



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

P.O. BOX 1879
HONOLULU, HAWAII 96805

August 19, 2009

The Honorable Ken Salazar, Secretary
U.S. Department of the Interior
1849 C Street, N.W.
Washington D.C. 20240

Dear Secretary Salazar:

I am the newly-appointed Chairman of the Hawaiian Homes Commission. My predecessor, Mr. Micah A. Kane, has resigned as Chairman to accept a position as trustee for the Kamehameha Schools.

The Department of Hawaiian Home Lands administers a homestead settlement program which was originally enacted into law by the U.S. Congress in 1921 for the benefit of native Hawaiians. Under certain statutes, such as P.L. 104-42, the Hawaiian Home Lands Recovery Act (HHLRA), the U.S. Department of the Interior maintains general oversight and approval powers also expressed in the Hawaii Statehood Admissions Act of 1959.

Section 203(3) of the HHLRA authorizes me as Chairman to sell lands designated as compensation for "lost use" of Hawaiian home lands. The term "lost use" is defined in the HHLRA, Section 202.(7), as the value of the use of the land during the period when the Hawaiian Homes Commission was unable to use lands because of the use of such lands by the Federal Government after August 21, 1959. Our independent appraisers have valued the "lost use" compensation as of 1993 as \$20 million.

I am writing to let you know that I have designated the Ewa Drum Site, TMK No. 9-4-03:44 and 9-4-08:10, a total of 55.876 acres, for sale as authorized by the HHLRA. The estimated fee value of the Ewa Drum Site is within the value of the "lost use" compensation. As required, proceeds from the sale will be deposited into a trust fund to be used for purposes described in

EXHIBIT E
ITEM NO. E-1

EXHIBIT "A"

The Honorable Ken Salazar, Secretary

August 19, 2009

Page 2

Section 207(a) of the Hawaiian Homes Commission Act of 1920, as amended.

Your cooperation is most appreciated. Please do not hesitate to call me at (808) 620-9501 if you want to discuss this further.

Aloha and mahalo,

/ SIGNED /

Kaulana Park, Chairman (Designated)
Hawaiian Homes Commission

cc: Kimo Kaloi, Office of Native Hawaiian Relations, DOI
Governor Linda A. Lingle
U.S. Senator Daniel K. Inouye
U.S. Senator Daniel K. Akaka
U.S. Representative Neal Abercrombie
U.S. Representative Mazie Hirono