

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

June 9, 2011

Ref. No.: GLS-5128

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

HAWAII

Consent to Assign General Lease No. S-5128, Rochelle A. Arquette, as Personal Representative of the Estate of Walter Hulama Paulo, (a.k.a. Walter H. Paulo, a.k.a. Walter Paulo), Deceased, P. No. 10-1-0266, in the Circuit Court of the Third Circuit, State of Hawaii, Assignor, to Rochelle A. Arquette, Assignee, Lot 1, Phase II, Milolii-Hoopuloa, South Kona, Hawaii, Tax Map Key: 3rd/ 8-9-014:014.

APPLICANT:

Rochelle A. Arquette, as Personal Representative of the Estate of Walter Hulama Paulo (a.k.a. Walter H. Paulo, Walter Paulo), as Deceased, P. No. 10-1-0266, in the Circuit Court of the Third Circuit, State of Hawaii, Assignor, to Rochelle A. Arquette (a.k.a. Rochelle Atuana Arquette, Rochelle Arquette, Rochelle Atuana Paulo, Rochelle A. Paulo, Rochelle Paulo), unmarried, Tenant in Severalty, as Assignee.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands of Lot 1, Phase II, Milolii-Hoopuloa Lots situated at Milolii-Hoopuloa, South Kona, Hawaii, identified by Tax Map Key: 3rd/ 8-9-014:014, as shown on the attached map labeled Exhibit A.

AREA:

.2296 acres or 10,000 square feet, 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:

YES ____ NO x

CHARACTER OF USE:

Residential purposes.

TERM OF LEASE:

65-years, commencing on December 31, 1986 and expiring on December 30, 2051. First rental reopening is scheduled for December 31, 2011.

ANNUAL RENTAL:

\$132.00. Due in semi-annual installments of \$66.00 on the First day of January and July of every year.

CONSIDERATION:

\$ 10.00.

RECOMMENDED PREMIUM:

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

DCCA VERIFICATION:

Assignor/ Assignee, as individuals, are not required to register with DCCA.

REMARKS:

Pursuant to Act 62 of the Session Laws of Hawaii 1982, as amended by Act 83, Session Laws of Hawaii 1984, the Legislature authorized the Department of Land and Natural Resources to negotiate and enter into long-term leases to persons residing in Milolii-Hoopuloa who were dispossessed or displaced as a result of the 1926 volcanic eruption of Mauna Loa on the Island of Hawaii.

At its meeting of October 24, 1986, Item F-2, the Board approved the awarding of leases for residential purposes at Milolii-Hoopuloa Lots, Phase II, Milolii-Hoopuloa, South

Kona, Hawaii. A drawing of Lots was conducted on September 27, 1986, and Walter Hulama Paulo was awarded a 65-year residential lease over Lot 1, identified as Tax Map Key: 3rd/ 8-9-014: 014 .

By letter dated May 6, 2011, Mr. Gerald A. Garcia, Attorney at Law, representing Rochelle A. Arquette, daughter of Walter Paulo, who has been appointed Personal Representative of the Estate of Walter Hulama Paulo, (a.k.a. Walter H. Paulo, a.k.a. Walter Paulo), Deceased, P. No. 10-1-0266, in the Circuit Court of the Third Circuit, State of Hawaii, requested consent to assignment of General Lease No. S-5128, from Estate of Walter Hulama Paulo, Assignor, to Rochelle A. Arquette, as Assignee.

The reason for the assignment of General Lease No. S-5128 is Mr. Walter Paulo's passing on April 17, 2009. The Last Will and Testament of the decedent having been duly admitted to informal probate by the Registrar of the Third Circuit Court, named Rochelle A. Arquette as Personal Representative to administer the estate according to law.

Ms. Rochelle A. Arquette is a qualified applicant/ assignee for a Milolii-Hoopuloa Residential Lease as an heir and descendant of a refugee displaced by the 1926 volcanic eruption of Mauna Loa. Although no longer acceptable as a legal binding document, in file is a Successor and Assignee Designation Form, which was executed by Walter H. Paulo on May 6, 1992, naming Rochelle A. Arquette as successor to his lease and improvements. Various official documents such as her Birth Certificate and Marriage Certificate were used to confirm that Rochelle A. Arquette is a descendant of Mr. Paulo and to confirm reasons for the change in her surname.

Staff reviewed the file and reports that in the past two (2) years, rent has been current. A notice of default was sent on 4/29/11 for failure to provide the required liability insurance. It was later determined that the required insurance coverage was current, but the Insurance Agent neglected to forward a copy of the Certificate to our office. The Lessee has never been cited for any illegal or unlawful activity on the State property.

Rochelle A. Arquette 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.

The first rental reopening is scheduled for December 31, 2011. There are no outstanding rental reopening issues.

No governmental agency or interest groups were solicited for comments as this is not a new disposition or change in use.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. S-5128 from Rochelle A. Arquette, as Personal Representative of the Estate of Walter Hulama Paulo (a.k.a. Walter H. Paulo, a.k.a. Walter Paulo), Deceased, P. No. 10-1-0266, in the Circuit Court of the Third Circuit, State of Hawaii, as Assignor, to Rochelle A. Arquette, 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.

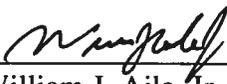
Respectfully Submitted,



Wesley T. Matsunaga
Land Agent



APPROVED FOR SUBMITTAL:



William J. Aila, Jr., Chairperson

