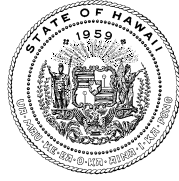


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

August 9, 2024

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

OAHU

Consent to Extension of Thirty (30) Years on Lease No.
NP03-01 of Lands under Governor's Executive Order No. 2566
to Lanakila Pacific, Lessee; Waianae-Uka, Wahiawa, Oahu,
Tax Map Key: (1)7-6-001:007.

CONTROLLING AGENCY (of subject executive order):

Department of Accounting and General Services (DAGS)

APPLICANT (requesting lease):

Lanakila Pacific (formerly Lanakila Rehabilitation Center, Inc.),
a Hawaii non-profit corporation.¹

LEGAL REFERENCE:

Section 171-11 and 43.1, Hawaii Revised Statutes (HRS), as
amended.

ZONING:

State Land Use District: Conservation
County of Honolulu CZO: P-1 Restricted Preservation District

¹On October 29, 2010, Lanakila Rehabilitation Center, Inc. was
officially changed to Lanakila Pacific.

ITEM M-2

TRUST LAND STATUS:

Section 5(e) lands of the Hawaii Admission Act

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

CURRENT USE STATUS:

Encumbered by Lease No. NP03-01, Lanakila Pacific, formerly Lanakila Rehabilitation Center, Inc., Lessee, for provision of those programs and services to persons with cognitive, physical, social or age-related challenges, which help to build and support higher levels of independence and improved quality of life purposes.

LEASE TERMS & CONDITIONS:

LOCATION:

Portion of Government lands of the State of Hawaii situated at Waianae Uka, Wahiawa, Oahu identified by Tax Map Key: (1)7-6-001:007, as shown on the attached maps labeled Exhibit A.

AREA:

2.47 acre, more or less.

CHARACTER OF USE:

The creation of the Lanakila Pacific Farm Support Initiative to support local farmers by increasing the purchasing of local produce by Lanakila Kitchen to include in meals provided to Lanakila Meals on Wheels participants as well as job creation and training opportunities for individuals with disabilities in produce aggregation and food processing purposes.

TERM:

The current lease ends January 31st, 2033. Proposed additional 30 years lease extension commencing February 1, 2033, and ends up to and including the 31st of January 2063.

RENT AMOUNT:

\$1 per annum and is justified for Lanakila Pacific, a domestic non-profit group that provides many services and opportunities for people with disabilities in the Central, North Shore, and Leeward Oahu areas.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Lanakila Pacific proposes interior and exterior restoration and renovation of one of two existing buildings on site. The proposed improvements should be considered de minimis actions that will probably have minimal or no significant effect on the environment and should be declared exempt from the preparation of an environmental assessment and the requirements of section 11-200.1-17, HAR.

In accordance with Hawaii Administrative Rules ("HAR") 11-200.1-16 and the Exemption List for the Department of Land and Natural Resources reviewed and concurred on by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an environmental assessment pursuant to General Exemption Type 1, that states "Operations, repairs or maintenance of exiting structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing," and Part 1, Item No. 40 that states, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing." Please see attached Exhibit B.

DCCA VERIFICATION:

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

On October 29, 2010, the amendment was adopted to change the name from Lanakila Rehabilitation Center, Inc. to Lanakila Pacific and certified on December 2, 2010.

Lanakila Pacific is in good standing at DCCA with IRS written confirmation of IRC 501(c)(3) status.

REMARKS:

The subject land is a portion of the Government (Crown) Land of Waianae Uka originally reserved for the Schofield Barracks Military Reservation by the Presidential Executive Order 2800

dated February 4, 1918. The site was subsequently conveyed to the State of Hawaii by the United States of America by Deed dated December 2, 1965 (Land Office Deed S-24070). Set aside with Executive Order No. 2566 to the Department of Accounting and General Services was executed around 1971 for the purpose of a Wahiawa Comprehensive Mental Rehabilitation Center and Wahiawa community center.

On January 10, 2003, the Board of Land and Natural Resources consented to a Lease of Lands under Executive Order No. 2566 to Lanakila Rehabilitation Center, Inc., with Lease No. NP03-01 executed and dated February 1, 2003, for a thirty-year period. The lease is from February 1, 2003, to January 31, 2033, for the purpose of housing programs and services to persons with cognitive, physical, social or age-related challenges that will help build and support higher levels of independence and improved quality of life. On October 29, 2010, the name of the corporation was officially changed to Lanakila Pacific.

Lanakila Pacific supports the recruitment, hiring, training and ongoing employment of people with disabilities with first-hand, daily experience employing people with disabilities in competitively paid positions in food service, grounds maintenance, and customized apparel/screen printing positions. Individuals with disabilities represent 48% of Lanakila's regular employees.

The proposed restoration and renovation will provide a base for the Lanakila Pacific Farm Support Initiative with Lanakila Pacific actively engaged in obtaining funding from various sources for the renovation with overhead and equipment in the space. The renovation is estimated to cost \$3-\$3.5 million.

The initiative will use the renovated space for a food hub program where participants with disabilities will learn skills related to produce handling and working in a kitchen, learn and follow state and federal food safety rules, participate in pre-employment training, and job placement with job coaching services. The food hub provides work opportunities for Teaching and Learning Center participants as well as other individuals with disabilities who are transitioning to work. The food hub also supports farms in the Central Oahu and North Shore areas by aggregating and processing fresh produce for sale. Lanakila Pacific currently works with farms in the area, and across the state and has the communities' support for the food hub project.

Other activities through the Lanakila Pacific's Teaching and learning Center that is anticipated for the renovated space

include a participant-driven program where the participants are active members of their communities, ultimately promoting relationships that allow participants to develop meaningful, independent, and purposeful lives. Employment services are also offered, including Discovery and Career Planning and Individual Employment Supports with job coaching where employment opportunities are customized for the best fit to the individual with guidance through the job application process and additional support through the transition into competitive employment.

Employment services also incorporate training and work opportunities within the food hub on site that provides a hands-on training site and paid work experience while gaining new skills with the support of a job coach. Employment Services Job Coaches will also provide recruitment visits at the local high schools.

The proposed use is consistent with the purpose of the set aside. The thirty (30) year lease extension will guarantee Lanakila Pacific additional time to create many more opportunities for more individuals with disabilities to have a fulfilling and well-rounded life that the rest of the population enjoys.

An Application and Qualification Questionnaire is attached as Exhibit C for additional information.

RECOMMENDATION:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1-15, and -16, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment as a de minimis action.
2. Consents to the Extension of Thirty (30) Years of the Lease between the Department of Accounting and General Services (DAGS) and Lanakila Pacific, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:
 - A. Review and approval by the Department of the Attorney General; and
 - B. Amend the insurance provision in the current lease from "in an amount acceptable to the Comptroller", to the minimum amounts required in the Comptroller Memorandum regarding the provision of insurance.

- C. Such other terms and conditions as may be prescribed by the Chair to best serve the interests of the State.
- D. That the Board finds the extension of thirty (30) years of the Lease between DAGS and Lanakila Pacific is in the best interest of the State.

Respectfully Submitted,

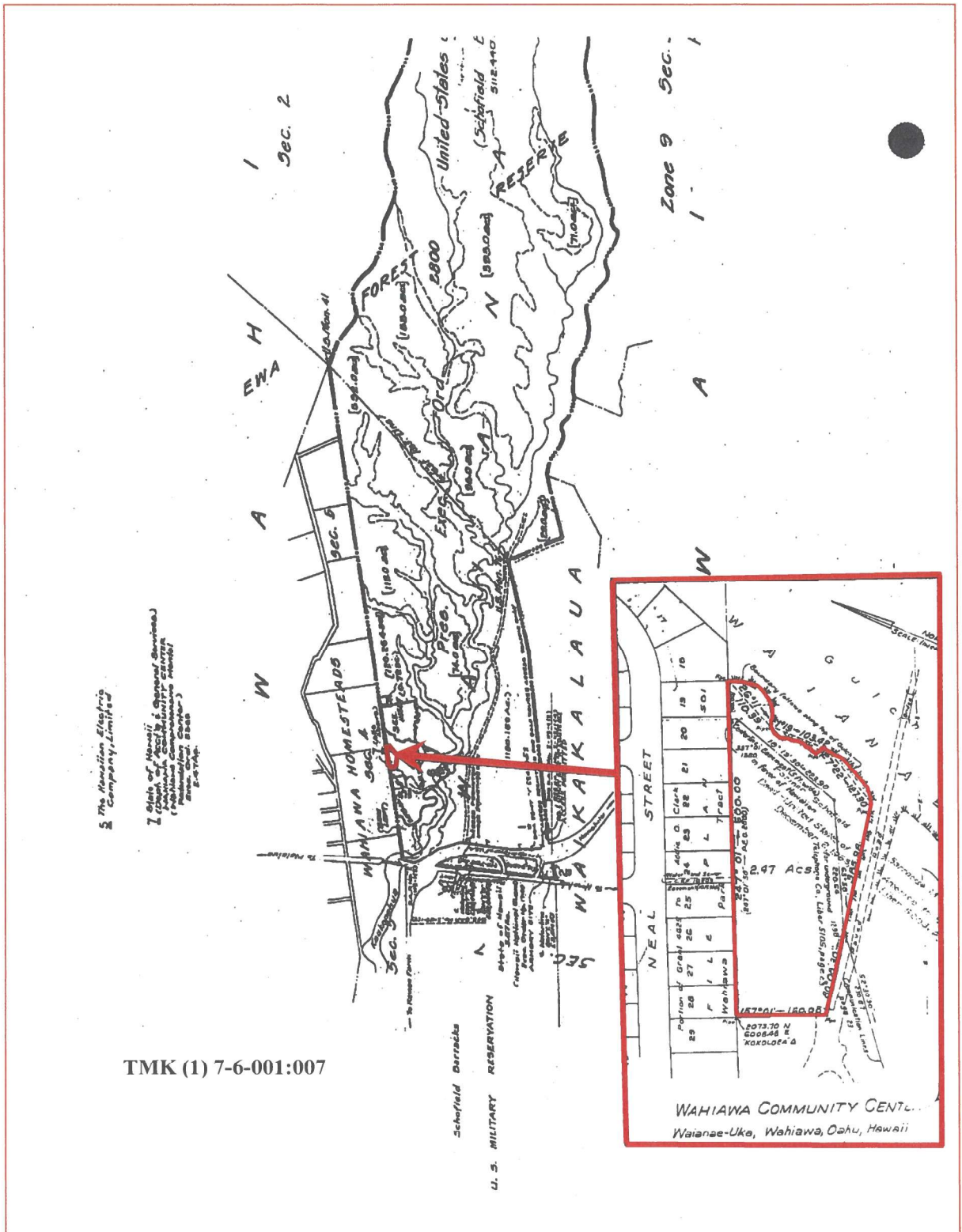


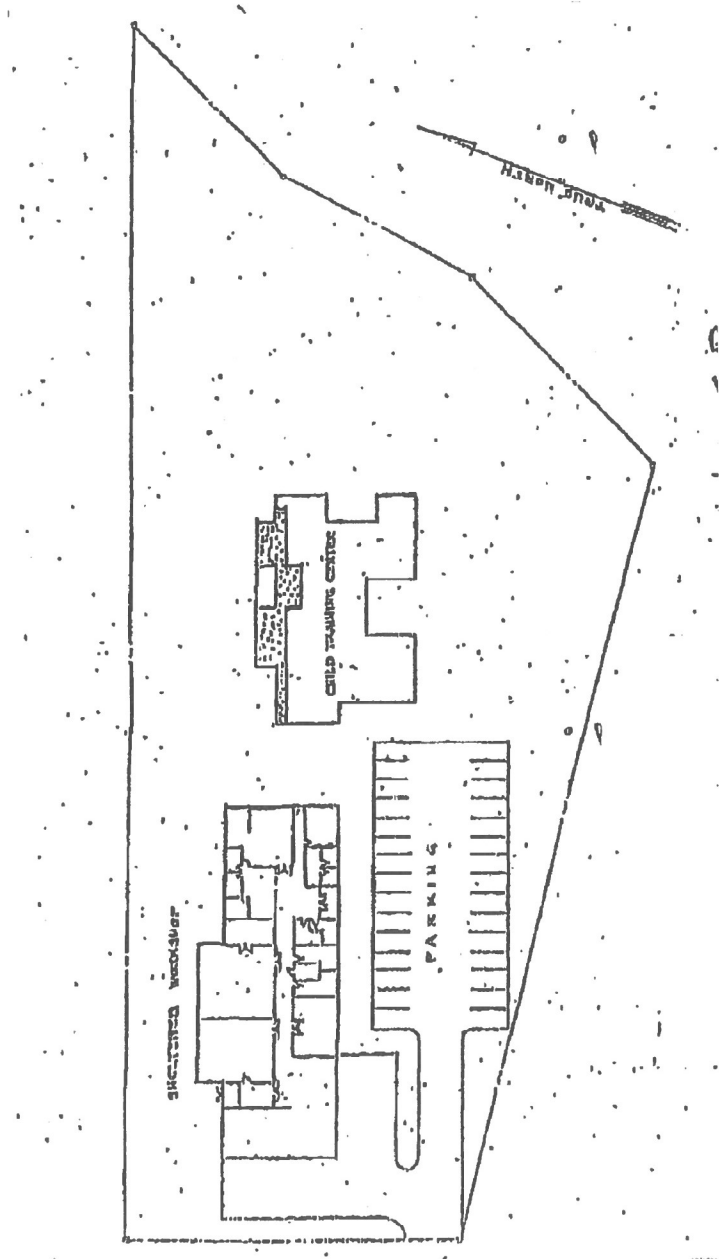
KEITH A. REGAN
State Comptroller

APPROVED FOR SUBMITTAL:



DAWN CHANG, Chairperson
Board of Land and Natural Resources





TMK (1) 7-6-001:007

EXHIBIT A2

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1-15, HAR

Project Title: Consent to Extension of Thirty (30) Years on Lease of Lands under Governor’s Executive Order No. 2566 to Lanakila Pacific

Reference No.: N/A

Project Locations: Waianae-Uka, Wahiawa, Oahu, TMK (1) 7-6-001: 007

Project Description: The request concerns a thirty (30) year lease extensive for Lease No. NP03-01 of Lands under Governor’s Executive Order No. 2566 to Lanakila Pacific, Lessee. The lessee has plans to do a \$3-\$3.5 million interior and exterior restoration and renovation to an existing building on the site.

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

Exemption Class No.: In accordance with Hawaii Administrative Rules Section 11-200.1-15 and -16 and the exemption list for the Department of Land and Natural Resources reviewed and concurred on by the Environmental Council on November 10 2020, the subject request is exempt from the preparation of an environmental assessment pursuant to General Exemption Type 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving minor expansion or minor change of use beyond that previously existing." Part 1, Item No. 40 that states, “Leases of state land involving negligible or no expansion or change of use beyond that previously existing.”

Cumulative Impact of Planned Successive Actions in Same Place Significant? Staff believes that there would be no significant cumulative impact.

Action May Have Significant Impact on Particularly Sensitive Environment? Staff believes there would be no significant impact to sensitive environmental or ecological receptors.

Consulted Parties: Agencies as noted in the submittal.

Analysis: Staff believes that the request would involve negligible or no expansion or change in use of the subject area beyond that previously existing.

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

APPLICATION AND QUALIFICATION QUESTIONNAIRE
(Non-Profit)

Write answers in the spaces provided. Attach additional sheets as necessary, clearly indicating the applicable section number.

Part I: General Information

1. Applicant's legal name: Lanakila Pacific
2. Applicant's full mailing address:
1809 Bachelot Street
Honolulu, HI 96817
3. Name of contact person: Rona Yagi Fukumoto
Contact person Phone No.: (808)356-8569 Fax No.: _____
4. Applicant is interested in the following parcel:
Tax Map Key No.: (1) 7-06-01:7 Location: 330 Walker Avenue, Wahiawa, HI 96786
If Applicant is current lessee: General Lease No.: NP03-01
5. When was Applicant incorporated? 1939
6. Attach the following:
 - A. Articles of Incorporation
 - B. Bylaws
 - C. List of the non-profit agency's Board of Directors
 - D. IRS 501(3) (c)(1) status determination
 - E. Tax clearances from State of Hawaii and respective county Real Property Tax Office.
 - F. Audited financial statements for the last three years. If not audited, explain why.
If Applicant is a new start-up, attach projected capital and operating budgets.
 - G. Any program material which describes eligibility requirements or other requirements to receive services

Part II: Qualification

7. Is Applicant registered to do business in Hawaii: Yes/No
8. Has Applicant received tax exempt status from the Internal Revenue Service? Yes/No
9. Is Applicant licensed or accredited in accordance with federal, State or county statutes, rules, ordinances, to conduct the proposed activities? Yes/No

List all such licenses and accreditations required: Commission on Accreditation of Rehabilitation Facilities (CARF)

EXHIBIT C

10. Is Applicant in default or otherwise not in good standing with any State department (e.g. POS agency, DCCA, DLNR, etc.)? Yes/No No

If yes, explain:

n/a

11. Has Applicant had a State of Hawaii lease, permit, license, easement or sale in fee cancelled within the last five years? If yes, list: Yes/No No

<u>Doc. No.</u>	<u>Type of Agreement</u>	<u>Term of Agreement</u>
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n/a

12. Does Applicant have any policies which discriminate against anyone on the basis of race, creed, color, national origin, sex or physical handicap? Yes/No No

If yes, explain:

n/a

13. Has Applicant received funding from a federal, State, or county government agency, the Aloha United Way, and/or a major private foundation within the last three years? Please list all such contracts below: Yes/No No

<u>Agency</u>	<u>Contract Term</u>	<u>Contract Amount</u>
<u>City & County of Honolulu</u>	<u>7/1/2022-present</u>	<u>\$ 22,500.00</u>
<u>DOH Developmental Disabilities Div.</u>	<u>2021-present</u>	<u>\$ fee for service</u>
<u>Congressionally Directed Spending</u>	<u>2022-present</u>	<u>\$ 1,000,000.00</u>
		<u>\$</u>

14. If Applicant has not received funding from a federal, State or county government agency, the Aloha United Way and/or a major private foundation during the past three years, describe Applicant's qualifications to effectively perform the proposed services, including but not limited to, grants or subsidies received from non-major, private funders and/or staff or Board members who possess significant experience in Applicant's service field.
n/a

Part III: Program Activities and Persons to be Served

15. What activities will be conducted on the premises to be leased?
Lanakila Pacific serves as a leader in accessibility, reasonable accommodations and creating an inclusive work environment where people with disabilities contribute and prosper.

Lanakila Pacific supports the recruitment, hiring, training and ongoing employment of people with disabilities and has first-hand, daily experience employing people with disabilities in competitively paid positions in food service, grounds maintenance, and customized apparel/screen printing positions. Individuals with disabilities represent 48% of Lanakila's regular employees.

The activities that will be conducted at the site through the Teaching and Learning Center will include a participant-driven program where the participants are active members of their communities, ultimately promoting relationships that allow participants to develop meaningful, independent, and purposeful lives. Also offered will be employment services including Discovery and Career Planning and Individual Employment Supports with job coaching. The Discovery and Career Planning process assesses a participant's employment interests and preferences with the goal of customizing employment to best fit them. Individual Employment Supports walk a participant through the process of obtaining a job and supporting them through the transition into competitive employment. These employment services will also incorporate training and work opportunities within the food hub on site. The food hub will provide a hands-on training site and paid work experience to participants where they will learn about food handling and food safety and gain new skills with the support of a job coach.

16. What are the specific objectives of these activities?
The Teaching and Learning Center is an ongoing Adult Day Health Program supported by the State Department of Health, Developmental Disabilities Division Medicaid Waiver program. Our objective would be to continue providing the program for the Central and Leeward Oahu community. Teaching and Learning Center participants will be assisted with life skills, health and fitness, ceramics, hydroponics, basic cooking, introduction to money management, and prevocational activities.
-

In addition, within the first year of the lease, we will start renovations of the building for the food hub space. Participants with disabilities will learn skills related to produce handling and working in a kitchen. Participants will also learn and follow state and federal food safety rules and procedures to process locally grown food at the food hub. The site will provide students and adults with disabilities who will participate in pre-employment training, job placement and job coaching services. Employment Services Job Coaches will also provide recruitment visits at the local high schools.

17. Describe the community need for and the public benefit derived from these activities.
The Teaching and Learning Center provides a daily program with an active learning environment and opportunities for community inclusion for adults with disabilities Residents of Central, North Shore, and Leeward Oahu have an option for care in their community. The food hub provides work opportunities for Teaching and Learning Center participants as well as other individuals with disabilities who are transitioning to work. The food hub will support farms in the Central Oahu and North Shore areas by aggregating and processing fresh produce for sale. Lanakila Pacific currently works with farms in the area, and across the state, including Kunia Farms and Hooah Farms. Last year, a few farms provided letters of support for the food hub project and have given their approval to submit the previously written letters with this application.

18. Describe the targeted population for these activities by: 1) age group, 2) gender, 3) ethnic background, 4) income level, 5) geographic location of residence, 6) special needs/disability, and 7) other applicable characteristic(s).
The Teaching and Learning Center will provide services to high school students and adults with developmental, cognitive, and physical disabilities. Participants of any gender, ethnic background or income level may enroll at the Teaching and Learning Center and participate in training and employment opportunities in the food hub.

19. Describe all eligibility requirements of clients to participate in the activities, e.g. age, income level, ethnic background, income level, disability, etc.
Individuals with disabilities are able to participate in programs with no restrictions on age, income level, or ethnic background.

20. Do you require membership to participate in these activities? Yes/No
If yes, list the requirements of becoming and remaining a member:
n/a

21. How many unduplicated persons will engage in the activities annually?

<u>Activity</u>	<u>Persons Per Year</u>
<u>Teaching and Learning Centers, Employment Services, Food Hub training</u>	<u>100</u>

22. Is State funding made available for the activities to be conducted Yes/No
on the leased premises?
If yes, by which State agency: Dept of Health, Dept. Human Services, Dept. of Education

23. List all activities to be conducted on the leased premises which require payment of excise taxes, e.g. subleasing, sale of products or services. Include an estimate of annual gross revenues from each activity.
Wholesale of goods = \$50,000
-
-

Development of the Land

24. Describe the proposed site development plan for the property, indicating the location and size of buildings, parking areas, landscaped areas and related uses. Attach sketch of plan if available.
Remodel of existing building
-
-

25. What improvements to the land do you intend to make and at what cost?
n/a
-
-

26. How will the improvements be funded?
Congressionally Directed Spending, Government and Private Foundations.
-
-

27. Describe all environmental, land use and other permitting requirements which must be met to develop the land as proposed.
n/a
-
-

28. Will you be subleasing any portion of the property? If yes, describe the sublease uses:
n/a
-
-

Part V: Notarized Certification

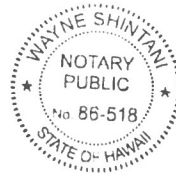
I/We hereby certify that the statements and information contained in this Application and Questionnaire, including all attachments, are true and accurate to the best of my/our knowledge and understand that if any statements are shown to be false or misrepresented, I/we may be disqualified from receiving a lease or my/our lease may be canceled.

Rona Yagi Fukumoto
Applicant Name
Applicant Name
By: [Signature]
Its: President and CEO
Date: 2/23/24

Subscribed and sworn to before me this
23 day of February, 2024.

[Signature]
Notary Public

County of: Honolulu
State of: Hawaii
My commission expires: 10/30/2026



Doc. Date: 2/23/2024 # Pages 6
Notary Name: WAYNE SHINTANI First Circuit
Doc. Description: Application and
Qualification Questionnaire/Profit
[Signature] 2/23/2024
Notary Signature Date
My Commission Expires: 10/30/2026

