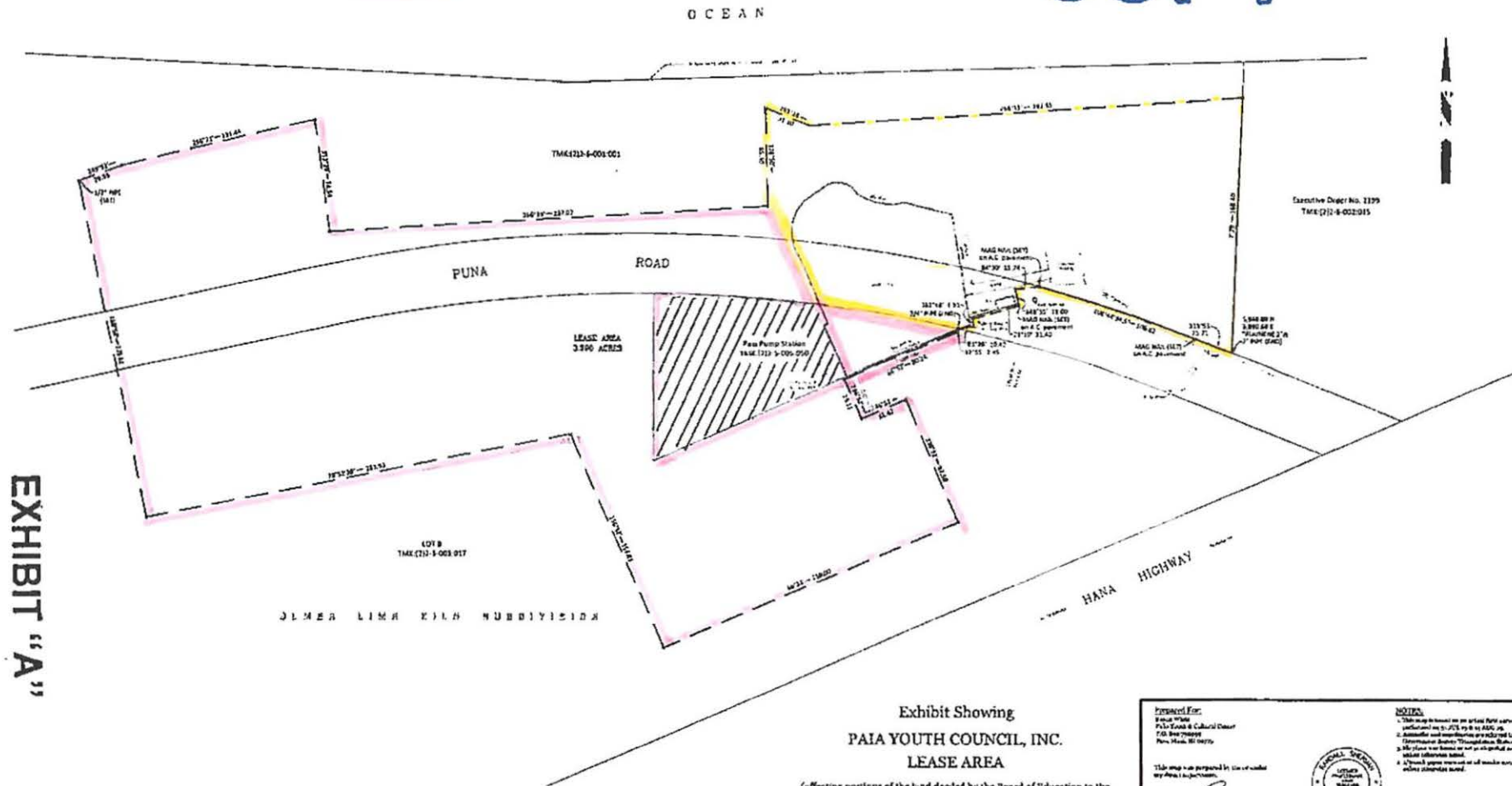


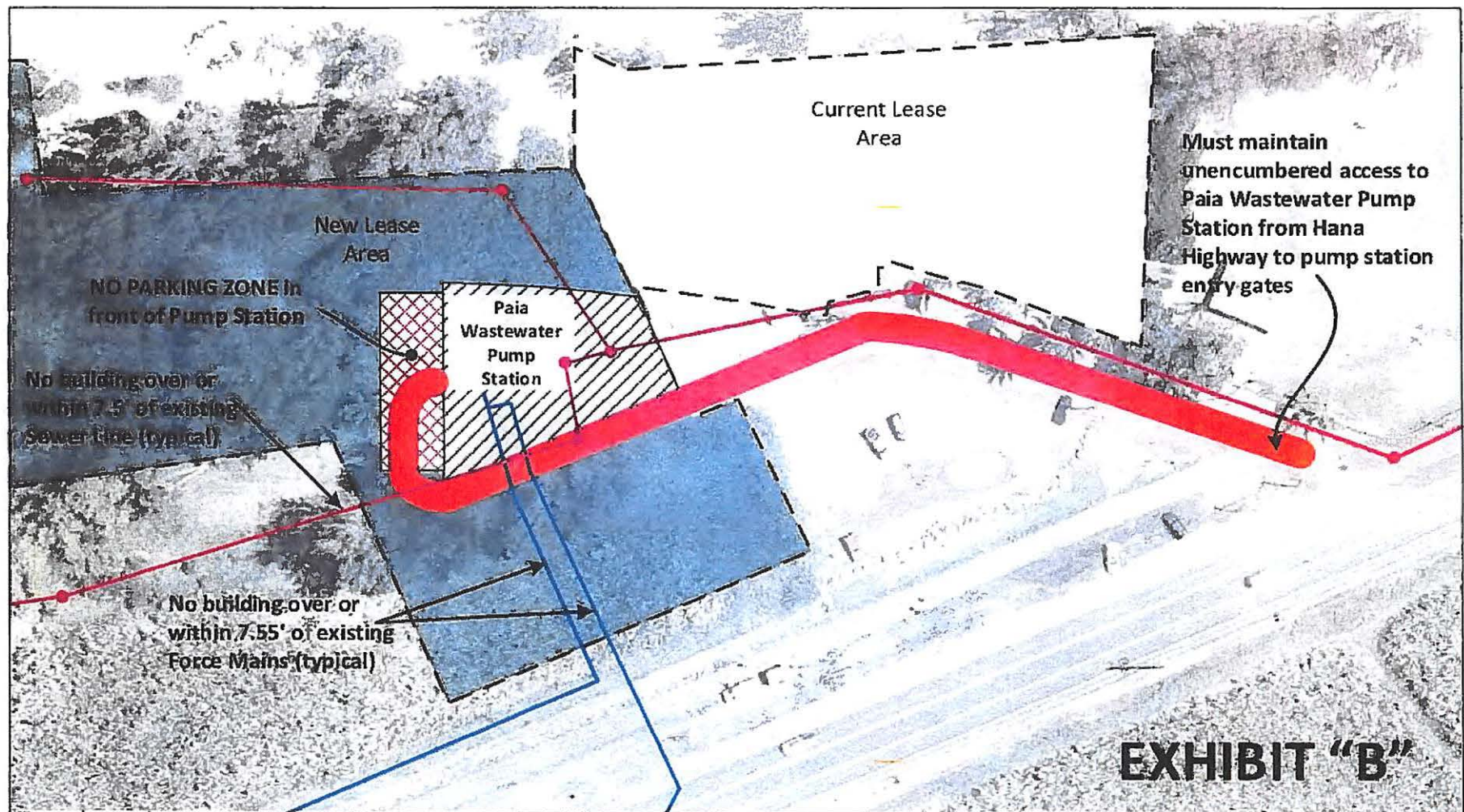
Exhibit Showing PAIA YOUTH COUNCIL, INC. LEASE AREA

(affecting portions of the land deeded by the Board of Education to the Trustees of Oahu College dated Jan. 30, 1890 recorded in Liber 11, Page 400 and Lot B of the Ulmer Line Kiln Subdivision)

Situated at
Paia, Hamakua, Maui, Hawaii

GRAPHIC SCALE: 1 inch = 20 feet

Prepared For: Paia Youth Council, Inc. 1101 S. Highway 1 Paia, Maui, HI 96779		NOTES: 1. This map is based on the original field notes and is not a survey. 2. The map is not a legal document and should not be used for legal purposes. 3. The map is not a legal document and should not be used for legal purposes. 4. The map is not a legal document and should not be used for legal purposes.
Prepared By: Randall Sherman Licensed Professional Land Surveyor State of Hawaii License No. 18490 Land Chief Certificate No. 18490		Surveyor's Seal: RANDALL SHERMAN LICENSED PROFESSIONAL LAND SURVEYOR STATE OF HAWAII 18490
JOB NO: 18490 DATE: 10/1/88 P.O. Box 1001 Paia, Maui, HI 96779	NAME: TITLES: PITE Valley Isle Surveyors, Inc. TEL: (808) 874-8844 FAX: (808) 874-8844	DATE: 10/1/88 TIME: 10:00 a.m. PLOT: 1001



STANDARD RESERVATIONS, COVENANTS, TERMS AND CONDITIONS

In consideration of the foregoing grant of a lease/license to the Lessee/Licensee, the Lessee/Licensee herein agrees to the following reservations, covenants, terms and conditions. In the event any of the following conflict with any reservation, covenant, term or condition contained in the BODY of the lease/license, the reservation, covenant, term or condition contained in said BODY shall prevail. All references to the lease, the lessee or the lessor shall include and be deemed to refer to the license, the licensee or the licensor, where applicable.

A) **RESERVATIONS.** Lessee understands and agrees that the foregoing lease is subject to Lessor's reservation of the following:

1. **Minerals and Waters.**

A. All minerals as hereinafter defined, in, on or under the Premises and the right, on Lessor's own behalf or through persons authorized by it, to prospect for, mine and remove such minerals and to occupy and use so much of the surface of the ground as may be required for all purposes reasonably extending to the mining and removal of such materials by any means whatsoever including strip mining. "Minerals" as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulphur, iron, titanium, gold, silver bauxite, bauxitic clay, dispore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and without limitation thereon all other mineral substances and ore deposits, whether solid, gaseous or liquid, including all geothermal resources, in, on, or under the land, fast or submerged; provided that "minerals" shall not include sand, gravel, rock or other material suitable for use and used in general construction in furtherance of Lessee's permitted activities on the Premises and not for sale to others.

B. All surface and ground water appurtenant to the demised land and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of the Premises as may be required in the exercise of this right reserved; provided, however, that as a condition precedent to the exercise by Lessor of the rights reserved in this paragraph, just compensation shall be paid to Lessee for any of Lessee's improvements taken.

2. **Prehistoric and Historic Remains.** All prehistoric and historic remains found on the Premises.

3. **Ownership of Fixed Improvements.** Lessor shall retain ownership of all improvements of whatever kind or nature, located on the land prior to or on the commencement date of this lease, excluding those improvements constructed during the term of this lease, provided that at the end of the lease term, any such improvements shall be the property of the Lessor.

B) **COVENANTS, TERMS AND CONDITIONS.** Lessee herein covenants and agrees with Lessor as follows:

Master revised 6/2020

1. Payment of Rent. That the Lessee shall pay said rent to the Lessor at the times, in the manner and form aforesaid in legal tender of the United States of America.

2. Taxes, Assessments, Etc. Lessee shall pay or cause to be paid, prior to delinquency, any taxes and assessments, of every description, as to said Premises, or any part thereof, including any improvements thereon; provided, however, that with respect to any assessment made under any betterment or improvement law which may be payable in installments, Lessee shall be required to pay only such installments, together with interest, as shall become due and payable during said term. Without limiting the generality of the foregoing, Lessees shall also be responsible for the payment of any Hawaii general excise tax (or successor tax) imposed upon the payment of all sums by Lessee under this Lease. Lessee shall remain current in payment of all taxes, rents, or other obligations to the United States, the State of Hawaii, or any of its political subdivisions, including the County of Maui.

3. Utility Services. Lessee shall pay, prior to delinquency, all charges for water, sewer, gas, electricity, telephone and other services or utilities used by Lessee on the Premises during the term of the Lease unless otherwise expressly agreed in writing by Lessor.

4. No Residential Use. Lessee, its agents, employees and invitees, shall not use the Premises as temporary or permanent residence. Lessee shall not permit or allow any person to live on the Premises.

5. Indemnification. Lessee shall indemnify and save Lessor harmless against and from any and all suits, claims, damages, judgments, costs and expense, including reasonable attorney's fees, arising from the Lessee's use of the Premises or arise from the construction of Lessee's improvements, from the failure of Lessee to observe and perform any of the covenants, obligations, rules, regulations, provisions, terms and conditions of this Lease, or from any act or negligence or omission to act of Lessee, its agents, contractors, servants, employees, concessionaires or licensees in or about the demised Premises or in any connection with this Lease. In case any action or proceeding be brought against Lessor (in addition to Lessee) by reason of any such claim, even though such claim be based on alleged fault of Lessor, Lessee agrees to pay the reasonable costs and expenses thereof, counsel fees and any judgments or settlement of claim secured against Lessee by reason of such action or proceeding unless Lessor is found to be grossly negligent or guilty of willful misconduct. The obligations of Lessee under this section shall survive the expiration or earlier termination of the Lease without limitation.

6. Costs of Litigation. In case Lessor, without any fault on its part, is made a party to any litigation commenced by or against Lessee (other than condemnation proceedings), Lessee shall pay all costs and expenses, including attorneys' fees, incurred by or imposed on Lessor. Lessee shall pay all costs and expenses, including attorneys, fees, which may be incurred by or paid by Lessor in enforcing the covenants, obligations, rules, regulations, provisions, terms and conditions of this Lease, in recovering

possession of the Premises, or in the collection of delinquent rental, taxes, and any and all other charges. The obligations of Lessee under this section shall survive the expiration or earlier termination of the Lease without limitation.

7. Assumption of Risk and Liability. Lessee, as a material part of the consideration to Lessor for this Lease, does hereby assume all risk of bodily injury, wrongful death and/or property damage, business interruption or economic loss occasioned by any accident, fire, or nuisance made or suffered on the Premises, and hereby waives any and all claims against the Lessor. All inventory, property, vehicles, approved improvements and equipment of Lessee shall be kept, placed or stored at the sole risk of Lessee, and Lessor shall not be responsible or liable for any damage thereto or loss or theft thereof, including subrogation claims by Lessee's insurance carriers.

8. Inspection of Premises. That the Lessee will permit the Lessor and its agents, at all reasonable times during the said term, to enter the Premises and examine the state of repair and condition thereof.

9. "As Is" Condition. Lessor has not made and shall not make, any representation or warranty, implied or otherwise, with respect to the condition of the premises, including but not limited to (a) any express or implied warranty of merchantability or fitness for any particular purpose or (b) any dangerous or defective conditions existing upon the premises, whether or not such conditions are known to Lessor or reasonably discoverable by Lessee. Lessee accepts the Premises in a completely "as is" condition, with full assumption of the risks, and consequences of such conditions.

10. Mortgage. Lessee may mortgage or create a security interest in the demised premises or any portion thereof with the prior written approval of the Director, provided that, in the case of default the leasehold interest may be foreclosed only by judicial action pursuant to Chapter 667, Hawaii Revised Statutes, and the leasehold interest shall be transferred to the purchaser by assignment of lease for the remainder of the lease term only.

11. Liens. Lessee shall not commit or suffer any act of neglect whereby the Premises, or any part thereof, or the estate of Lessee in the same, shall become subject to any attachment, judgment, lien, charge, or encumbrance (hereinafter collectively called "Lien"), whatsoever. In the event that any Lien shall attach to or encumber the Premises, or if an application for a Lien is filed in any court of competent jurisdiction, Lessee shall bond against or discharge the same within ten (10) days after written request by Lessor. Lessee shall indemnify and hold harmless the Lessor from and against all attachments, liens, charges and encumbrances and all expenses resulting therefrom, including attorney's fees.

12. Rules and Regulations. Lessor excepts and reserves the right, from time to time, to adopt reasonable rules and regulations pertaining to Lessee's use of the Premises, which rules and regulations shall be binding upon Lessee upon notice thereof to Lessee. For enforcement of such rules and regulations, if any, Lessor shall have all remedies in this Agreement and any other remedies allowed by law.

13. Alterations and Improvements. Lessee shall make no alterations to any structure on the Premises or construct any building or make any other improvements on the Premises without the prior written approval of the Director. Alterations or improvements on the Premises approved by the Director made by and paid for by Lessee, with the exception of fixtures which cannot be removed without damage to the Premises, shall, unless otherwise provided by written agreement between the Parties, be the property of Lessee.

14. Fixed Improvements. Lessee shall not at any time during the term construct, place, maintain or install on the premises any building, structure or improvement of any kind or description except with the prior written approval of Lessor and upon those conditions the Lessor may impose, including any adjustment of rent, unless otherwise provided in this Lease. All improvements of whatever kind or nature located on the Premises prior to, or on the commencement date of this Lease shall be, and at all times remain, the property of the Lessor.

15. Repair and Maintenance. Lessee will at its own expense and at all times during the term of this Lease, will substantially repair and maintain, and keep all improvements now or hereafter built or made on the Premises in good and safe repair, order and condition, reasonable wear and tear excepted. At the discretion of the Lessor, such repair and maintenance may include, but not be limited to, private and/or common area restroom facilities, and ground maintenance.

16. Breach. That time is of the essence of this agreement and if the Lessee shall fail to pay such rent or any part thereof at the times and in the manner aforesaid within thirty (30) days after delivery by the Lessor of a written notice of such breach or default, or if the Lessee shall become bankrupt, or shall abandon the said Premises, or if this lease and said Premises shall be attached or otherwise be taken by operation of law, or if any assignments be made of the Lessee's property for the benefit of creditors, or shall fail to observe and perform any of the covenants, terms and conditions herein contained and on its part to be observed and performed, and such failure shall continue for a period of more than thirty (30) days after delivery by the Lessor of a written notice of such breach or default, by personal service, registered mail or certified mail to the Lessee at its last known address and to each mortgagee or holder of record having a security interest in the Premises, the Lessor may at once re-enter the Premises or any part thereof, and upon or without such entry, at its option, terminate this lease without prejudice to any other remedy or right of action for arrears of rent or for any preceding or other breach of contract; and in the event of such termination, all buildings and improvements thereon shall remain and become the property of the Lessor; furthermore, Lessor shall retain all rent paid in advance as damages.

17. Funding of Improvements. The Lessee shall be solely responsible for the funding of its improvements, maintenance, and operation of the Premises and shall hold the Lessor and the State of Hawaii harmless from any and all claims whatsoever arising in connection with said activities.

18. Right to Enter. The Lessor and the agents or representatives thereof shall have the right to enter and cross any portion of said demised land for the purpose of performing any public or official duties; provided, however, in the exercise of such rights, the Lessor shall not interfere unreasonably with the Lessee or Lessee's use and enjoyment of the Premises.

19. Acceptance of Rent Not a Waiver. That the acceptance of rent by the Lessor shall not be deemed a waiver of any breach by the Lessee of any term, covenant or condition of this lease, nor of the Lessor's right to re-entry for breach of covenant, nor of the Lessor's right to declare and enforce a forfeiture for any such breach, and the failure of the Lessor to insist upon strict performance of any such term, covenant or condition, or to exercise any option herein conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any such term, covenant, condition or option.

20. Extension of Time. That notwithstanding any provision contained herein to the contrary, wherever applicable, the Lessor may for good cause shown, allow additional time beyond the time or times specified herein to the Lessee, in which to comply, observe and perform any of the terms, conditions and covenants contained herein; provided, however, that this provision shall not be construed to permit any extension of the initial term of this lease.

21. Justification of Sureties. Such bonds as may be required herein shall be supported by the obligation of a corporate surety organized for the purpose of being a surety and qualified to do business as such in the State of Hawaii, or by not less than two personal sureties, corporate or individual, for which justification shall be filed as provided in section 78-20, Hawaii Revised Statutes; provided, however, the Lessee may furnish a bond in like amount, conditioned as aforesaid, executed by it alone as obligor, if, in lieu of any surety or sureties, it shall also furnish and at all times thereafter keep and maintain on deposit with the Lessor security in certified checks, certificates of deposit (payable on demand or after such period as the Lessor may stipulate), bonds, stocks or other negotiable securities properly endorsed, or execute and deliver to said Lessor a deed or deeds of trust of real property, all of such character as shall be satisfactory to said Lessor and valued in the aggregate at not less than the principal amount of said bond. It is agreed that the value at which any securities may be accepted and at any time thereafter held by the Lessor under the foregoing provision shall be determined by the Lessor, and the Lessee may, with the approval of the Lessor, exchange other securities or money for any of the deposited securities or money and shall be at least equal in value to those withdrawn. It is further agreed that substitution of sureties or the substitution of a deposit of security for the obligation of a surety or sureties may be made by the Lessee, but only upon the written consent of the Lessor and that until such consent be granted, which shall be discretionary with the Lessor, no surety shall be released or relieved from any obligation hereunder.

22. Quiet Enjoyment. The Lessor hereby covenants and agrees with the Lessee that upon payment of said rent at the times and in the manner aforesaid and the observance and performance of the

covenants, terms and conditions hereof on the part of the Lessee to be observed and performed, the Lessee shall and may have, hold, possess and enjoy the Premises for the term hereby demised, without hinderance or interruption by the Lessor or any other person or persons lawfully claiming by, through or under it.

23. Non-Warranty. The Lessor does not warrant the Premises, any or all existing improvements on the Premises, or the condition of said improvements to be satisfactory or fit for any specific or particular purpose, the same being herein leased in its existing "as is" condition.

24. Sanitation. Lessee shall keep the Premises and improvements in a strictly clean, sanitary and orderly condition.

26. Assignability, Etc. Unless the prior written consent of Lessor and the State of Hawaii through its Board of Land and Natural Resources is obtained, Lessee shall not transfer, assign, sublet or permit any other person or entity to occupy or use the Premises or any portion thereof, or transfer or assign this lease or any interest therein, either voluntarily or by operation of law, and any such transfer or assignment so made shall be null and void.

25. Definitions. As used herein, unless clearly repugnant to the context:

A. "Lessee" shall mean and include the Lessee named herein, its heirs, devisees, personal representatives, successors or any permitted assigns, according to the context thereof.

B. "Lessor" shall mean and include the County of Maui, its officers, agents and assigns. Unless otherwise indicated, wherever the prior written consent or approval of the "Lessor" is required in this lease, such consent or approval shall include, but is not limited to, the consent or approval of the Mayor, the Director of Finance, and, where applicable, the Directors of Housing and Human Concerns, Parks and Recreation, or Economic Development.

C. "Premises" shall be deemed to include the land hereby demised and all buildings and improvements now or hereinafter constructed and installed thereon.

D. "Waste" shall be deemed to include, but not limited to:

1. Permitting the Premises or any portion thereof to become unduly eroded and/or failure to take proper precautions or make reasonable effort to prevent or correct same;

2. Permitting any material increase in weeds in uncultivated portions thereof; and

3. Failure to employ all of the usable portions of the Premises.

26. Waste and Unlawful, Improper or Offensive Use of Premises. Lessee shall not commit, suffer, or permit to be committed any waste or nuisance, or unlawful, improper or offensive use of the Premises, or any part thereof, nor, without the prior written consent of the Director, cut down, remove or destroy, or suffer to be cut down, removed or destroyed, any trees growing on the Premises at the commencement of this Lease, as well as any trees that are growing on the Premises during the duration of this Lease.

Lessee shall not allow the Premises to become unduly eroded or subject to any material increase in weeds or litter, and Lessee shall make reasonable efforts to prevent or correct same.

27. Hazardous Materials. Lessee shall at all times, at its own cost and expense, comply with all federal, state and local laws, ordinances, regulations and standards relating to the use, analysis, production storage, sale, disposal or transportation of any hazardous materials, including oil or petroleum products or their derivatives, solvents, PCB's, explosive substances, asbestos, radioactive materials or waste, and any other toxic, ignitable, reactive, corrosive, contaminating or polluting materials which are now or in the future subject to any governmental regulation (hereinafter collectively referred to as "hazardous substances"). Prior to commencing use of the Premises for any activity involving the storage, use, or distribution of (a) any hazardous substance, or (b) products or materials which (i) include any hazardous substance as a component and (ii) which, if an accident occurred, might result in the release or discharge of any hazardous substance, Lessee shall give written notice of such proposed use to Lessor. Such notice shall set forth (a) the proposed use and the hazardous substance involved, (b) a hazardous substance management plan describing the actions taken or proposed to be taken by Lessee to assure Lessee's compliance with the requirements of this Lease, and (c) evidence of insurance or other financial resources available to Lessee sufficient to assure Lessee's ability to comply with its obligations. Upon the expiration or earlier termination or revocation of this Lease, Lessee shall (a) cause all hazardous substances previously owned, stored, or used by Lessee to be removed from the Premises and disposed of in accordance with applicable provisions of law; (b) remove any storage tanks or containers installed or used by Lessee to store any hazardous substances and repair any damage caused by such removal; (c) cause any soil or other portion of the Premises which has become contaminated by any hazardous substances stored or used by Lessee to be decontaminated, detoxified or otherwise cleaned up in accordance with the requirements of cognizant governmental authorities; and (d) surrender possession of the Premises to Lessor free of the presence or effects of any hazardous substances generated or used by Lessee in, on, or about the Premises during the term of this Lease. Lessee shall indemnify and hold harmless Lessor from and against any and all claims relating to hazardous materials arising from this Lease. The obligations of Lessee under this section shall survive the expiration or earlier termination of the Lease without limitation.

28. Rights of Way and Easements. Lessor reserves the right to issue rights of way and easements for lines, transmission facilities and appurtenances for utilities, electricity, gas, telephone, pipes, water, sewers, drainage, flowage, and any other purposes, whatsoever, without limitation, including the right to enter to construct, reconstruct, operate and maintain such facilities; provided that all such reserved rights shall be reasonably exercised so as to cause the least practicable interference with Lessee's operations; provided further, that, in any such event, any improvements made by Lessee which were damaged as a

result of such entry shall be restored to a condition as near as practicable prior to such entry. Lessor further reserves the right to authorize public access over, across, under and through the Premises.

29. Access to Information. Lessee shall provide Lessor with access to Lessee's books, records, assets, facilities, and all other information relative to the use of the Premises, as deemed necessary in the judgment of Lessor.

30. Liability Insurance, Required Coverage. Lessee shall obtain, pay for, and keep in force throughout the period of this Lease comprehensive liability insurance issued by an insurance company (the "Carrier") authorized to do business in the State of Hawaii (an "Admitted Carrier"), or by a company not authorized to do business in the State of Hawaii (a "Non-Admitted Carrier") only through a general insurance agent or broker licensed in the State of Hawaii. The Carrier shall be rated no less than "A-" as established by "AM Best" or "Standard and Poor" ratings.

The insurance policy, as evidenced by issuance of a "Policy Endorsement", shall name Lessor and its officers, employees and agents as "Additional Named Insured", and shall include a duty to defend Lessor and its officers, employees and agents against any loss, liability, claims, and demands for injury or damage, including but limited to, claims for property damage, personal injury, or wrongful death, arising out of, or in connection with Lessee's actions and/or use of Premises.

Unless otherwise agreed to through the joint decision and discretion of the Director of the Department of Finance and the Director, the insurance policy shall contain the following minimum requirements:

- 1) No less than a Combined Single Limit ("CSL") of liability coverage of \$1,000,000;
- 2) No erosion of limit by payment of defense costs; and
- 3) Minimum annual aggregate limit of \$2,000,000.

Prior to or upon the execution of this Agreement, Lessee shall furnish the Lessor with a copy of the insurance policy certificate together with the required endorsements verifying such insurance coverage. If the scheduled expiration date of a current insurance policy is sooner than the specified termination date of this Lease, the Lessee shall, upon renewal of the insurance policy, provide the County with a copy of the renewed insurance policy certificate together with the required endorsements.

Unless waived by Lessor, the insurance policy shall expressly state that the coverage provided under such policy shall not be cancelled or terminated, unless the Carrier has first given Lessor thirty (30) calendar days prior written notice of the intended cancellation or termination.

If at any time, and from time to time, a higher limit or other requirements shall be deemed appropriate, customary, or necessary, in the reasonable discretion of the Director, Lessee shall obtain and maintain such coverage.

31. Property Insurance. Lessee shall, unless otherwise agreed to through the joint decision and discretion of the Director

of the Department of Finance and the Director, procure and, during the entire term of this Lease, keep in force and effect special form property insurance covering all of Lessee's leasehold improvements, trade fixtures, inventory, equipment and personal property from time to time in, on or upon the Premises, in an amount less than the full replacement cost thereof without deduction for depreciation, providing protection against all risks of loss not otherwise excluded for the Premises, together with insurance against sprinkler damage, vandalism, and malicious mischief, including demolition and debris removal and extended coverage, hurricane/wind coverage, and with inflation guard endorsement, if available in any insurance company qualified to do business in the State of Hawaii and shall, from time to time, deposit promptly with Lessor the policy and premium receipts therefor or a current certificate that such insurance is in full force and effect and shall not be cancelled without written notice to Lessor sixty (60) days prior to the effective date of such cancellation. All such policies shall be made payable to Lessor and Lessee as their interests may appear (it being understood and agreed that Lessor's interest shall be limited to permanent fixtures and other installations which are not removable by Lessee upon the termination of this Lease), and shall provide for a deductible of not more than \$5,000.00. All policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate in accordance with the provisions of this Lease.

32. Fire Insurance. Lessee shall, unless otherwise agreed to through the joint decision and discretion of the Director of the Department of Finance and the Director, procure, at its own cost and expense, and maintain during the period of this Lease, a policy or policies of fire insurance, on all buildings and improvements on the Premises, against loss or damage by fire in an amount equal to one hundred percent (100%) of the replacement value of the Premises as established by the insurance appraiser and as approved by the Director of Finance, and shall pay premiums thereon at the time and

place the same are payable. The policy or policies of insurance shall be made payable in the case of loss to the County of Maui, as its interest may appear, and shall be deposited with the County. Any proceeds derived therefrom in the event of total or partial loss shall be immediately available to, and as soon as reasonably possible be used by Lessee for rebuilding, repairing, or otherwise reinstating the same buildings in a good and substantial manner according to the plans and specifications approved in writing by the County; provided, however that with the approval of the County, Lessee may surrender this Lease and Lessee shall then receive that portion of said proceeds which constitute the proportionate value of permanent improvements made by Lessee, if any, in relation to the unexpired term of this Lease and useful life of the improvements at the time of the loss, if any, with the County retaining the remaining proceeds of said proceeds.

33. Condemnation. If at any time during the term of this Lease any portion of the leased Premises should be condemned or required for public purposes by the State of Hawaii or the United States, Lessee shall be entitled to receive from the condemning

authority the proportionate value of Lessee's permanent improvements so taken in the proportion that it bears to the unexpired term of this Lease; provided that Lessee may, in the alternative, remove and relocate Lessee's improvements to the remainder of the Premises occupied by Lessee. Lessee shall not by reason of the condemnation be entitled to any claim against Lessor for condemnation or indemnity for its interest in this Lease and all compensation payable or to be paid for or on account of this Lease by reason of the condemnation, except as aforesaid as to Lessee's improvements, shall be payable to and be the sole property of Lessor. Where the portion taken renders the remainder unsuitable for the use or uses for which the land was leased, Lessee shall have the option to surrender this Lease and be discharged and relieved from any further liability therefor; provided that Lessee may remove the permanent improvements constructed, erected and placed by it within such reasonable period as may be allowed by Lessor. The foregoing right of Lessor shall not be exclusive of any other to which Lessor may be entitled by law.

35. Lessor's Lien. Lessor shall have a lien on all the buildings and improvements placed on the Premises by Lessee, on all property kept or used on the Premises, whether the same is exempt from execution or not, and on the premises, whether the same is exempt from execution or not, and on the rents of all improvements and buildings situated on the Premises for all costs, attorney's fees, rent reserved, taxes, and assessments paid by Lessor on behalf of Lessee and for the payment of all money as provided in this Lease to be paid by Lessee, and such lien shall continue until the amounts are paid.

36. Lessee's Right to Terminate. If Lessee is not in default of the terms of this Lease to be observed and performed, Lessee may terminate this Lease by giving Lessor at least sixty (60) days prior written notice of such termination.

37. Surrender of Premises. At the expiration, revocation, cancellation or termination of this Lease, Lessee shall peaceably surrender the Premises, together with all improvements existing or constructed thereon, unless provided otherwise. On or before the last day of the term or the sooner termination thereof, Lessee, if not then in default, shall remove all trade fixtures, operating equipment and other personal property of Lessee from the Premises and repair any damage occasioned by any such removal. Property not so removed shall be deemed abandoned by Lessee.

38. Termination. If Lessee becomes bankrupt, dissolves, becomes inactive, or abandons the leased Premises for a period of four (4) consecutive months, or if this Lease and the leased Premises shall be attached or otherwise taken by operation of law, or if any assignment be made of Lessee's property for the benefit of creditors, or shall fail to observe and perform any of the covenants, obligations, rules, regulations, provisions, terms and conditions, and such failure shall continue for a period of more than thirty (30) days after delivery by Lessor of a written notice of such breach or default, by personal service, registered mail or certified mail to Lessee at Lessee's last known address, all rights granted hereunder to Lessee shall cease and this Lease shall terminate without prejudice to any other remedy or right of action for arrears of rent or damages

or for any preceding or other breach or contract; and in the event of such termination, all buildings and improvements there on shall remain and become the property of Lessor, subject to any valid mortgages against the property.

39. Covenant Against Discrimination. The use and enjoyment of the Premises shall not be in support of any policy which discriminates against anyone based upon race, sex, sexual orientation, age, religion, color, ancestry, national origin, disability, marital status, arrest and court record, assignment of income for child support obligations and National Guard participation.

40. ADA Compliance. Lessor makes no representations or warranties, express or implied, as to the Premises or any existing improvements thereon, regarding compliance with the Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. §§12101-12213 (2000). Lessee shall be responsible for complying with the ADA and Lessee shall defend, indemnify and hold harmless Lessor against any and all claims regarding non-compliance with any requirement of the ADA. All costs relating to any required improvements or modifications to the Premises, and any existing improvements thereon, shall be borne by Lessee. Notwithstanding any other provision of this Lease to the contrary, any improvements to the Premises constructed by Lessee shall be in compliance with the ADA.

41. Compliance with Laws. Lessee shall comply with all federal, state, and county laws pertaining to the Premises and activities conducted on the Premises, now in force or which may hereinafter be in force.

42. Interpretation Under Hawaii Law. This Lease is made and entered into in the State of Hawaii, and shall in all respects be interpreted, enforced, and governed under the laws of the State of Hawaii.

43. Gender. The use of any gender shall include all genders, and if there be more than one Lessee or Lessor, then all words used in the singular shall extend to and include the plural.

44. Paragraph Headings. The paragraph headings throughout this lease are for the convenience of Lessor and Lessee and are not intended to construe the intent or meaning of any of the provisions thereof.

45. Time of the Essence. Time is of the essence of this Lease and all of the terms, provisions, covenants, and conditions hereof.

46. Notices. All notices or demands that are required or may be given under this Lease by one party to another party, or that are required by law, shall be in writing and shall be deemed to have been validly given or served in the following manner: (a) by delivery to the intended addressee; or (b) by depositing the notice with a reputable private courier service for next business day delivery to the intended recipient at its address set forth on the first page of this Lease or at such other address as a party shall have designated for such purpose by notice to the other party or parties; or (c) by depositing the notice with the United States Postal Service for delivery, postage prepaid, registered or certified mail, return receipt requested, to the intended recipient at its address set forth

on the first page of this Lease or at such other address as a party shall have designated for such purpose by notice to the other party or parties.

A notice shall be deemed received upon personal delivery to the designated address or three days after being deposited with a private courier service or with the United States Postal Service as described, supra. Rejection of or refusal to accept a notice or the inability to give notice because a notice of a change in address was not given as required by this Paragraph shall be deemed to be receipt of the notice sent when tendered as provided by this Paragraph.

If a party has designated an agent for service of process, notice to the agent shall conclusively be deemed service on the party. A party shall have the right from time to time to change its address for receipt of notice and to specify any other address within the United States of America by giving written notice of the change in address to the other party or parties at least fifteen (15) days in advance. A notice of change of address is effective under this Lease only when actually received.

47. Assistance of Legal Counsel. The Parties represent and certify to each other that they have been advised to seek the advice of legal counsel and have done so. The Parties have carefully read and fully understand all of the provisions of this Lease, and have thoroughly discussed all aspects of this Lease with their respective counsel. The parties are voluntarily entering into this Lease and no party or its agents, representatives, or attorneys have made any representations concerning the terms or effects of this Lease other than those contained herein.

**GENERAL CONDITIONS FOR GRANT OF LEASE
TO OCCUPY COUNTY REAL PROPERTY**

In the consideration of a grant of lease to occupy County real property, the Grantee shall:

1. Not discriminate either in the hiring of staff, use of volunteers, or delivery of client services on the basis of sex, sexual orientation, national origin, age, race, color, religion or handicap;
2. Comply with all provisions of the rules and regulations relating to Chapter 3.36 of the Maui County Code, as amended;
3. Provide written reports on forms specified by the Grantor to provide adequate monitoring of Grantee's use of the leased premises, to the Department of Parks and Recreation, as required by Chapter 3.36 of the Maui County Code, as amended;
4. Implement a system of accounting in conformance with generally accepted accounting practices in order to insure the effective administration of the grant. Such accounts shall be kept separate from other financial management accounts of the Grantee;
5. The County has the right to audit Grantee to determine compliance with the terms of the grant agreement. Grantee will cooperate fully and assist the County in such audit.
6. Comply with all terms and conditions as specified in the lease document.
7. In the event the grantee fails to adhere to any of the conditions listed here, the County may terminate the lease.

EXHIBIT "D"



DEPARTMENT OF PARKS AND RECREATION

700 Hali'a Nakoa Street, Unit 2, Wailuku, Hawaii 96793

ANNUAL REAL PROPERTY GRANT REPORT

Report Period: Fiscal Year July 1, 2020 - June 30, 2021

ORGANIZATION: _____

Tax Map Key Number(s): _____

Department of Parks and Recreation's Mission: The purpose of the Department of Parks and Recreation is to provide safe, satisfying and cost-effective recreational opportunities for the residents of and visitors to Maui County.

INSTRUCTIONS

Provide a narrative response to each question below for each quarter and fiscal year.

I. Program Data/Status Summary

- a. List each program goal/benchmark for the leased/licensed site and how it contributes towards the Parks Department's mission (noted above).
- b. What objectives/action steps were completed this fiscal year for each goal?
- c. What measurable outcomes were achieved this fiscal year?
- d. Were your organization's programs/activities open to the public? If so, how were they promoted to residents and visitors?
- e. Give actual number of people attended at activities, programs and events on property for each quarter of the fiscal year.
- f. What objectives/actions steps will be accomplished during the next fiscal year?

II. Narrative Report

- a. What program challenges occurred this fiscal year and how were they addressed and/or resolved?
- b. Describe any staff changes in your organization.
- c. Were there any fundraising activities on leased/licensed property? If so, please indicate how many, type of activity, primary beneficiary of the fundraising, and how your organization participated and benefited from the activity.
- d. Describe improvements on the property, its condition, and your risk evaluation program. How often are site inspections done and by who?
- e. Disclosure of any organizational conflict of interest and criminal violations.
- f. Were audits done this fiscal year? When is the next audit planned for your organization?

Please submit the following information with this report:

- a. Board of Directors' Minutes.
- b. Updated list of Board of Directors
- c. Financial status report including but not limited to the total revenue generated on the property leased/licensed.
- d. Update Tenant Contact Information Form.
- e. Current Liability Insurance Certificate naming the County of Maui as additional insured.

Report Prepared by: _____
Print Name/Title Signature Date

MICHAEL P. VICTORINO
Mayor

SCOTT K. TERUYA
Director

MAY-ANNE A. ALIBIN
Deputy Director

MARCY L. MARTIN
Administrator

GERY MADRIAGA
Assistant Administrator



COUNTY OF MAUI
DEPARTMENT OF FINANCE
REAL PROPERTY ASSESSMENT DIVISION

70 E. KAAHUMANU AVENUE, SUITE A-16
KAHULUI, HI 96732-2196
Assessment: (808) 270-7297 | Fax: (808) 270-7884
www.mauipropertytax.com

DATE: 3/19/20

MEMO TO: Karla H. Peters, Director of Parks & Recreation

FROM: Marcy Martin, AAS Real Property Tax Administrator, Department of Finance *M*

SUBJECT: Request for rental estimate for
Description: Paia Youth Concil, Inc.
TMK: 2-5-005-017-0000 (por) & 2-6-001-001-0000 (por)
Request dated: March 11, 2020

The assessed value for the 2020 assessment year is: \$205,160 (2-5-005-017) and \$55,601 (2-6-001-001) Total assessed value: \$260,761

The assessed value of the subject property was estimated using standardized mass appraisal techniques for real property tax purposes.

The capitalization rates used for the rent estimate are from the Appraisal Institute Economic Indicators Q4 2018 (see below):

Office 5.44%
Warehouse 4.56%
Residential/Apartment 5.16%
Vacant land (residential) 5.16%

The estimated annual rent is calculated by multiplying the assessed value by the above referenced capitalization rate.

The annual rent estimate for the above mentioned property is \$ 10,586 (2-5-005-017) & 2,869 (2-6-001-001) for a total rent estimate of \$13,455

Economic Indicators | PwC Real Estate Investor Survey, Q4 2018

	Regional Mall		CBD Office		Warehouse		Apartment	
	Q4 2018	Q3 2018	Q4 2018	Q3 2018	Q4 2018	Q3 2018	Q4 2018	Q3 2018
Discount Rate (IRR)^a								
Range (%)	5.00 – 11.00	5.00 – 11.50	5.25 – 9.00	5.25 – 9.00	5.25 – 9.00	5.25 – 9.00	5.25 – 10.00	5.25 – 10.00
Average (%)	7.33	7.55	6.89	6.89	6.33	6.38	7.15	7.20
Change (bps)		-22		0		-5		-5
Overall Cap Rate (OAR)^a								
Range (%)	4.00 – 9.00	4.00 – 10.00	3.00 – 7.50	3.00 – 7.50	1.00 – 6.50	1.50 – 6.25	3.50 – 8.50	3.50 – 8.50
Average (%)	6.23	6.30	5.44	5.44	4.56	4.62	5.16	5.23
Change (bps)		-7		0		-6		-7
Residual Cap Rate								
Range (%)	4.25 – 10.00	4.25 – 10.00	4.50 – 8.50	4.50 – 8.50	4.50 – 6.75	4.50 – 7.25	4.00 – 8.50	4.00 – 8.50
Average (%)	6.58	6.80	6.02	6.11	5.51	5.64	5.53	5.57
Change (bps)		-22		-9		-13		-4

^aRate on unleveraged, all-cash transactions. Definitions: bps -- basis points. Discount Rate (IRR) -- Internal rate of return in an all-cash transaction, based on annual year end compounding. Overall Cap Rate (OAR) -- Initial rate of return in an all-cash transaction. Residual Cap Rate -- overall capitalization rate used in calculation of residual price; typically applied to the NOI in the year following the forecast. Survey involves institutional-grade properties. Source: PwC Real Estate Investor Survey; Personal survey conducted by PwC during October 2018. For subscription information, please email us-pwcsurvey@pwc.com.



COUNTY OF MAUI
DEPARTMENT OF PARKS AND RECREATION

REQUEST FOR AMENDMENT TO MAUI COUNTY
GRANT OF REAL PROPERTY

APPLICANT

Legal Name of Organization: Pa`ia Youth Council, Inc.
dba Pa`ia Youth & Cultural Center
Address: PO Box 790999, 65 Puna Road
Paia, HI. 96779
Director/Manager: Susun White
Phone: (808) 264-6161 Fax: (808) 579-8354
Organization President: Billy Jalbert
Email: *billy@mauirealestate.com* Phone: (808) 283-6377 Fax: none
Contact Person (Grant Writer): Susun White
Email: *admin@pxcmaui.org* Title: Ex Director Phone: (808) 264-6161
Total annual budget of organization: \$ 675,000
Has the applicant applied for funds from the County of Maui this fiscal year?
☒ Yes Source: Department of Housing & Human Concerns ☐ No
Term of Existing Lease/License: April 16, 2016 - April 30, 2051

TYPE OF AMENDMENT(S) REQUESTED: ☒ Increase/decrease area of leased property

☒ Term extension [Requested extension of term or lease/license: 50 Years] Annual Fee Requested

☐ Other [Describe: _____]

DESCRIPTION OF PROPERTY: TMK:

Please provide the Tax Map Key Number, Address (if available), Metes & Bounds description (if available) and area (i.e. ___ sq. ft., ___ acres) of real estate for which lease/license is being requested.

Please provide a Tax Map, available online at <http://www.co.maui.hi.us/index.asp?NID=757>

In one (1) sentence, DESCRIBE THE INTENDED USAGE of the facility/site for which the lease/license is being requested.

1. Provide a description of the nature and purpose of the agency requesting the lease or license to occupy including:

a. Goals and Objectives of the Organization

Pa'ia Youth Council, Inc. through the operation of the Pa'ia Youth & Cultural Center, strives to provide a balance of social, educational, cultural, vocational, and recreational experiences for the youth of Pa'ia and surrounding communities. Our mission is to build community through our youth.

Our program goals are: to keep open and maintain a safe and nurturing drop-in center where young people can socialize, play, learn and participate in program activities; to provide a variety of social and cultural, recreational, vocational, and educationally rich experiences to our members; to develop a wider membership base through intensive community-based outreach that may result in a decrease in illegal youth activity and increased family involvement, and to provide "high-risk" youth with an opportunity to improve in an inclusive and caring environment.

We focus evaluation on the following outcome areas: 1) an increase in health and physical capacity of youth. 2) An increase in personal and social competencies of youth. 3) An increase in youth's knowledge, reasoning and creative capacities towards responsible decision-making. 4) An increase in vocational skills and opportunities for youth. 5) An increase in involvement of youth in community projects. 6) A reduction in acts of delinquency. 7) An increase in successful connections between youth/families and appropriate services.

Our organization goal is to become self-sufficient and self-sustaining. This means we strive to not be dependent on government sources of funding.

b. Population clientele served:

We primarily serve youth from the ages of 9 to 18 years old through the operation of our drop-in center and our life skills programs. Additionally, we have a young adult mentoring program for alumni ages 19 through 21, and a skate park for all ages.

We also provide many other services to the benefit of the community. Due to our beachside, entry to Pa'ia Town location, we are often the first to hear about crime and community problems and needs, thus oftentimes we provide essential communications in line with the fire and police departments. We act as a network of support for families during difficult times many that are our homeless and transient neighbors. We have actively lobbied for improvements to the Maui County Park "Baby Park" that neighbors the PYCC. The PYCC did the dune restoration for the park (design and implementation), submitted a future design to the Department of Parks and Recreation for improvements to the park with the PYCC leading the efforts, and have also painted murals and provided maintenance of the murals on the exterior walls of the County restrooms in the park for the last 4 years without cost to Maui County.

Many of our alumni members remain active at PYCC some now bringing their own children to the PYCC. Our greatest achievement is that we have managed to remain youth-directed and community-based.

c. Services provided (including numbers served):

Our annual PYCC youth membership from the ages of 9-18 years old averages 500 youth; memberships are renewed every July 1st. Approximately 211 of our overall membership attends the PYCC at least one day per week. We consider this our "core" membership. Our daily average is 75-100 youth per day (fluctuation is seasonal).

Note: the impact of Covid -19 numbers has reduced these numbers.

The StoneWave Skate Park serves (people who actually skate) approximately 75 youth weekly (duplicated) from 1- 8 years old and 100 youth (duplicated) 9 -18 years old and 50 (duplicated) adults 18 years and older and annually a minimum of 600 tourists. The skate park attracts weekly, at a minimum at least 150 (duplicated) spectators (parents, guardians and visitors who do not skate.)

PYCC's primary strategy is to offer to youth a diverse range of activities with a low staff to youth ratio to ensure program quality and provide/allow for a mentoring relationship. What makes the PYCC highly unique is that youth become members at age 9 years old and are literally pushed out at 19 years old. During these years most youth are involved in all five components of the Life Skills Program, have a solid connection with a PYCC staff mentor, and when they reach the age of maturity leave the doors well-rounded community minded adults. Members earn PYCC points for good behavior and random acts of Aloha. Points are traded for a meal at the Pa`ia Bay Café, and/or to skate.

The PYCC drop-in program is open Tuesday, Wednesday, Thursday and Saturday from 11am-7pm and Fridays from 11am to 9pm. The skate park is open Tuesday and Wednesday from 3pm to 7pm and Thursday to Saturday from 3pm to 9pm. Daily activities include basic recreation (sports, ocean activities and games), art, and computer access. Homework assistance is offered Tuesday to Friday, but is also available on Saturday. Note: the impact of Covid -19 numbers has reduced these hours.

The basic recreation program includes a health fitness component where youth are challenged weekly to increase their skill or fitness level in a variety of ways. These challenges have become very popular with many PYCC members; youth are also involved in choosing and creating the challenges to test the fitness skills.

The Life Skills Program includes the following five components:

Pa`ia Bay Café- Daily there is a cooking class that includes menu planning including nutritional elements, shopping for food, preparation and serving of meal. Youth also take field trips to local organic farms to learn about actual growing of food, meat processing and dairy. We charge \$2.00 per meal in the Paia Bay Café- this is open to only members and members' families. Youth can *pay* for meals through points earned at the PYCC for community service, good behavior and ransom acts of aloha or for helping to prepare the meal. All of this revenue goes back to support the program and is classed as *program service revenue* (an accounting term).

Hekili Multimedia Lab- Open 4 days a week and includes learning social media skills, video production, photography, web design, software applications, and music recording.

KOPO RadiOpio- Open daily. Youth learn how to express themselves while connecting to the community-at-large, The experience for youth is transformational.

StoneWave Skate Park Operations- Open daily. Youth learn actual business operations, including retail sales, facility repair and maintenance, events management and fundraising.

Malama Pono Project Venture (MPPV)- A certified youth leadership best practice

program. It is conducted 3 times weekly offering experiential outdoor adventures that challenge each youth individually to progress in skill levels.

d. Sources of funding/support for the organization's services and activities:

The Pa'ia Youth & Cultural Center is funded by grants from Maui County, the State of Hawaii, Office of Youth Services, multiple private foundations, community donations, program service revenue, and various fundraisers.

e. Administrative /management structure:

PYCC consists of a board of directors, administrative staff and program staff (both payroll and contracted), and youth and community volunteers. PYCC strives to be youth directed; indeed, the success of PYCC is contingent upon this. Youth determine content of activities and provide constant input to be considered and incorporated by the staff and the executive director. PYCC has a volunteer orientation process that screens potential volunteers and places them effectively. Volunteers have assisted youth with radio projects; helped to operate the skate park, and donated time teaching art, assisting with homework, cooking and doing grounds maintenance.

Requirements for employment: All employees are required to have a college degree and have previous experience working with youth. Multiple years of experience may be substituted for education requirements. All staff must have writing skills, be computer literate, have reliable transportation and proof of auto insurance, and be CPR and first aid trained. Any employee who takes youth on outings to the beach or waterfall pools must have lifeguard certification. All employees are trained in running the Drop-in Program. All employees are required to pass FBI Clearance and background clearance by the State of Hawaii DHS, Child Welfare Division Branch.

Staffing Patterns:

Executive Director: Overall authority of PYCC, responsible for basic administration, program direction and development, director of site and buildings, personnel management and records, in-service trainings. Responsible for the administration of all grants and contracts, government and private foundation relations; all financial management including agency and program budgets, insurance requirements, and assisting board of directors with future development.

Data Base & PR Coordinator: Responsible for all data entry, membership forms, assisting with quarterly reports, monthly program calendar, outreach coordinator, director of all PR including Web, and IT needs,

Drop-in Program Specialists: Assists the Executive Director in the delivery of all aspects of the PYCC drop-in program. This includes scheduled hosting of the drop-in program which includes youth membership intake, data processing, volunteer membership intake, acting as the frontline person for all visitors or telephone calls to the youth center, maintenance of the drop-in hosting station, coordination of daily recreational activities for youth members, coordination of court-ordered community service workers and coordination of van maintenance. Has primary responsibility of all aspects of drop-in program including serving as the House Host.

Skate Park Director: Responsible for all aspects of the Stone Wave Skate Park, including administration and directing the youth skate operations and skate club programs.

Pa'ia Bay Café Manager: Responsible for all business and program components of PBC including providing cooking classes and nutritional health education.

Hekili Multi Media Lab Program Director: The primary responsibility is to expose youth and the North Shore Maui community (and by example, the island as a whole) to media and to teach the youth various forms of media as well as to teach the social responsibility in producing media and engaging in social media.

KOPO Youth Radio Program Director: Directs KOPO youth radio and is responsible for all aspects of the operation of KOPO radio.

Malama Pono Project Venture Program Specialist: Provide experiential growth opportunities for youth with fidelity to the evidenced based Native Indian Youth Leadership Program titled Project Venture. Assist Executive Director and other PYCC staff to incorporate the tenets of the NIYLP Project Venture Program into PYCC activities. Activities focus on the physical, mental and emotional well-being of youth participants to build self-confidence, appropriate socializing skills, fair play/good sportsmanship, and responsible problem-solving skills.

Maui Hero Project Program Director: Directs the Maui Hero Project program. Activities are culturally based and focus on basic survival and rescue skills.

2. Please explain the intended usage of the facility (or site) for which the lease/license-to-occupy is being requested. Include information about:

a. The specific uses(s)/activities to be conducted at the facility /site:

The site has been the home of the Pa'ia Youth & Cultural Center (PYCC) and was for 21 years under a license agreement with A&B Properties. We will continue to conduct the PYCC programs for youth in the cane house located on the site that was renovated in the mid-nineties by the PYCC and maintained since by the PYCC. The PYCC has a minimum of \$300,000 invested in this building (not including Maui County funds). Due to its location directly on the ocean the building requires continual maintenance. When the new facility is built we will continue to use the existing structure until it is not longer usable.

The StoneWave Skate Park managed by the PYCC is also located on the site. This park was built by the PYCC in 2004 with the assistance of funds from Maui County and private foundations. PYCC has invested a minimum of \$100,000 (not including Maui County funds) in the skate park. There is a fee to skate in the skate park that goes towards: liability insurance, skate park maintenance, staffing (both to program staff and lesson instruction) and the youth life skills program of which the skate park is part. All revenues received go back to support the program and are accounted for as *program service revenue*. Any and all youth who cannot to pay are offered the opportunity to assist with daily skate park operations in lieu of paying. The StoneWave Skate Park also holds skate competitions, skating events, and music events.

Through the Malama Pono Project Venture Program we annually conduct the Pa'ia Bay Beach Fest that includes a surf and body board competition, smaller surf and

body board competitions throughout the year, host and participate in the Olukai Family Paddle and the Butterfly Effect events. We also sponsor multiple beach cleanups and plan to continue to maintain the dune restoration project on the dunes fronting our leased area and the adjoining County Park. The MPPV Program provides a variety of youth camps.

The Board of Directors and the staff of the PYCC hold multiple fundraisers throughout the year. Some of these fundraisers have been operated through our programs and staffed by PYCC staff. In the past these have included: youth camps including skate camps, Hawaiian cultural camps, youth leadership camps, surf camps, canoeing camps, and basic recreational camps; music events; movie nights; and a Halloween haunted house.

b. The reason and justification of need for these services/activities:

Everything that we do is within-in line with our mission that is *To Build Community Through Our Youth*, and our organizational goal to be self-sufficient. We provide a drop-in center and programs that accommodate different age groups and genders. Our youth need: cultural, social and recreational activities; programs that address issues of respect and esteem for both the individual and the community; programs that enhance the commonality of all of us; programs that educate and provide support for a healthy lifestyle, including responsible sexuality; programs that encourage a drug-abuse free lifestyle; and programs that enhance academic skills and provide training for future employment.

Above all, our youth need positive adult role models, in whom they can trust and therefore confide in. The landmark study by Werner and Smith (1982) concluded that risk factors and stressful life events don't inevitably lead to poor outcomes. Children and youth who have successfully avoided drugs and other negative behaviors have done so because the adults in their lives cared enough to assist them in becoming healthy, caring, and productive adults.

In the last decade Maui County has experienced the highest population growth rate in the state (20.8%). The youth of the North Shore, caught in the middle of a transition from an agricultural society to an urban one, are facing all the problems inherent in the 21st century urban lifestyle. These include: distinct differences in economic opportunity; poverty (in Maui County approximately 16% of people under 18 years old live in poverty and 51.6% of the students are on free or reduced lunch); lack of employment opportunities; teen pregnancy; lack of respect for self and community; family violence; teen drug use; vandalism and crime; fragmented families; families in which English is the second language; working parents and the resulting unattended youth, many high school drop-outs; (20.8 of the students at King Kekaulike High School and 19.5% of students at Maui High School are dropouts). (All statistics Maui County Data Book 2012)

Statewide, Maui County has the second highest rate of high school seniors using marijuana, and higher rates of sixth graders are using alcohol, marijuana, and crystal methamphetamine than the statewide or nationwide average. (State of Hawaii, Department of Health, Alcohol & Drug Abuse Division, the Hawaii Student Alcohol, Tobacco and Other Drug Use Study 2007-2008). The most significant data in this regard is that Hawaii, nationwide has more 6th graders using Cigarettes, Alcohol, Marijuana, Illicit Drugs and Inhalants than any other state. Indeed, most states have 0 incidents

recorded for this age group. We have definitely noticed a huge difference in 6th graders drug use (especially females) entering the PYCC today as compared to 5 years ago!

The top priority listed in the December 2003 final report of the study done by Focus Maui Nui “by the largest number of participants was the need to strengthen and improve education, kindergarten through college, for all students.”

These statistics do not address the effects the recent years of economic hardship and housing/rental crisis on Maui. At the PYCC we have witnessed a rise in homelessness and hunger. With help from our sponsors the PYCC is managing to feed up to an average of 30 youth per day. For many of these youth this is the only complete meal they get a day.

Hopefully, in the next 50 years the above conditions will improve and the needs that the PYCC program strives to address will change. However, we believe that the need for a center that assists youth in becoming effective community members who build relationships with all segments of their community that will last their lifetimes will always exist.

c. The target population to be served at the facility site:

The main *target* population is to youth between the ages of 9-18 years old. However, we continue to provide limited services to our alumni ages 19-21 years old. Alumni over 21 years old participate as volunteers (requires signing volunteer membership forms including liability waivers); and due to its location, the general public uses the site for beach access and parking.

d. The estimated average number of people using the facility/site on a weekly basis:

The PYCC averages weekly approximately 4225 (duplicated) youth between the ages of 9-18. Note: the impact of Covid -19 numbers has reduced these numbers.)

Approximately 7000 (low estimate) members of the general public access the site weekly. Note: the impact of Covid -19 numbers has reduced these numbers.)

e. The frequency of use of the facility/site:

The PYCC drop-in center is be open to youth: Tuesday, Wednesday Thursday and Saturday from 11:00 am to 7:00 pm. Fridays from 11:00 am to 9:00pm. During school hours for youth drop-in opens at 2:00pm. However, the PYCC conducts programs for home schools and therefore frequently holds programs during school hours.

The PYCC office is open for administrative concerns Mondays from 11:00am – 4:00pm.

The PYCC StoneWave Skate Park is also open for lessons on Sundays and Mondays and Saturday mornings.

The site is open for public beach access 24 hours a day 365 days a year.

3. Explain how/where the services/activities described above are currently being carried out and how use of the requested facility/site will improve the delivery of these services/activities.

The PYCC has been located at this site since October 1993. A 50-year lease will enable the PYCC to leverage funds for future developments that will guarantee our future existence.

4. Describe the management plan for the facility/site. Who and how will daily management of the facility/site be handled?

We intend to continue managing the property as we have in the past 27 years. All daily management is handled by the employees of the PYCC under the direction of the executive director. The Board of Directors assists in fundraising, facility upkeep and maintenance as well as safety and security concerns.

5. What would the impact be on services/activities to be conducted at/through the facility/site IF a lease/license to occupy is not granted?

If this license agreement is not granted the Pa`ia Youth Council, Inc. dba the Pa`ia Youth and Cultural Center will be forced to cease operations and lose the investment that the PYCC and the community has made in this property and the PYCC for the past 27 years.

6. If major improvement/construction is planned on the requested site, please provide the following:

a. Budget including projected costs and funding sources and amounts. Please identify firm/committed funding sources and amounts.

The purpose for the request for this expansion is for the Pa`ia Youth Council, Inc. to build a new facility. Due to the age of our present building and its location on the beach the building will eventually not be habitable. Once a new building is completed, we will continue to use the existing structure for our water sports, and a possible canoe hale and/or home for a Halau.

Until we can secure the lease, we are unable to provide a budget. We have met with the Maui County Planning Department to verify positively that it is even possible to build in the expanded area.

We submitted a GIA to the State of Hawaii in 2020 with the support of Senator Kalani English, Representative Lynn DeCoite, and Senator Gil Keith-Agaran. Unfortunately, due to the economic impact of Covid-19 no GIA's we accepted.

Once the lease is granted, we will begin a capital campaign. The Board of Directors has already begun to lay the action plan for this campaign.

Description of the planned improvements including plans or at least conceptual drawings of the facility:

On faith, that we will be granted the lease we recently hired an architect to do an initial conceptual design. (They are not ready.) An anonymous donor granted \$100,000 to begin the design process. The facility will be a pole house and designed to have a home like feel. It will house a certified kitchen, a multimedia lab including a recording room, a broadcasting room for our radio station, an art room, a space for recreation and group activities, offices for staff, restrooms- basically a house that will provide for the existing programs at our current site.

Commercial Activities:

There are no commercial activities.