

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

February 10, 2012

Ref. No.: GLS-4956

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

HAWAII

Consent to Assign General Lease No. S-4956, Antonio Makaena Akiu, Assignor, to Annie K. Tai See, Assignee, Milolii-Hoopuloa, South Kona, Hawaii, Tax Map Key: (3) 8-9-014: 001.

APPLICANT:

Antonio Makaena Akiu, as Assignor, to Annie K. Tai See, married, wife of Ronald I. Tai See, Tenant in Severalty, as Assignee.

LEGAL REFERENCE:

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

LOCATION:

Portion of Government lands, Lot 1, Milolii-Hoopuloa Houselots, Phase I, situated at Milolii and Hoopuloa, South Kona, Hawaii, identified by Tax Map Key: (3) 8-9-014: 001, as shown on the attached map labeled Exhibit A.

AREA:

.1751 acres (7,627 s.f.), 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:

Solely for residential purposes as the Lessee's principle domicile.

TERM OF LEASE:

65-years, commencing on July 12, 1985 and expiring on July 11, 2050. First rental reopening was scheduled for July 12, 2010 and is currently in progress.

ANNUAL RENTAL:

\$132.00. Due in semi-annual installments of \$66.00 on the First Day of December and June, of each and every year.

OR

To be determined by the Board of Land and Natural Resources in the rental reopening process currently in progress.

CONSIDERATION:

\$ 1.00.

RECOMMENDED PREMIUM:

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

DCCA VERIFICATION:

ASSIGNOR:

Not applicable. Assignor is an individual and is not required to register with DCCA.

ASSIGNEE:

Not applicable. Assignee is an individual and is not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

1. Submit a basic homeowner's insurance or a Certificate of Liability Insurance for the property as required under the lease, within sixty (60) days of this approval;

REMARKS:

Act 62, Session Laws of Hawaii 1982, as amended by Act 83, Session Laws of Hawaii 1984, authorized the Department of Land and Natural Resources to negotiate and enter into long term leases to persons residing in Milolii who were dispossessed or displaced as a result of the 1926 volcanic eruption of Mauna Loa on the Island of Hawaii. Act 362, Session Laws of Hawaii 1987, as amended by Act 68, Session Laws of Hawaii 1989, and Act 86, Session Laws of Hawaii 1991, extended the sunset date to January 1, 1989, providing sufficient time to process Phase III of the Milolii-Hoopuloa Lots.

At its meeting of June 22, 1984, and December 28, 1984, the Board under agenda Items H-2 and F-3, as amended, respectively, authorized the disposition by direct negotiation of residential leases to eleven (11) "Grandfathered" residences at Milolii, Phase I, pursuant to Act 62, SLH 1982, as amended by Act 83, SLH 1984.

Eleven of these residences are located on State land identified by Tax Map Key: (3) 8-9-04:22, while the remaining residences is situated on Tax Map Key: (3) 8-9-14:16, which was withdrawn from Governor's Executive Order No. 2435, Portion of Park Site, Milolii and Omokaa, South Kona, Hawaii. Lot 1 was issued to Antonio Makaena Akiu.

On January 9, 2012, Antonio M. Akiu and Annie K. Tai See visited the Hawaii District Land Office to request a consent to assignment of General Lease No. S-4956, Antonio Makaena Akiu, Lessee/Assignor, to Annie K. Tai See, as Assignee. The packet of documents submitted included, Mr. Akiu's Letter of request, 2) Consent to Assignment Application, 3) Assignment of Lease document, 4) Tai See's Milolii Residential Application, 5) Tai See's Birth Certificate, and 6) Tai See's Marriage Certificate.

Reasons for the assignment is that Mr. Akiu does not have the means to keep current the lease rent and to provide a homeowners/ liability insurance policy as required under the lease. As a result, he decided to assign the lease to Annie Tai See as a qualified relative intending to reside on the Milolii property.

Staff reviewed the file and can report that for the past two years, rent has been current. A notice of default was sent on 7/11/08 for failure to provide the required liability insurance certificate. A renewal certificate was never provided. There is no bond requirement for this lease. The Lessee has never been cited for any illegal or unlawful activity on the State property.

Annie K. Tai See, 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.

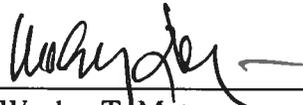
The first rental reopening was scheduled for July 12, 2010 and is currently in progress. There is no outstanding rental reopening issues.

No government agencies or interest groups we solicited for comments as the assignment of this lease will not involve a new disposition or change in land use.

RECOMMENDATION: That the Board:

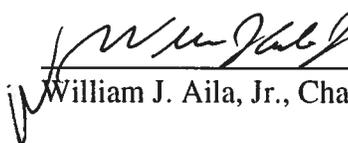
- A. Consent to the assignment of General Lease No. S-4956 from Antonio Makaena Akiu (aka: Antonio Akiu and Antonio M. Akiu), as Assignor, to Annie K. Tai See (aka: Annie Tai See, Annie Kaluhi Tai See, Annie Paauhau, Annie Kaluhi Paauhau, Annie Carvalho, Annie Kaluhi Carvalho, and Annie Pi), as Assignee, 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

TMK: (3) 8-9-14:01
AKIU, Antonio



EXHIBIT A