

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

December 13, 2013

Ref. No.: GLS-5434

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

HAWAII

Rescind Prior Board Actions of August 28, 2009, Item D-6, Consent to Assignment of General Lease No. S-5434, Stephen N. Santos, Assignor, to Oleander K. Csisko, Assignee, Kikala-Keokea, Puna, Hawaii, Tax Map Key: (3) 1-2-043:034. And

Mutual Cancellation of General Lease No. S-5434, Stephen N. Santos, Lessee, Kikala-Keokea, Puna, Hawaii, Tax Map Key: (3) 1-2-043:034.

PURPOSE:

Rescind Prior Board Actions of August 28, 2009, Item D-6.

Mutual Cancellation of General Lease No. S-5434, Stephen N. Santos, Lessee.

LEGAL REFERENCE:

Section 171-39, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Lot 34, Kalapana Section situated at Kikala-Keokea, Puna, Hawaii, identified by Tax Map Key: (3) 1-2-043:034.

AREA:

1.07 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:

YES \_\_\_ NO   x

CHARACTER OF USE:

Residential purposes.

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:

\$132.00

REMARKS:

At its meeting of December 16, 1994, Item F-3, the Board of Land and Natural Resources, pursuant to Act 314, authorized the awarding of direct residential leases at Kikala-Keokea, Puna, Hawaii. A drawing of lots was conducted on December 9, 1995, and Hattie L.N. Santos was awarded a 65-year residential lease, under General Lease No. S-5434.

At its meeting of November 20, 1997, Item D-13, the Board consented to the assignment of General Lease No. S-5434, from Hattie L.N. Santos, Assignor, to Dolores E. Waipa Gambsky, Assignee.

At its meeting of July 10, 1998, Item D-4, the Board rescinded its prior Actions of November 20, 1997, Item D-13, assignment of General Lease No. S-5434 to Dolores E. Waipa Gambsky and to reassign General Lease No. S-5434 to Virgin Huihuiwaina Headrick, as Assignee. Ms. Gambsky asked to be relieved as assignee because she was unemployed and was unable to fulfill the terms of the lease.

At its meeting of July 8, 2005, Item D-4, the Board approved to Rescind Its Prior Board Action of July 10, 1998, Item D-4, Consent to Assign General Lease No. S-5434, Hattie L.N. Santos to Virgin Huihuiwaina Headrick and to Consent to Assign General Lease No. S-5434, to Stephen N. Santos, Assignee. Mrs. Headrick currently resides in Las Vegas with her family and has decided not to relocate back to Hawaii.

At its meeting of August 28, 2009, under Agenda Item D-6, the Board of Land and Natural Resources, approved Consent to Assignment of General Lease No. S-5434, Stephen N. Santos, Assignor, to Oleander K. Csisko, Assignee.

In attempts to process the consent to assignment of the lease, Ms. Csisko failed to provide staff with, 1) county and state tax clearances, 2) proof of insurance, and 3) document fees. Eventually, all communications with Ms. Csisko were lost.

By letter dated June 25, 2013, Mr. Stephen N. Santos, Lessee, General Lease No. S-5434, requested that the lease be withdrawn/cancelled. Mr. Santos explained that he was having difficulty in fulfilling the lease requirements as he already has a primary residence and has no interest to reside on the Kalapana property. Through the years since acquiring the lease from his mother, Mr. Santos, while keeping the lease in compliance, has made several attempts to assign the lease to a qualified individual, but was having no success.

**RECOMMENDATION:** That the Board:

1. Rescind its Prior Board Action of August 28, 2009, Item D-6, Consent to Assignment of General Lease No. S-5434, Stephen N. Santos, Assignor, to Oleander K. Csisko, Assignee;
2. Authorize the mutual cancellation of General Lease No. S-5434, Stephen N. Santos, Lessee, subject to the following:
  - a. The standard terms and conditions of the most current mutual cancellation of lease document form, as may be amended from time to time;
  - b. Review and approval by the Department of the Attorney General; and
  - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State;
3. Authorize the retention of all sums heretofore paid or pledged under General Lease No. S-5434 to be applied to any past due amounts;
4. Terminate the lease and all rights of Lessee and all obligations of the Lessor effective as of December 13, 2013, provided that any and all obligations of the Lessee which have accrued up to said effective date or which are stated in the lease to survive termination shall endure past such termination date until duly fulfilled, and further provided that Lessor reserves all other rights and claims allowed by law; and

5. Authorize the Department of the Attorney General, the Department of Land and Natural Resources, or their agents to collect all monies due the State of Hawaii under General Lease No. S-5434 and to pursue all other rights and remedies as appropriate.

Respectfully Submitted,



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Wesley T. Matsunaga  
Land Agent

APPROVED FOR SUBMITTAL:



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William J. Aifa, Jr., Chairperson

