

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

October 10, 2008

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

PSF No.: 07od024

OAHU

Sale of Remnant to Anna B. T. Lai Trust, Darrell K.M. Lai Trust, and Barry W. C. Lai, Auwaiolimu, Honolulu, Oahu, Tax Map Key: (1) 2-2-003:095.

APPLICANT:

Anna B. T. Lai Trust, Darrell K.M. Lai Trust, and Barry W. C. Lai, as Tenants-in-Common, whose mailing address is 280 Huali Street, #301, Honolulu, Hawaii 96813.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Auwaiolimu, Honolulu, Oahu, identified by Tax Map Key: (1) 2-2-003:095, as shown on the attached map labeled Exhibit A.

AREA:

1,360 square feet, more or less.

ZONING:

State Land Use District: Urban
City & County of Honolulu LUO: R-3.5

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

CURRENT USE STATUS:

Vacant and unencumbered.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

Not applicable. Subject lands are to be conveyed to abutting landowner(s) and will become privately owned land at that point.

DCCA VERIFICATION:

Not applicable. The Applicant as a landowner is not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine the one-time payment of fair market value for the remnant; and
- 2) Consolidate the remnant with the Applicant's abutting property through the County subdivision process.

Note: Survey map and description have been prepared by DAGS Survey Division.

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

The subject State parcel is a portion of the former Prospect Street right-of-way which was realigned and since abandoned by the City and County of Honolulu by Resolution No. 48 dated February 16, 1965. Its area (1,360 sq. ft.) is below the minimum required for a R-3.5 lot (3,500 sq. ft.). So, the subject State parcel is not capable of developing as a separate unit, and is considered as a remnant.

For Board's information, the adjacent remnant was sold to the owner of (1) 2-2-003:050 (Parcel 50) in 1973 by Land Patent Grant 15219. Further, there is another similar State remnant, identified by tax map key (1) 2-2-003:094 in the same block, which the Board approved its sale on December 8, 2006, under agenda item D-10.

Applicant is the owner of parcel (1) 2-2-003:079 as confirmed by the county's real property tax office records. According to Section 171-52, HRS, if there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting the highest sealed bid or if the remnant abuts more than one parcel, the Board may subdivide the remnant so that a portion may be sold to each abutting owner. As mentioned above, the State did sell another remnant to the owner of Parcel 50 in 1973. In view of the languages in the statutes, staff wrote to the owner of Parcel 50 inquiring their interests in the subject remnant. Staff did not receive any indications from the owners of Parcel 50. Therefore, the applicants become the only party interested in purchasing the subject remnant.

Applicants 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.

The Board of Water Supply and the Department of Hawaiian Home Lands have no comments on the subject request. Office of Hawaiian Affairs, Department of Health, State Historic Preservation Division, Department of Planning and Permitting, Department of Parks and Recreation, and Department of Facility Maintenance have not provided response as of the suspense date.

There are no other pertinent issues or concerns, and staff has no objection to the request.

RECOMMENDATION:

That the Board:

1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.
2. 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) 2-2-003:079, 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 non-compliance with such terms and conditions.
3. Authorize the subdivision and consolidation of the subject remnant by the Applicant.

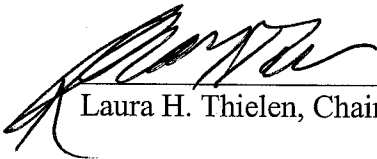
4. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to Anna B. T. Lai Trust, Darrell K.M. Lai Trust, and Barry W. C. Lai covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
- a. The standard terms and conditions of the most current deed or grant (remnant) 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.

Respectfully Submitted,



Timothy Chee
Land Agent

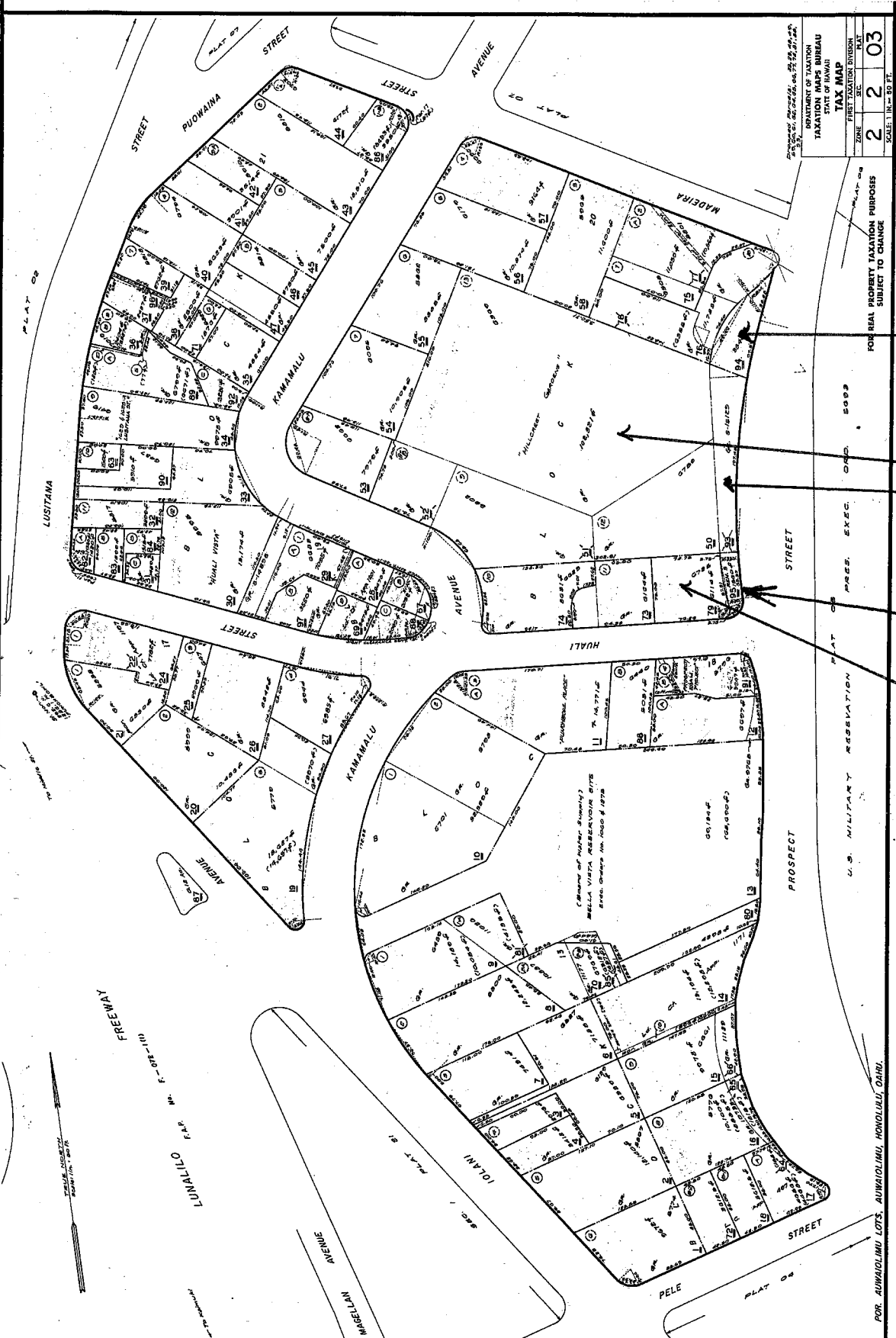
APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson



DIV. 1 C-3-2



DEPARTMENT OF TAXATION TERRITORY OF HAWAII	
TAX MAP	
ZONE	FIRST TAXATION DIVISION
2	2
03	
SCALE: 1 IN. = 50 FT.	

FOR REAL PROPERTY TAXATION PURPOSES SUBJECT TO CHANGE

Sale of remnant approved in 2006

Parcel 50
Remnant sold in 1973

Subject Location

Applicants' Property

DWG. NO. 1000 (PROSPECT & PELE)
 SOURCE: THE NAME MAPS
 DATE: 1/1/1900
 BY: M. J. ...
 1900

EXHIBIT "A"