

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

December 12, 2008

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

PSF No.: 08HD-149

HAWAII

Consent to Assign General Lease No. S-5445, Robert P. Keliioomalulu Sr., Assignor, to Primo Puulani Keliioomalulu, Assignee, Lot 3, Kapoho Section, Kikala-Keokea, Puna, Hawaii, Tax Map Key: 3<sup>rd</sup>/ 1-2-43:45.

APPLICANT:

Robert P. Keliioomalulu Sr., as Assignor, to Primo Puulani Keliioomalulu, single, Tenant in Severalty, whose business and mailing address is 161 Lihau Street, Kapaa, Hawaii 96746, as Assignee.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Lot 3, Kapoho Section, Kikala-Keokea Residential Subdivision situated at Kikala and Keokea, Puna, Hawaii, identified by Tax Map Key: 3<sup>rd</sup>/ 1-2-43: 45, as shown on the attached map labeled Exhibit A.

AREA:

1.00 acres, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

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

CHARACTER OF USE:

The lessee shall use or allow the premises leased, to be used solely for residential Purposes as the lessee's primary domicile, provided that the following additional uses shall be permitted:

1. Storage of boats, fish catch, fishing nets and other fishing related implements;
2. Raising and keeping of small livestock and poultry for subsistence purposes only, except that the raising of swine (also called hogs and pigs) on the leased premises shall be prohibited; and
3. Cultivation of farm and agricultural crops for subsistence purposes (for home consumption only and not for sale), including herbal plants.

TERM OF LEASE:

65 years, commencing on January 1, 1997 and expiring on December 31, 2061. First scheduled rental reopening is for January 1, 2022.

ANNUAL RENTAL:

\$132 per annum. Payable in advance, in semi-annual installments of \$66, on the First Day of January and July of each and every year.

CONSIDERATION:

Gratis

RECOMMENDED PREMIUM:

Not applicable as the lease does not allow for a premium.

DCCA VERIFICATION:

ASSIGNOR/ASSIGNEE:

Not applicable. Assignor/Assignee are individuals and, as such, is not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicant/Assignee shall be required to:

1. Bring current the rental payments due (\$632 plus late fees);
2. Submit a basic homeowner's liability insurance/ Certificate of Liability Insurance

for the property as required under the lease, within sixty (60) days of this approval; and

3. Execute the Amendment of General Lease No. S-5445 when it is revised and becomes available in Assignee's name.

REMARKS:

Pursuant to the authority granted by the Legislature of the State of Hawaii in Act 314, Session Laws of Hawaii 1991, as amended by Act 172, Session Laws of Hawaii 1993 and Act 81, Session Laws of Hawaii 1994, authorized the Department to negotiate and enter into long term residential leases to persons living in Kalapana who were dispossessed or displaced as a result of the volcanic eruptions on the island of Hawaii, which began January 3, 1983 and persons who meet the qualifications of Section 13D-3(b), Hawaii Revised Statutes.

At its meeting of December 16, 1994, Item F-3, the Board authorized the awarding of direct residential leases, pursuant to Act 314 at Kikala-Keokea, Puna, Hawaii. A drawing of lots was conducted on December 9, 1995, and Robert P. Keliioomalulu Sr. was awarded a 65-year residential lease under General Lease No. S-5445.

At its meeting of November 17, 1995, Item F-9, the Board of Land and Natural Resources approved to amend its prior board action of December 16, 1994 (Item F-3) to revise or delete certain conditions contained in the lease form, relating to authorization to award direct residential leases pursuant to Act 314, Session Laws of Hawaii of 1991, as amended. These amendments included; 1) deletion of lease requirements regarding performance bond, fire insurance, and extended insurance; and 2) that designated successors of the lease be a spouse, son, daughter, father, mother, brother, sister, grandfather, grandmother, grandson, granddaughter of Lessee.

At its meeting of November 20, 1998, Item D-6, the Land Board authorized Land Division to instruct its Fiscal Office to stop rental billings of the 48 general leases and to amend the lease document to reflect a "new" commencement date.

At its meeting of September 8, 2006, Item D-5, the Board of Land and Natural Resources approved to amend the (48) General Leases awarded for residential purposes by: 1) Authorizing Land Division to instruct its Fiscal Office to commence with billing of lease rents, effective January 1, 2007; and 2) Amend lease terms and conditions of the general leases awarded relating to revisions of rent, liability insurance, improvements, mortgage, construction requirement, and the Kikala-Keokea Residential Community Association.

On December 2006, an amendment document for the above was sent to Lessee for signature. To date, the amendment document has not been executed or returned to the Hawaii District Land Office for processing.

At its meeting of April 11, 2008, Item D-2, the Land Board approved to amend the

insurance requirement for the forty-eight Kikala-Keokea general leases awarded for residential purposes, by lowering the amount of coverage required from \$300,000 per occurrence and \$500,000 aggregate to \$100,000 per occurrence/aggregate.

On August 5, 2008, the Hawaii District Land Office received a completed Consent to Assignment Application, Executed Assignment of Lease document, Birth Certificate and Tax Clearances for Primo Keliioomalulu.

Staff reviewed the file and reports that in the past two (2) years, two notices of default were sent for failure to provide liability insurance (3/29/07 and 7/11/08), and two notices for delinquent rent (1/25/08 and 4/25/08). To date, there is a total of \$632 (\$132 rent/\$500 late fees) currently past due. The Lessee has never been cited for any other illegal or unlawful activity on the State property.

Due to his limited income, Mr. Keliioomalulu Sr. is experiencing some difficulty in affording the premiums for the liability insurance policy and in making the rental payments. Staff also learned that Lessee is experiencing some health problems, which required repeated admittance into the hospital. As a result, Lessee request that the lease be assigned to his son, Primo. Assignee has indicated that once the lease is assigned to him, he will be able to bring the rent current and obtain the necessary insurance coverage.

Primo Puulani Keliioomalulu, as Assignee, has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Primo Puulani Keliioomalulu is a qualified Applicant/Assignee for a Kikala-Keokea residential lease as a displaced resident of Kalapana from volcanic eruptions beginning January 3, 1983, and as evidenced by his Birth Certificate, which indicates that he is the son of Mr. Robert Keliioomalulu Sr., who himself qualified under the Act.

The first rental reopening is scheduled for 1/01/2022. There are no outstanding rental reopening issues.

The Office of Hawaiian Affairs was not solicited for comments as this is not a new encumbrance or change in use.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-5445 from Robert P. Keliioomalulu Sr. (aka: Robert P. Keliioomalulu, Robert Keliioomalulu Sr., and Robert Pookapu Keliioomalulu), as Assignor, to Primo Puulani Keliioomalulu (aka: Primo Keliioomalulu and Primo P. Keliioomalulu), as Assignee, subject to the following:

1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;

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

Respectfully Submitted,

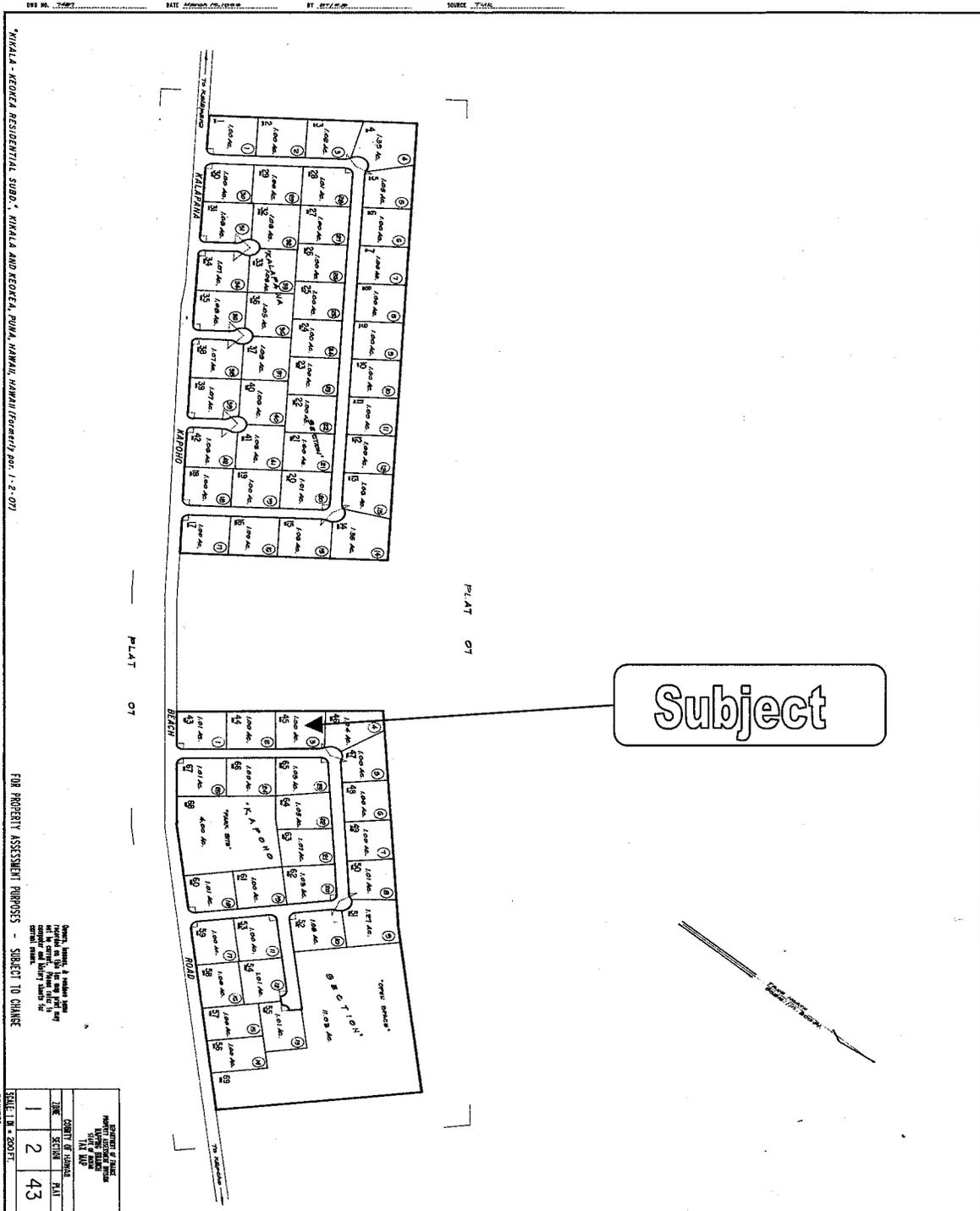


 Wesley T. Matsunaga  
Land Agent

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson



**EXHIBIT A**