Amend Prior Board Action of May 26, 2017, Item D-7, Consent to Assign General Lease No. S-4892, from Thomas H. Kaaiai and Joan A. Kaaiai as Assignors to Thomas H. Kaaiai, Joan A. Kaaiai, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, Joint Tenants, as Assignees; Maunalaha, Honolulu, Oahu, Tax Map Key: (1) 2-5-024:021.

Mutual Cancellation of General Lease No. S-4906; Guy A. K. Kaaiai, Dale L. Kaaiai, Lessee; Maunalaha, Honolulu, Oahu, Tax Map Key: (1) 2-5-024:022

The purpose of this amendment is to seek Board’s authorization to replace the assignors with Lane Kaaiai, in the capacity of the Personal Representative of the Estate of Thomas H. Kaaiai, aka Thomas Hauola Kaaiai, Sr.

BACKGROUND:

At its meeting of May 26, 2017, under agenda item D-7, the Board gave its consent to the assignment of General Lease No. (“GL”) 4892 from Mr. & Mrs. Thomas Kaaiai to include other family members. A copy of the 2017 approved submittal is attached as Exhibit 1.¹

REMARKS:

Upon the Board approval in May 2017, staff learned that both Mr. and Mrs. Thomas Kaaiai passed away before executing any assignment of lease document. The assignment process stalled at that time.

For the Board’s information, Mr. and Mrs. Thomas Kaaiai held GL4892 as tenants by the entirety. Upon passing of Mrs. Kaaiai, Mr. Thomas Kaaiai became the sole tenant of the subject lease until he subsequently passed away at which time the lease became an asset of his estate.

¹ Staff notes that today’s request is only regarding the consent to assignment of GL4892 as the cancellation process of GL4906 was completed.
Recently, counsel representing the family informed the department of the appointment of Lane Kaaiai as the Personal Representative of the Estate of Thomas Hauola Kaaiai, aka Thomas Hauola Kaaiai, Sr. Pursuant to the appointment, the family requests the Board authorize Lane Kaaiai, in his capacity as the Personal Representative, to transfer General Lease No. 4892 to the surviving assignees as previously contemplated by the Board in May 2017. Attached as Exhibits 2 to 4, respectively, are a letter dated July 7, 2020 from counsel, a statement issued by the First Circuit Court on the appointment, and Letters of Administration.\textsuperscript{2} Counsel also indicates in her email attached as Exhibit 5 that the subject request does not need the final approval from the court.

There are no other pertinent issues or concerns. Upon approval of the today’s request, staff will request the assistance of the Department of the Attorney General to complete the documentation process.

RECOMMENDATION: That the Board:

A. Amend its prior Board action of May 26, 2017, under agenda item D-7 by replacing Recommendation 1 with the following:

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1. Consent to the assignment of General Lease No. S-4892 from Lane Kaaiai, as the Personal Representative of the Estate of Thomas Hauola Kaaiai, aka Thomas Hauola Kaaiai, Sr., as Assignor; to Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, Joint Tenants, as Assignees, subject to the following:

   A. The standard terms and conditions of the most current consent to assignment 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.”
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B. Except as amended hereby, all terms and conditions listed in its May 26, 2017 approval shall remain the same.

Respectfully Submitted,

Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson

\textsuperscript{2} Other exhibits mentioned in the counsel’s letter are kept in the file
Consent to Assign General Lease No. S-4892, from Thomas H. Kaaiai and Joan A. Kaaiai as Assignors to Thomas H. Kaaiai, Joan A. Kaaiai, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, Joint Tenants, as Assignees; Maunalaha, Honolulu, Oahu, Tax Map Key: (1) 2-5-024:021.

Mutual Cancellation of General Lease No. S-4906; Guy A. K. Kaaiai, Dale L. Kaaiai, Lessee; Maunalaha, Honolulu, Oahu, Tax Map Key: (1) 2-5-024:022

APPLICANTS:

GL 4892 - Thomas H. Kaaiai and Joan A. Kaaiai, husband and wife, as Assignors;
Thomas H. Kaaiai, Joan A. Kaaiai, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, Joint Tenants, as Assignees.

GL 4906 - Guy A. K. Kaaiai, Dale L. Kaaiai, husband and wife, Tenants by the Entirety.

LEGAL REFERENCE:

Section 171-6 and 36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Maunalaha, Honolulu, Oahu, identified by Tax Map Key: (1) 2-5-024:021 and (1) 2-5-024:022, as shown on the attached maps labeled as Exhibit A1 and A2.

AREA:

GL 4892 – Lot 9, 0.480 acres, more or less. - TMK: (1) 2-5-024:021
GL 4906 – Lot 23, 0.320 acres, more or less. - TMK: (1) 2-5-024:022

APPROVED BY THE BOARD OF LAND AND NATURAL RESOURCES AT ITS MEETING HELD ON May 26, 2017

D-7
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:

Residential purposes.

TERM OF LEASE:

GL 4892 and GL 4906 are 65-year leases commencing from December 1, 1983 and expiring on November 30, 2048. Last rental reopening occurred on December 1, 2008 and next rental reopening is scheduled on December 1, 2028.

ANNUAL RENTAL:

$120.00, to be paid semi-annually.

RECOMMENDED ASSIGNMENT PREMIUM:

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

DCCA VERIFICATION:

Not applicable.

REMARKS:

Act 225, SLH 1981 (copy attached as Exhibit B), as amended in subsequent sessions, took into account the unique circumstances of the people who have resided in Maunalaha Valley for decades subject to a 30-day relocation notice and authorized the Board to negotiate direct leases for residential purposes to the qualified residents, for a term not to exceed 65 years.

Among the leases issued in the valley, GL 4892 (Lot 9) was issued to Mr. & Mrs. Thomas Kaaiai while Mr. & Mrs. Guy A. K. Kaaiai, through mesne assignment, are the current lessees for GL 4906 (Lot 23). The latter couple is the son and daughter-in-law of Mr. & Mrs. Thomas Kaaiai.

Assignment of GL 4892
Mr. & Mrs. Guy Kaaiai were not able to obtain a construction loan for an improvement on their Lot 23. Recently, they decided to live with the parents on the adjoining Lot 9. The arrangement also facilitates the younger couple taking care of the senior Kaaiais.
In addition, Mr. & Mrs. Thomas Kaaiai intend adding two more family members, Lane Kaaiai (son) and Nohl-Dayne H. N. Kaaiai (grandson), as joint tenants.

Condition 14 of GL 4892 requires any proposed assignee be the descendant or heir of the assignor. In addition, the assignee shall agree in writing to abide by the terms and conditions of the lease.

Staff received copies of the relevant birth certificates and marriage license from the applicants to verify their relationship, and staff will follow-up with the assignees regarding the second requirement for acknowledgment of the terms and conditions of the lease in writing, if the Board approves today’s request.

**Mutual Termination of GL 4906**
Upon approval of the consent to assignment mentioned above, Mr. & Mrs. Guy Kaaiai request that the Board authorize the mutual termination of GL 4906 simultaneously.

**Vacant Lots in Maunalaha Valley**
In Maunalaha Valley shown on Exhibit A, there are currently three (3) vacant house lots. In view of the typical topography in the valley, these three (3) lots are not suitable for constructing any improvements. In short, they are overgrown with vegetation.

The lack of proper infrastructure makes any public auction of such vacant lots for residential purposes less appealing to prospective applicants. The Division also does not have the proper training for managing residential leases. During some discussions with the community association, the notion of letting the community association lease the vacant lots in the valley under a lease or revocable permit at gratis rent was discussed. The association plans to solicit volunteers among the families in the valley regarding the ongoing maintenance, mainly vegetation control, for those vacant lots. Staff will bring any request at a later date to the Board for consideration and approval, if appropriate.

Rent and insurance required in the subject leases are current.

The assignees have 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.

There are no outstanding rental reopening issues. No comments were solicited as the subject requests pertain to housekeeping purpose only. Staff recommends the Board approve the subject requests as mentioned in the Recommendation below.

**RECOMMENDATION:** That the Board:

1. Consent to the assignment of General Lease No. S-4892 from Thomas H. Kaaiai and Joan A. Kaaiai, as Assignors; to Thomas H. Kaaiai, Joan A. Kaaiai, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, Joint Tenants, as Assignees, subject to the following:
A. The standard terms and conditions of the most current consent to assignment 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.

2. Authorize the mutual termination of General Lease No. 4906 when the consent to the assignment of General Lease No. 4892 is consummated.

Respectfully Submitted,

Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:

Suzanne D. Case, Chairperson
TMK (1) 2-5-024:021 and 022

EXHIBIT A1
A Bill for an Act Relating to Public Lands.

Be it Enacted by the Legislature of the State of Hawaii:

SECTION 1. Findings. The legislature finds that, despite documented evidence which clearly indicates that the various governments of Hawaii since monarchical days have expressed an intent to grant long term tenure to the persons who have resided in Maunalaha Valley (Makiki) for many decades, these families at present only have leases with thirty-day relocation restrictions. Such thirty-day restrictions impose undue hardship when these people attempt to obtain home improvement financing, nor can they make other long term commitments and plans which are normally available to home owners in Hawaii. The legislature finds that there is a moral obligation to offer the residents of Maunalaha Valley an opportunity to negotiate long term leases (not to exceed sixty-five years) with the department of land and natural resources for the parcels upon which their homes are presently located.

SECTION 2. The department of land and natural resources is hereby authorized to negotiate and enter into long term residential leases not to exceed sixty-five years in duration with persons who meet the following criteria:

1) At the time of enactment of this Act reside on a parcel or parcels of land listed in Section 3, or have permits allowing them to reside on such land, or are descendents of persons who lawfully resided on such land before 1920; and
2) Have built homes on such land for use as their own residence prior to 1940 pursuant to government authority; and
3) Can prove that the various governments of Hawaii have expressed an intent to grant them long term tenure.

SECTION 3. The lands eligible for long term residential lease negotiations under the provisions of this Act are limited to those located in tax map key plats 1-2-5-19 and 1-2-5-20, and for which valid permits are on record in the department of land and natural resources at the time of enactment of this Act.

SECTION 4. Any other law to the contrary notwithstanding, including chapter 171, Hawaii Revised Statutes, the department of land and natural resources is hereby authorized to negotiate and enter into lease agreements in accordance with the provisions and limitations of this Act provided that the authority granted by this Act shall expire (1) when leases have been negotiated and recorded in the bureau of conveyances for all parcels meeting the criteria in Section 2 and Section 3, or (2) on January 1, 1983, whichever occurs first.

SECTION 5. This Act shall take effect upon its approval.

(Approved June 22, 1981.)
July 7, 2020

BY EMAIL (dlnr@hawaii.gov)
AND U.S. MAIL

Board of Land and Natural Resources
State of Hawai‘i
Department of Land and Natural Resources
P.O. Box 621
Honolulu, Hawai‘i 96809

RE: Petition for Consent to Assign General Lease No. S-4892, Maunalaha, Honolulu, Oahu, Tax Map Key No. (1) 2-5-024:021; Exhibits “A” – “G”

To the Board of Land and Natural Resources,

Mr. Lane Kaaiai, as the Personal Representative for the Estate of Thomas H. Kaaiai, Sr., through his attorneys, the Native Hawaiian Legal Corporation, requests that the Board of Land and Natural Resources (“BLNR”) reconfirm and execute its consent to assign Maunalaha General Lease No. S-4892 to Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants at its next available meeting.

Mr. Lane Kaaiai currently lives on the property covered by GL 4892 (the “Lease”), which is located at Honolulu, Hawai‘i 96822. Mr. Kaaiai’s deceased parents, Thomas H. Kaaiai and Joan A. Kaaiai, as husband and wife, were the original named lessees. In 2017, Mr. and Mrs. Thomas H. Kaaiai sought BLNR’s consent to the assignment of the Lease to themselves, Guy A. K. Kaaiai (their son), Dale L. Kaaiai (their daughter-in-law), Lane Kaaiai (their son), and Nohl-Dayne H. N. Kaaiai (their grandson), as Joint Tenants. BLNR approved the assignment at its May 26, 2017 meeting as shown on the staff submittal and minutes attached hereto.

On March 19, 2017, during the pendency of Mr. and Mrs. Thomas H. Kaaiai’s request to approve the lease assignment, Mrs. Joan A. Kaaiai passed away. As the surviving spouse, Mr. Thomas H. Kaaiai became the sole lessee of GL 4892. A few months later, on September 7, 2017, after BLNR approved the consent to assignment, but before the lease assignment had been executed, Mr. Thomas H. Kaaiai passed away. Copies of their death certificates are attached hereto.

EXHIBIT "2"
On May 8, 2020, in Probate No. 1 CLP-20-24, Mr. Lane Kaaiai was appointed as the personal representative of Mr. Thomas H. Kaaiai’s estate and letters of administration were issued as shown on the copies attached hereto. The appointment of Mr. Lane Kaaiai was supported by all four of his siblings, Thomas H. Kaaiai, Jr., John Kaaiai, Guy Kaaiai, and Brian Kaaiai. As the personal representative of Mr. Thomas H. Kaaiai, Sr.’s estate, Mr. Lane Kaaiai is seeking BLNR confirmation of its May 26, 2017 consent to assignment, and execution of the assignment of GL 4892 to himself, Guy A. K. Kaaiai, Dale L. Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants. All four of Mr. Lane Kaaiai’s siblings have signed letters of support for this petition to execute the lease assignment.

All of the assignees are eligible lessees under the terms of the Lease. In 2017, DLNR staff received copies of the relevant birth certificates and marriage license from the assignees to verify their relationships. All of the assignees are willing to acknowledge the terms and conditions of the Lease in writing.

Paragraph 14 of the Lease requires written approval of the BLNR for the transfer or assignment of the Lease. HRS § 171-36(a)(5) also requires that the BLNR approve all transfers and assignments of leases of lands managed by the DLNR.

Pursuant to HAR § 13-1-11 (a) and (e), Mr. Lane Kaaiai, in his capacity as Personal Representative of the Estate of Thomas Hauola Kaaiai, also known as, Thomas Hauola Kaaiai, Sr., requests that the BLNR place this matter on the next available agenda for action.

**Statute:** HRS § 171-36(a)(5)

**Location:** Lot 9 of Maunalaha Homesites, situated at Maunalaha, Honolulu, Oahu, identified by Tax Map Key No. (1) 2-5-024:021

**Area:** 0.480 Acres

**Status:** Under General Lease S-4892

**Purpose:** Residential

**Term:** Sixty-Five years, from December 1, 1983 to November 30, 2048. Last rental reopening occurred on December 1, 2008 and next rental reopening is scheduled on December 1, 2028.

**Conditions:** Assignees Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai will comply with all terms of General Lease No. S-4892.

**History:** On December 1, 1983, pursuant to Act 225 (1981), the BLNR issued General Lease No. S-4892 for Lot 9 of the Maunalaha Homesites in Honolulu, Hawai’i to Mr. Lane Kaaiai’s parents, Mr. and Mrs. Thomas H. Kaaiai, Sr., as husband and wife. The Lease is for a term of 65 years, up to and including November 30, 2048.
Paragraph 14 of the Lease requires prior approval of the BLNR of all assignments and transfers. Paragraph 14(1) of the lease requires all future assignees and transferees to be a descendant or heir of the assignor or transferor.

On March 19, 2017, Mrs. Joan A. Kaaiai passed away. Her death certificate is attached as Exhibit “A.”

On May 26, 2017, the BLNR approved the consent to assignment of GL 4892 to Mr. and Mrs. Thomas H. Kaaiai, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants (see page 10 of meeting minutes). The Staff Submittal regarding the lease assignment is attached as Exhibit “B.” The May 26, 2017 BLNR meeting minutes, approved by the Board at its meeting held on December 8, 2017, is attached as Exhibit “C,” with the relevant approval on page 10.

On September 7, 2017, Mr. Thomas H. Kaaiai, Sr. passed away. His death certificate is attached as Exhibit “D.”

On May 8, 2020, in the Estate of Thomas Hauola Kaaiai, also known as Thomas Hauola Kaaiai, Sr., Probate No. 1CLP-20-24, Mr. Lane Kaaiai was appointed as the personal representative of the estate and letters of administration were issued. The Statement of Intestate Informal Appointment of Personal Representative is attached as Exhibit “E.” The Letters of Administration are attached as Exhibit “F.” All four of Mr. Lane Kaaiai’s siblings have signed letters of support for this petition to execute the lease assignment, attached as Exhibit “G.”

Proposed Action:

Mr. Lane Kaaiai, in his capacity as Personal Representative of the Estate of Thomas Hauola Kaaiai, also known as Thomas Hauola Kaaiai, Sr., requests that this Board authorize the assignment of General Lease S-4892 from the Estate of Thomas Hauola Kaaiai, also known as, Thomas Hauola Kaaiai, Sr., as assignor, to assignees, Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants, as previously approved on May 26, 2017. All assignees in turn agree to accept the terms, conditions and restrictions of the Lease.

All assignees are qualified to be a lessee under General Lease S-4892 paragraph 14. As Mr. Thomas H. Kaaiai, Sr.’s sons, daughter-in-law, and grandson, they are each a “descendant or heir . . . of the assignor or transferor”. The assignees’ birth certificates and marriage license, which established their eligibility to be a lessee were previously submitted to DLNR and verified in 2017.

The proposed action complies with the terms of the Lease. Paragraph 14 of the Lease allows for the assignment and transfer of the Lease with approval of the BLNR. The 2017 BLNR previously approved Mr. and Mrs. Thomas H. Kaaiai,
Sr.'s assignment of the lease to Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants. Mr. Lane Kaaiai is now seeking this Board's approval in order to complete the assignment.

Mr. and Mrs. Thomas H. Kaaiai, Sr. made clear their intentions for the lease to be assigned to Guy A. K. Kaaiai, Dale L. Kaaiai, Lane Kaaiai, and Nohl-Dayne H. N. Kaaiai, as Joint Tenants. All of Mr. and Mrs. Thomas H. Kaaiai, Sr.'s children support this lease assignment. This Board can assist Mr. Lane Kaaiai in taking care of his father's affairs and accomplish his wishes by approving this lease transfer. Thank you for your consideration.

Sincerely,

Li'ulā Kotaki, Esq.
Attorney for Mr. Lane Kaaiai, Personal Representative of the Estate of Thomas Hauola Kaaiai, also known as, Thomas Hauola Kaaiai, Sr.

Enclosures
cc: Barry Cheung
Lane Kaaiai
Thomas H. Kaaiai, Jr.
John Kaaiai
Guy A. Kaaiai, Sr.
Brian Kaaiai
STATE OF HAWAI'I

THE ESTATE OF THOMAS HAUOLA KAAIAI, aka THOMAS HAUOLA KAAIAI, SR., Deceased.

STATEMENT OF INTESTATE INFORMAL APPOINTMENT OF PERSONAL REPRESENTATIVE

The Application of LANE KAAIAI, filed on January 14, 2020, for the informal appointment of personal representative (without will) of the decedent, as supplemented, having been considered by the undersigned Registrar of this Court, the undersigned Registrar hereby makes the following determination:

1. The Application for Informal Appointment of Personal Representative is complete.

2. The Applicant has made an oath or affirmation that the statements contained in the Application are accurate and complete to the best of the Applicant's knowledge and belief.

EXHIBIT "E"
3. The Applicant appears from the Application to be an interested person as defined in HRS Section 560:1-201.

4. From the statements in the Application, the person whose appointment as Personal Representative is sought has priority entitling the person to appointment.

5. On the basis of the statements in the Application, venue is proper.

6. Any notice as required by HRS Section 560:3-204 has been given.

7. No prior probate proceeding concerning the decedent’s estate has been held in this State.

8. No petition for formal testacy proceedings relating to the decedent has been filed in this State.

NOW THEREFORE, it is hereby stated by the Registrar:

1. LANE KAAIAI is informally appointed as the Personal Representative of the estate of the decedent, without bond, in an unsupervised administration, and Letters of Administration shall issue to the Personal Representative, who shall have no right to possess estate assets as provided in section 560:3-709 beyond that necessary to confirm title thereto in the successors to the estate.
2. The Letters of Administration and authority of the Personal Representative shall expire three (3) years from the date hereof unless renewed for good cause.


/s/ Nathaniel T. Noda
Registrar of the Above-Entitled Court

P. No. 1CLP-20-24 The Estate of Thomas Hauola Kaaiai, aka Thomas Hauola Kaaiai, Sr., deceased. Statement of Intestate Informal Appointment of Personal Representative.
IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAI'I

THE ESTATE
OF
THOMAS HAUOLA KAAIAI, aka THOMAS HAUOLA KAAIAI, SR., Deceased.

LETTERS OF ADMINISTRATION

LANE KAAIAI is informally appointed Personal Representative of the Estate of the decedent.

Limitations on powers: Pursuant to Hawai'i Revised Statute § 560:3-108(a)(4), the personal representative has no right to possess estates assets as provided in section 560:3-709 beyond that necessary to confirm title thereto in the successors to the estate.

These Letters of Administration shall expire three years form the date hereof, unless renewed for good cause.


/s/ R. So
Clerk of the Above-Entitled Court

EXHIBIT "F"
Hi Barry,

For this informal proceeding there is no formal closing, so there is no need for final approval by the court. Thank you for working on this and please let me know if you have any questions.

Mahalo,
Li’ulā

Barry

Li’ulā

I understand from our previous communication that there is no order of distribution required for this informal proceeding. Upon the Board approval, our normal process of consent to assign will include the Department of the Attorney General prepare a consent document to be signed by our Chairperson. Does anyone need to bring the consent to assign back to the court for final approval or other process? Please let me know. Thanks.

Barry