

THE EPISCOPAL DIOCESE OF HAWAII

POLICY FOR LEASE OR LICENSE APPROVAL BY THE DIOCESE

Policy Statement

This policy explains Diocesan policy on Lease or License approvals by the Diocese.

Who is subject to this policy?

- Congregations in the Diocese of Hawai'i
- Wholly-owned subsidiaries of the Episcopal Church in Hawai'i (ex. St. Andrews Schools, Camp Mokulē'ia, A Cup of Cold Water)

Rationale

- Since the majority of real property is owned by The Episcopal Church in Hawai'i, the Diocese needs to do its due diligence in managing risk.
- Leases involve encumbering real property for a period of time and the Diocese needs to make sure that does not adversely impact the Diocesan's overall plan for properties.

Definitions

- Congregation: A Parish or Mission of the Episcopal Diocese of Hawai'i
- Licenses are a permit from an authority to use something, do a particular thing, or carry on a trade (non-exclusive use of property and revocable), usually in return for periodic payment.
- Leases are a contract by which one party conveys land, property, services, etc., to another for a specified time, usually in return for a periodic payment. A lease usually involves the lessee being responsible for maintenance and utilities (separate meter).
- Related Entity is an entity that is a wholly-owned subsidiary of The Episcopal Church in Hawai'i. Examples would be St. Andrew's Schools, Camp Mokulē'ia and A Cup of Cold Water.

Getting Help

- Questions about this policy? Please contact the Business Manager, Rae Costa
 - E-mail: rcosta@episcopalhawaii.org
 - Phone: (808) 536-7776, ext. 326
- Questions about implementation of the policy? Please contact the Business Manager, Rae Costa
 - E-mail: rcosta@episcopalhawaii.org
 - Phone: (808) 536-7776, ext. 326

Procedures

- Please refer to the Checklist for Leases or Licenses
- All leases or licenses will need Vestry or Bishop's Committee approval and Diocesan Chancellor/attorney approval. Leases or licenses over 1 (one) year in duration will require additional approval(s) determined by the total number of years of the license (including options to extend)
 - Over 1 year, but no more than 7 years, will need Commission on Finance and Administration approval

THE EPISCOPAL DIOCESE OF HAWAI`I

- Over 7 years will need Commission on Finance and Administration approval (1st) and then Diocesan Council approval (2nd or 3rd) and Standing Committee approval (2nd or 3rd).
- NOTE: The length of the lease or license is the total number of years including any rights/options to extend. For example, if you have a one-year license (or lease) with option to extend for two years, the total number of years is three.

Forms

- Checklist for Leases or Licenses