

**Pacific Gateway Center
Historic Pump Station
Lease Term Sheet**

- Area & Location:** Approximately 17,223 square feet of land located at 653 Ala Moana Boulevard, Honolulu, HI 96813 (TMK: 2-1-015:063 por), as shown labeled on Exhibit "A" attached ("Premises"), including three structures and surface parking lot.
- Use of Premises:** Premises and improvements thereon may be used for design, construction and establishment of a community center delivering social services including senior and inter-generational programs. Other uses shall be subject to prior Landlord approval.
- Term:** The Term of the Lease shall be for thirty (30) years as further described below:
- 5-year initial period for the completion of improvements and establishment of community center and social service operations.
 - 15-year extension upon satisfactory completion of the initial 5-year period.
 - 10-year option to extend upon completion of the initial 5-year and 15-year terms.
- Base Rent:** \$1/year for the Term of the Lease
- Other Rent:** Commercial Activities as specified in the Lease shall be subject to prior Landlord approval. With its approval, the Landlord may assess Other Rent as a percentage of gross receipts from the Commercial Activity on a case-by-case basis. For the purposes of the Lease, Commercial Activities as specified shall EXCLUDE, program fees charged for cost recovery and donation/fundraising activities.
- Operating Expenses:** Tenant shall be responsible for all operating expenses including, but not limited to, maintenance (trash removal, landscaping, janitorial, etc.), utilities (water, sewer, electricity, etc.), insurance, and taxes.
- Insurance:** Tenant agrees that Tenant, at Tenant's sole cost and expense, will procure and maintain commercial general liability insurance, commercial property and such other insurance coverage in the types and amounts specified by HCDA, naming the Hawaii Community Development Authority and State of Hawaii as additional insureds.
- Improvements:** Tenant will be responsible for all required permitting and approvals for improvements to the premises including but not limited to building and grading permits from the Department of Planning and Permitting. Tenant shall also be responsible for obtaining all subsequent relevant regulatory approvals including but not limited to planning and development permits from the HCDA, special use

permits and approvals from the State Office of Planning (OP), and architectural and archaeological clearances from the State Historic Preservation Division, Department of Land and Natural Resources (SHPD).

Special Conditions: **Archaeological Inventory Survey (AIS).** The HCDA will prepare an AIS which will address any archaeological resources for the 1900 Pump Station renovation. This AIS specifically does not include actions contemplated on the Historic Screen House and the 1940 Pump Station. The Tenant and its contractors shall not proceed with site work or underground utility work on the 1900 Pump Station, until an archaeological clearance has been issued by SHPD.

The Tenant and contractors shall stop work, and contact the SHPD if any archaeological resources are uncovered during underground excavation work on the site. Subsequent work shall proceed only upon an archaeological clearance from SHPD.

Special Management Area (SMA) Permit. Tenant understands that an SMA Use Approval for the 1900 Pump Station renovation has been issued by the OP, and is dated May 1, 2015. This SMA Use Approval specifically does not include actions contemplated on the Historic Screen House and the 1940 Pump Station.

Whereas the HCDA is the applicant of the SMA permit for the 1900 Pump Station renovation, the Lessee shall comply with the conditions of the SMA Use Approval including but not limited to:

- Any modifications to the plans originally submitted to the OP under the May 1, 2015 approved SMA permit, shall require the Tenant to seek additional required approvals at its expense and resources, from the OP.
- The Tenant shall consult with the SHPD, to ensure the historic character of the 1900 Pump Station will be protected and preserved in accordance with the Secretary of the Interior's Standards for Rehabilitation of Historic Properties.

Prior to the commencement of any building renovation, the Tenant shall obtain a letter of determination from the SHPD regarding their review of the 1900 Pump Station renovation plans. Any modifications to the plans to the 1900 Pump Station building or any other structures on the premises will require the Tenant to seek additional required approval from the SHPD, and obtain similar letter of determination for modifications.

- Tenant shall implement site-specific best management practices, including protection of stockpiles, silt fences and erosion control blankets, as

appropriate, to confine the proposed construction activities, and prevent potential soil and groundwater contaminants and polluted runoff from adversely impacting the State waters as specific in HAR Chapter 11-54, and from posing a risk to human health.

- Tenant and contractors shall minimize potential traffic impacts, including ingress and egress effects of vehicle traffic, generated from proposed construction and operation of the proposed use on public access to the ocean and adjacent park recreation areas.

- Any lighting/lamp posts and lighting control for the proposed construction activities or facilities shall be cut-off luminaries to provide the needed shielding to lessen possible seabird strikes. No lighting shall be directed to travel across property boundaries toward the shoreline and ocean waters.

