S.C.R. NO. 9

#### 'JAN 2 4 2024

#### SENATE CONCURRENT RESOLUTION

AUTHORIZING THE ISSUANCE OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT WAIALAE-IKI, HONOLULU, OAHU, FOR THE EXISTING REVETMENT, AND FOR USE, REPAIR, AND MAINTENANCE OF THE EXISTING IMPROVEMENTS CONSTRUCTED THEREON.

1 WHEREAS, the existing revetment fronting the property 2 identified as Tax Map Key: (1) 3-5-058:011, Waialae-Iki, 3 Honolulu, Oahu (subject property), was placed upon state 4 submerged lands; and 5

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6 WHEREAS, on April 10, 1964, Bishop Estate, the original 7 developer of the Kai-Nani subdivision containing the subject 8 property, applied to the Board of Land and Natural Resources to 9 request approval for construction of the revetment to run along 10 the shoreline of multiple house lots of the same subdivision for 11 erosion protection purposes; and

WHEREAS, on October 1, 1964, the Department of Land and Natural Resources' Division of Land Management informed the developer by letter that the Board of Land and Natural Resources approved a construction right-of-entry permit and authorized the developer to proceed with construction of the revetment; and 18

19 WHEREAS, the same letter stated that the Division of Land20 Management was processing the sale of an easement for the21 revetment; and

WHEREAS, although the Board of Land and Natural Resources 23 approved construction of the revetment and the Division of Land 24 Management indicated that it was processing an easement for the 25 portion of state submerged land occupied by the revetment, for 26 reasons that are currently unknown to the Department of Land and 27 Natural Resources, the easement was never consummated and the 28 encroachment upon state submerged lands by the revetment was 29 30 never resolved; and

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WHEREAS, in 2011, David Kim, the current owner (property 1 2 owner), purchased the subject property, which abuts the portion of state submerged lands that contains the encroaching 3 4 revetment; and 5 WHEREAS, around December 2022, the Department of Land and 6 7 Natural Resources' Office of Conservation and Coastal Lands 8 worked with the property owner to resolve the encroachment; and 9 WHEREAS, the Office of Conservation and Coastal Lands has 10 found, based on a review of historical maps and documents 11 submitted by Bishop Estate to the Department of Land and Natural 12 Resources in conjunction with its 1964 permit applications, that 13 the revetment fronting the residential real property is part of 14 the subdivision revetment constructed by Bishop Estate pursuant 15 to the 1964 authorization and right-of-entry permit issued by 16 the Board of Land and Natural Resources; and 17 18 WHEREAS, the Office of Conservation and Coastal Lands has 19 20 indicated its support for a non-exclusive easement to resolve the existing seawall encroachment; and 21 22 WHEREAS, on April 14, 2023, under agenda item D-5, the 23 24 Board of Land and Natural Resources approved a grant of a 25year non-exclusive easement to resolve the revetment 25 encroachment, to run with the land and to inure to the benefit 26 of the abutting real property; and 27 28 WHEREAS, the total encroachment area was determined to be 29 2,894 square feet, subject to review and approval by the 30 Department of Accounting and General Services' Survey Division; 31 32 and 33 WHEREAS, the property owner has been working diligently 34 with the Department of Land and Natural Resources' Land Division 35 to execute a right-of-entry permit and revocable permit, as 36 37 approved by the Board of Land and Natural Resources, as interim steps to resolve the encroachment until the Board of Land and 38 39 Natural Resources-approved non-exclusive easement can be consummated, subject to terms including payment of \$831 monthly 40 41 rent and provision of liability insurance to protect the interests of the State; and 42 43

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1 WHEREAS, prior to execution of the non-exclusive easement, 2 the grantee shall pay the State the fair market value of the 3 non-exclusive easement as consideration for the use of state 4 submerged lands to be determined by an independent appraisal; 5 and 6

7 WHEREAS, section 171-53, Hawaii Revised Statutes, requires
8 the prior approval of the Governor and prior authorization of
9 the Legislature by concurrent resolution to lease state
10 submerged lands; now, therefore,

12 BE IT RESOLVED by the Senate of the Thirty-second Legislature of the State of Hawaii, Regular Session of 2024, the 13 House of Representatives concurring, that the Board of Land and 14 Natural Resources is hereby authorized to issue a term, non-15 16 exclusive easement covering a portion of state submerged lands fronting the property identified as Tax Map Key: (1) 3-5-17 18 058:011, Waialae-Iki, Honolulu, Oahu, for the existing seawall revetment, and for use, repair, and maintenance of the existing 19 improvements constructed thereon pursuant to section 171-53, 20 Hawaii Revised Statutes; and 21

BE IT FURTHER RESOLVED that certified copies of this
Concurrent Resolution be transmitted to the Chairperson of the
Board of Land and Natural Resources and the Governor.

OFFERED BY: MM.M.

BY REQUEST

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#### JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

- TITLE: CONCURRENT RESOLUTION AUTHORIZING THE ISSUANCE OF A TERM, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT WAIALAE-IKI, HONOLULU, OAHU, FOR THE EXISTING REVETMENT, AND FOR USE, REPAIR, AND MAINTENANCE OF THE EXISTING IMPROVEMENTS CONSTRUCTED THEREON.
- PURPOSE: To seek the authorization of the Legislature by concurrent resolution for the issuance of a term, non-exclusive easement by the Board of Land and Natural Resources (Board) for the existing revetment, and for use, repair, and maintenance of the existing improvements constructed thereon.
- MEANS: Concurrent resolution pursuant to section 171-53, Hawaii Revised Statutes (HRS).
- JUSTIFICATION: The existing revetment fronting the property identified as Tax Map Key: (1) 3-5-058:011, Waialae-Iki, Honolulu, Oahu (subject property), was placed on state submerged lands by a developer in the 1960s.

The Department's Office of Conservation and Coastal Lands worked with the current owner of the subject property, David Kim, (property owner), to resolve the encroachment and the Office of Conservation and Coastal Lands has indicated its support for a non-exclusive easement to resolve the existing seawall encroachment.

On April 14, 2023, under agenda Item D-5 the Board approved the grant of a 25-year nonexclusive easement to the property owner, as grantee, for an area of 2,894 square feet including the encroaching revetment with right, privilege, and authority to construct, use, maintain, and repair the existing revetment. Since that time, the property owner has worked with the

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Department's Land Division to execute a right-of-entry permit, which will convert to a revocable permit. Once executed, the property owner will pay monthly rent of \$831, retroactive to April 14, 2023.

The property owner has agreed to pay for an appraisal of the encroachment area by an appraiser selected and contracted by the State of Hawaii to determine the value of the encroachment area and to pay a lump sum in the amount of the appraised value in exchange for a 25-year non-exclusive easement to resolve the encroachment from the existing seawall revetment seaward of the subject property.

Section 171-53, HRS, requires the prior approval of the Governor and prior authorization of the Legislature by concurrent resolution to lease state submerged lands. As such, this concurrent resolution has been prepared in compliance with the requirements of section 171-53, HRS.

Impact on the public: None.

Impact on the department and other agencies: None.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: LNR 101.

OTHER AFFECTED AGENCIES:

None.

EFFECTIVE DATE: Upon adoption.