Rescind Prior Board Action of July 8, 2016, Agenda Item D-3, Amend Land Patent Grant No. S-13,720 by Revising the Easement Language in the Grant; Auwaiolimu, Honolulu, Oahu, TMK (1) 2-2-014:020 and 031.

Grant a Perpetual Non-Exclusive Easement to Abha Dubey Revocable Trust for Access and Utility Purposes on Easement Area Adjoining Auwaiolimu, Honolulu, Oahu, TMK (1) 2-2-014:020

BACKGROUND:

On July 8, 2016, the Board approved the amendment of Land Patent Grant No. S-13,720 by revising the access easement language in the land patent grant to clarify that Lot 18 was granted together with a non-exclusive easement over the 2,057 square foot area that is still owned by the State. A copy of the approved submittal of July 8, 2016 is attached as Exhibit 1.

After the initial issuance of Land Patent Grant No. S-13,720, the lot was subdivided into two parcels, Lot 18-A (TMK (1) 2-2-014: 020) and Lot 18-B (TMK (1) 2-2-014: 031). To amend the land patent grant, pursuant to the Board’s prior approval, the owners of both Lots 18-A and 18-B were required to sign the amended Land Patent Grant.

The owner of Lot 18-A made several attempts to contact the owner of Lot 18-B and to get their approval of the amended land patent grant. The first attempt was made in late July, 2016, when a voice message was left. In late September, the daughter of the owner of Lot 18-B returned the call and initially expressed a willingness to cooperate. When the documents were sent to Lot 18-B’s owner, they responded that they were declining the request to execute the amended land patent grant. The family of the owner of Lot 18-B continues to deny access to Lot 18-A along the easement/driveway.

DISCUSSION

As indicated in the attached submittal, the lack of legal access is a result of an error in the description of the property when the right of way was realigned in 1956. Although the Board amended Land Patent Grant No. 13,720 to clarify that the original Lot 18 was conveyed together with an easement over the easement/driveway area, the successor grantee of Lot 18-A has been unable to obtain the cooperation of the owner of Lot 18-B to execute the amended land patent grant.
Because it appears that the owner of Lot 18-B will not execute the amended land patent grant, Staff recommends that the Board rescind its action to amend Land Patent Grant No. 13,720. It is also apparent from the July 8, 2016 submittal that the owner of Lot 18-A is entitled to legal access to their property. Staff recommends that the Board grant a perpetual non-exclusive easement to the owner of Lot 18-A over the easement/driveway area for access and utilities purposes pursuant to Hawaii Revised Statutes § 171-13. Staff recommends that the Board impose no consideration for the proposed non-exclusive easement as the same easement right had been reflected in the original purchase price.

Staff recommends the Board require the owner and its successor(s) to provide the liability insurance naming the State as additional insured.

Staff did not solicit comments from other agencies as the subject request is for housekeeping purposes only.

RECOMMENDATION: That the Board authorize the issuance of a perpetual non-exclusive easement, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

1. The standard terms and conditions of the most current perpetual non-exclusive easement form, as may be amended from time to time;

2. The grantee shall provide the State with the liability insurance provision naming the State as additional insured.

3. Authorize the subject requests to be applicable in the event of a change in the ownership of the abutting parcel described as Tax Map Key: (1) 2-2-014:020, provided the succeeding owner has not had a lease, permit, easement or other disposition of State lands terminated within the last five (5) years due to noncompliance with such terms and conditions.

4. Review and approval by the Department of the Attorney General; and

5. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,
Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson
Amend Land Patent Grant No. S-13,720 by Revising the Easement Language in the Grant; Auwaiolimu, Honolulu, Oahu, TMK (1) 2-2-014:020 and 031

BACKGROUND:

Lot 18, Block 30, Auwaiolimu Lots was sold\(^1\) to the Heirs of Hattie K. Kailiuli pursuant to Land Patent Grant (LPG) No. S-13,720 dated March 6, 1961 for a consideration of $4,360. Lot 18, with an original area of 10,068 square feet, has been subdivided into Lots 18-A and 18-B, further identified as tax map key (1) 2-2-014:020 and 031 respectively, and shown on the map attached as Exhibit A1 with the street view shown on Exhibit A2.

Pursuant to LPG 13,720, Lot 18 is subject to "...a non-exclusive easement in perpetuity for all purposes, over, under and across the above described Lot 18...", and the easement area [2,057 square feet] is depicted on the map as part of grant document and now attached as Exhibit B for reference.

In January 2015, Lot 18-A was transferred to the Abha Dubey Revocable Trust dated August 22, 2008 pursuant to the Commissioner’s Quitclaim Deed recorded at the Bureau of Conveyances as document number A-55010249. The current owner has placed the property (Lot 18-A) on the market for sale. After going through the due diligence, the owner was advised that the easement mentioned above is actually outside the boundary of Lot 18-A, and it was never "over, under and across" of the said lot. The owner requests an amendment to the easement language.

Past Communications

When the government was contemplating the sale of Lot 18 in 1950s, staff recommended the Commissioner of Public Works to allow a right of way to serve both the residents over Lots 18 (Kailiuli) and 19 (Kalua).

Subsequently, map was prepared in 1956 to reflect the reduction of Lot 18 from 11,141 square

\(^1\)The sale was conducted pursuant to Public Law 639, H.R. 5832, Chap. 888, 83rd Congress of the United States
feet to 10,073 square feet and the Heirs of Hattie Kailiuli indicated her agreement to the revision in area. Copies of the relevant communications are attached as Exhibits C1 to C5 for reference.

The above mentioned would support the belief that the easement area was meant to be outside the lot boundary and to serve both Lots 18 and 19.

A blow-up version of the LPG map attached as Exhibit D shows the improvement of the area in the 1950s in more detail. There was a storm drain running along Lot 18 which would block direct access from Lot 18 onto Auwaiolimu Street. However, there was a concrete slab over the storm drain connecting directly to the subject easement and resolved the access issue. This connection reinforces the idea that the subject easement was to serve Lots 18 and 19. Therefore, the original grant language should stipulate that the lot was granted together with an easement over the subject area.

For the Board’s reference, LPG 14,204 dated June 23, 1964 transferring the fee title of Lot 19 does stipulate that Lot 19 is granted together with an easement over the subject area.

Staff response
An abstract dated June 2, 2016 (Exhibit E) prepared by the staff abstractor recently confirms the easement area was never conveyed, i.e. still owned by the State.

Based on the above mentioned, staff believes LPG 13,720 should be amended with a stipulation that Lot 18 was granted together with a non-exclusive easement over the 2,057-square foot area.

Staff recommends the Board impose no consideration for the proposed amendment of LPG as the same easement right had been reflected in the original purchase price.

Staff recommends the Board require the owner and its successor(s) to provide the liability insurance naming the State as additional insured.

Staff did not solicit comments from other agencies as the subject request is for housekeeping purposes only.

RECOMMENDATION: That the Board authorize the amendment of Land Patent Grant No. S-13,720, covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

A. The standard terms and conditions of the most current amendment of land patent grant document form, as may be amended from time to time;

B. The grantee shall provide the State with the liability insurance provision naming the State as additional insured.

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

Respectfully Submitted,

Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson
TMK (1) 2-2-014:020 and 031

EXHIBIT A1
Parcel 31

Parcel 20

TMK (1) 2-2-014:020 and 031

EXHIBIT A2
Land Patent No. 8-13,729

(Grant)

Issued On

CASH PURCHASE

By THIS PATENT the Governor of the State of Hawaii, in conformity with law and pursuant to Public Law 639, H.R. 5932, Chap. 898, 83rd Congress of the United States of America, 2d Session, approved August 24, 1954 (68 Stat. 781), and all other laws applicable hereto,

makes known to all men that he has this day granted and confirmed unto

HEIRS OF HATTIE H. NALIULLA, DECEASED,

for the consideration of their having paid into the Treasury the sum of

FOUR THOUSAND THREE HUNDRED SIXTY AND 00/100 DOLLARS, $4,360.00,

all of the land situate at AUAIOILIMU in the District of HONOLULU Island of OAHU, State of Hawaii bounded and described as follows:

LOT 18, BLOCK 30 - AUAIOILIMU LOTS (Revised October 1956)

North slope of Punchbowl


BEGINNING at the "+" cut on rock at the northeast corner of this lot, the southeast corner of Lot 19, Block 30, Auaioilimu Lots (Revised October 1956), and on the west side of 10-Foot Right-of-Way, the coordinates of said point of beginning referred to Government Survey Street Monument at the intersection of the tangents of the centerline of Lusitana Street at San Antonio Avenue being 143.72 feet South and 2180.97 feet East, and the coordinates of said Street Monument referred to Government Survey Triangulation Station "PUNCHBOWL" being 1919.70 feet North and 66.40 feet West, as shown on Government Survey Registered Map 2531, thence running by azimuths measured clockwise from True South:

1. 348° 17' 52.00 feet along the west side of the 10-Foot Right-of-Way to a pipe;

2. 258° 17' 10.00 feet along the south end of 10-Foot Right-

EXHIBIT "B"
3. 348° 17' 90.00 feet along the west side of Lane D of the Papakolea Residence Lots to a pipe;
4. 101° 48' 116.50 feet along the north side of Auwaiolimu Street to a "+" on rock;
5. 191° 40' 4.23 feet along the easterly side of the Non-Exclusive Easement to a pipe;
6. 222° 25' 25.75 feet along the easterly side of the Non-Exclusive Easement to a "+" cut on rock;
7. 192° 40' 22.00 feet along the easterly side of the Non-Exclusive Easement to a pipe;
8. 156° 30' 49.84 feet along the easterly side of the Non-Exclusive Easement to a pipe;
9. 246° 30' 77.00 feet along Lot 19, Block 30, Auwaiolimu Lots (Revised October 1956), to the point of beginning.

AREA...10,068 SQUARE FEET

SUBJECT, HOWEVER, to a Non-Exclusive Easement in perpetuity for all purposes, over, under and across the above-described Lot 18 along the west boundary of said lot, and extending from the south-easterly boundary of Lot 19, Block 30, Auwaiolimu Lots (Revised October 1956), to the north side of Auwaiolimu Street, as shown on the plan attached hereto and made a part hereof and more particularly described as follows:

NON-EXCLUSIVE EASEMENT

Beginning at a pipe at the north corner of this Non-Exclusive Easement and at the northwest corner of the above-described Lot 18 the true azimuth and distance to the initial point of the above-described Lot 18 being: 246° 30' 77.00 feet, thence running by azimuths measured clockwise from True South:

1. 336° 30' 49.84 feet along the west boundary of the above-described Lot 18 to a pipe;
2. 12° 40' 22.00 feet along the west boundary of the above-described Lot 18 to a "+" cut on rock;
3. 42° 25' 25.75 feet along the west boundary of the above-described Lot 18 to a pipe;
4. 11° 48' 4.23 feet along the west boundary of the above-described Lot 18 to a "+" on rock;
5. 101° 48' 18.50 feet along the north side of Auwaiolimu Street to a spike driven in rock ledge;
6. 206° 00' 41.93 feet along Lot 17, Block 30, Auwaiolimu Lots (Revised October 1956);
7. 170° 20' 9.88 feet along Lot 17, Block 30, Auwaiolimu Lots (Revised October 1956);

8. 144° 10' 25.00 feet along Lot 17, Block 30, Auwaiolimu Lots (Revised October 1956);

9. 117° 00' 12.47 feet along Lot 17, Block 30, Auwaiolimu Lots (Revised October 1956) to a pipe;

10. 246° 30' 33.05 feet along Lot 19, Block 30, Auwaiolimu Lots (Revised October 1956) to the point of beginning and containing an AREA OF 2,057 SQUARE FEET.

RESERVING to the State of Hawaii, its successors and assigns, in perpetuity, an easement for a water line over, under and across the above-described Lot 18, as shown on plan attached hereto and made a part hereof, said easement being more particularly described as follows:-

**WATER LINE EASEMENT**

Being a strip of land five (5.00) feet wide, and extending two and one-half (2.50) feet on each side of the following described centerline:

Beginning at the east end of this centerline, on the east boundary of the above-described Lot 18 and on the west side of the 10-Foot Right-of-Way, the true azimuth and distance from the initial point of the above-described Lot 18 being: 348° 17' 35.26 feet, thence running by azimuths measured clockwise from True South:-

1. 54° 16' 71.42 feet to the east side of the Non-Exclusive Easement and containing an AREA OF 359 SQUARE FEET,

SUBJECT, ALSO, to a sewer line easement in favor of the owner of Lot 19, Block 30, Auwaiolimu Lots (Revised October 1956) over, under and across the above-described Lot 18, together with rights of ingress and egress thereto for maintenance, inspection, repairs and reconstruction; said easement being shown on plan attached hereto and made a part hereof and being more particularly described as follows:-

**SEWER LINE EASEMENT**

Being a strip of land ten (10.00) feet wide and extending five (5.00) feet on each side of the following described centerline:

Beginning at the north end of this centerline and on the northerly boundary of Lot 18, Block 30, Auwaiolimu Lots (Revised October 1956), the true azimuth and distance from the initial point of said above described Lot 18 being: 88° 30' 6.00 feet, thence running by azimuth measured clockwise from True South:-

---
EXHIBIT A

Attached to and made a part of Land Patent Grant No. 8-19, 720
1. 33° 30' 26.55 feet to the westerly boundary of 10-foot Right-of-Way and containing an AREA OF 265 SQUARE FEET.

RESERVING ALSO to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

RESERVING ALSO to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided, that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.
Containing 10,068 SQUARE FEET, more or less.

TO HAVE AND TO HOLD the above granted Land unto the said

HEIRS OF HATTIE K. KALILULI, DECEASED,

and their successors, heirs and assigns forever, subject, however, to the conditions and reservations herein set forth.

IN WITNESS WHEREOF, the Governor of the State of Hawaii has hereon set his hand and caused the Great Seal of the State to be hereunto affixed, this day of March, A.D. 1961.

Countersigned as authorized by the Board of Land and Natural Resources in its Resolution of May 19, 1960.

Countersigned:

[Signature]
Chairman
Board of Land and Natural Resources

[Signature]
Governor of Hawaii

[Signature]
Hon. General
MEMORANDUM

TO: MARGUERITE K. ASHFORD
Commissioner of Public Lands

FROM: BRYANT COOPER

Subject: Access to lot 19, block 30, Auwaiolimu Lots,
Punchbowl slopes, Honolulu.

Mrs. Marcella Kalua who holds the above-mentioned lot under General Lease 2508
dated October 30, 1936 is desirous of purchasing same pursuant to Public Law 639,
83rd Congress.

I made an inspection of the ten foot right-of-way to the property as of this
date. The right of way borders the edge of an excavated quarry and at the
point shaded in red on the enclosed whiteprint, Carton 5, an avalanche into the
quarry with a drop of perhaps forty (40) feet has reduced the right of way at
that spot to only a width of four feet.

Mrs. Kalua has all plans and specifications for a new home prepared by
Lewers and Cooke to be constructed but due to the narrowness of the right of way
is unable to build as no truck can reach the lot.

Mrs. Kalua's father, Mr. Kahale Puna, informs me that Mrs. Hattie Kailiuli
who has the property adjoining this right of way namely Lot No. 18 held under
General Lease 2507, is willing to have the right of way extend into the property
she is leasing. It would benefit her as a passable right of way would afford
her access to her property, and she could construct a garage on it. At present
she parks her car at Papakolea quite a distance from her lot.

I would recommend that Mrs Kailiuli's lot be reduced sufficiently to allow
a passable twelve (12) foot road together with the existing right of way to serve
both the Kaluas and Kailiulis. Mrs. Kalua is willing to bear all expense of
constructing the road and replacing the existing water pipelines which exist on
the present right of way.

Respectfully submitted,

(signed)
BRYANT COOPER

"EXHIBIT "E-1"
September 24, 1936

Honorable James M. Dunn
Surveyor, Territory of Hawaii
Honolulu, Hawaii

Subject: Access to Lot 19 Block 30 - Awaialimu Lots, Punahou, Honolulu, Oahu. Tax map key 2-2-14-21.

Dear Sir:

Mrs. Marcella Kalua is anxious to have access provided to her lot on which she plans to construct a house. In the present ten (10) feet right-of-way to the lot there was a landslide which leaves the width of the right-of-way only about four (4) feet wide at the point shaded in red on the enclosed blueprint.

It is proposed to release a portion of the lot held under General Lease No. 2507 to make a right-of-way sufficiently wide for access to Mrs. Kalua's property, possibly fifteen (15) feet wide or whatever width you might recommend. This right-of-way would serve both Mrs. Kalua and the property held under General Lease No. 2507.

Will you please prepare a description for a suitable Right-of-way to Mrs. Kalua's Lot No. 19, as well as a description for the area to be relinquished from Lot No. 18, along with eight (8) blueprints.

Very truly yours,

[Signature]

FRANK W. KUSTACE, JR.
Commissioner of Public Lands

EXHIBIT "C-2"
November 5, 1956

Mr. Nathaniel Felzer
Attorney at Law
Room 266, Young Hotel Bldg.
Honolulu, Hawaii

Subject: Estate of Hattie Kaipu, deceased, General Lease No. 2507,
Auwalii, Honolulu.

Dear Sir:

Enclosed is a blueprint showing the realignment of the
Right-of-Way to the Kalua property. You will note that it reduces
the area of Lot 18 from 11,141 sq. ft. to 10,073 sq. ft.

Will you please notify your client Mrs. Rufina K. Lee that
we have sent you the sketch showing the reduced area of Lot 18.

Very truly yours,

FRANK W. RUSTACE, JR.
Commissioner of Public Lands

cc: Mrs. Marcella Kalua
encl.

Refer to File
No. 12,1950

EXHIBIT "C-3"
Mr. Frank W. Hustace  
Commissioner of Public Lands  
Territorial Office Building  
Honolulu, Hawaii  

Subject: Estate of Hattie Kailiuli, deceased,  
General Lease No. 2507, Auwaiolimu, Honolulu.  

Dear Sir:  

Mrs. Rufina K. Molaka Lee as administratrix of the estate of Hattie Kailiuli has indicated that she is prepared to consent to the realignment of the Right-of-Way to the Kalua property referred to in your letter of November 5.

Please prepare the necessary documents and forward same to me for inspection prior to having it properly executed.

Yours very truly,

NATHANIEL FELZER  
Office of the Commissioner of Public Lands  

EXHIBIT "C-4"
Honolulu 13, T. H.
10 Mar., 1958

Land Commission
Territory of Hawaii
To whom it may concern
Sir:

We, the heirs of Mrs. Hattie K. Kailiuli, land covered by General lease #2507 Lot 18 on Auwaioolimu Drive, asking your generous kokua, please send to us the present price of this property. The first area of the property was 11,141 sq. ft. for the price of $4,756. Then upon agreement of adjustment on an easeway the property has been diminished to 10,073 sq. ft. which I have the map of Auwaioolimu Lots. Revised October 1956. A letter was forwarded previously stating the diminishing of the property with no price.

Will you please forward a price so we will place 20 o/o for the down payment. This is what we are interested, concerned and being waiting. Your Office has not notify us till up to this date.

We will appreciate very much if you will reply our letter before the 20th. of March 1958.

Thanking you kindly, we will wait for your reply.

Yours truly,
Mrs. Rufina K. Moloka'ee
daughter
Appointed Administratrix
1st. Circuit Court
Territory of Hawaii
27 Jan., 1956

Heirs:
Victor H. Kailiuli, Jr. - Son
Philomena K. Ching, - Daughter

EXHIBIT "C-5"
EXHIBIT D
MEMORANDUM

TO: Barry W. Cheung, Oahu District Land Agent

THROUGH: Russell Y. Tsuji, Administrator

FROM: E. Mahoe Collina, State Abstractor

SUBJECT: State of Hawaii’s Ownership Interest(s), if any, in and to “the driveway” adjoining Tax Map Key Parcels (1) 2-2-014:011, 020, 021 and 031 situated lying and being at Auwaiolimu, District of Kona, Island of Oahu.

We have been requested to determine and confirm the State of Hawaii’s ownership interests, if any, in and to the subject property, designated as the “Roadway” shown colored in green on Tax Plat Map (1) 2-2-14, attached hereto as Exhibit “B”.

An examination of the records and files located in our office and the State Survey Office reveal that the subject property as situated, lying and being an un-awarded portion of the Government (Crown) Land of Auwaiolimu, is owned by the State of Hawaii pursuant to and in accordance with §5(b) of the Admissions Act of March 18, 1959.

Said records further reveal that by survey descriptions dated September 24, 1956, the subject property is identified as a “Non-Exclusive Easement in perpetuity for all purposes” and defined as running along Lots 17, 18 and 19 extending from Auwaiolimu Street to Lot 19 and containing 2,057 square feet.

Historically, as platted on Registered Map No. 2531, the Auwaiolimu Lots subdivision was created by the Territorial Government in 1912. As shown thereon, a portion of the subject property lay situated within Block 30, extending from Auwaiolimu Street to Lot 19 between and adjoining Lots 17 and 18.
By survey descriptions dated September 26, 1936, the original boundaries to said Lots 17, 18, and 19 are established as running along said portion of the subject property identified as a “10-foot road right-of-way”.

Following a landslide that diminished the original 10-foot road right-of-way, the Commissioner of Public Lands, by letter to the Territorial Surveyor dated September 24, 1956, proposed to release a portion of Lot 18 “to make a right-of-way sufficiently wide for access” to Lot 19, and requested that the surveyor “prepare a description for a suitable Right-of-way to Lot No. 19, as well as a description for the area to be relinquished from Lot No. 18”, stating that “this right-of-way would serve both” lots.

By Revised Survey Descriptions dated October 17, 1956, the former right-of-way is defined as a “Non-Exclusive Easement” containing an area of 2,057 Square Feet, and the boundaries to Lots 17, 18 and 19 (Exhibits C-1 thru C-4) along said easement are modified. Intending to serve both lots, the subject “Non-Exclusive Easement” is therein described as being “Together with” Lots 18 and 19.

However, Land Patent Grant S-13,720 (see Exhibit “D”) which granted and confirmed all of the land described as Lot 18, Block 30 of the Auwaiolimu Lots (Revised October 1956), containing 10,068 square feet, to the Heirs of Hattie K. Kailiuli, failed to convey the purpose of the subject easement by recitation of the following encumbrance:

“SUBJECT, HOWEVER, to a Non-Exclusive Easement in perpetuity for all purposes over, under and across the above-described Lot 18 along the west boundary of said lot, and extending from the south easterly boundary of Lot 19, Block 30, Auwaiolimu Lots (Revised October 1956), to the north side of Auwaiolimu Street, ... described as follows:–”.

We find that the subject “Non-Exclusive Easement” being a portion of the un-awarded Government (Crown) Land of Auwaiolimu, intended as an access to serve both Lots 18 and 19 of Block B of the Auwaiolimu Lots, is owned by the State of Hawaii.

If you have any questions please feel free to call me at 587-0458

Enclosures