

JOBIE M. K. MASAGATANI CHAIRMAN HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

June 17, 2013

Aloha Anahola Beneficiaries:

Subject: Public Information Meeting and Special Commission Meeting Regarding the Green Energy Team's Proposed General Lease for 2,143 acres of land in Anahola.

As many of you know, the Department of Hawaiian Home Lands (DHHL) has been in negotiations with Green Energy Team LLC (Green Energy) to general lease 2,143 acres of land at Anahola, which includes all lands mauka of Kealia Road. At a special meeting of the Hawaiian Homes Commission (Commission) held last Friday, June 14, 2013, Green Energy notified the Commission that they were not able to continue negotiations beyond June 30, 2013. To accommodate Green Energy's deadline, the Commission chose to modify its initial timeline, moving up both the informational meeting and decision-making dates.

As a result, I invite you to attend and participate in two (2) meetings next week:

Informational Meeting - Thursday, June 27, 2013
 6:30 p.m. to 8:00 p.m.
 Kapa'a Elementary School
 Proposed terms of lease agreement to be presented
 Members of the Commission will be in attendance

II. Special Meeting of the Hawaiian Homes Commission - Friday, June 28, 2013 10:00 a.m. to Noon Kapa'a Elementary School

Decision-making on Green Energy's General Lease Agreement

To summarize and review this issue, Green Energy wants a 20-year general lease to establish a tree plantation which will supply fuel to Green Energy's biomass-to-energy facility located in Koloa. In return, DHHL will receive monetary and other benefits including improvements to DHHL's Anahola lands. In March of this year, DHHL conducted a beneficiary consultation meeting and two (2) Hawaiian Homes Commission Public Hearings on the proposed project.

Anahola Beneficiaries, et al. June 17, 2013 Page 2

Mahalo to all of you who attended the meetings. You gave clear and thoughtful testimonies about your concerns and recommendations. A special meeting of the Commission was planned for April 2013 to approve the lease; however, due to the many comments and concerns raised in your testimonies, the special meeting was postponed. In addition, due to the concerns raised, I committed to conduct an informational meeting for Anahola beneficiaries on the terms of the lease prior to any decision-making by the Commission. I also explained at the March Public Hearings that we are required by law to conduct the decision-making Commission meeting on the island of Kauai.

As a result of your input in March, we were able to propose important changes to the lease terms, and I look forward to the opportunity to present this information to you next week. In order to prepare for the meeting, we encourage you to visit our website (dhhl.hawaii.gov) where we will post the most up-to-date information we have. You can access more detailed information, including:

- The Beneficiary Consultation Report which includes a summary of the major concerns raised during the three (3) meetings conducted in March, as well as the meeting handouts, maps, and detailed notes for each meeting.
- Staff responses and recommendations for each of the major issues raised in the Consultation Report.
- A chronology of activities that have occurred from February 2013 to June 14, 2013.
- Green Energy's website address where you can review Green Energy's detailed responses to the concerns raised in the March meetings.

After you review the information on our website, if you have further questions or if you feel there are major issues that still need to be addressed, in the interest of having a productive informational meeting on June 27, I invite you to submit your additional questions and issues by June 25 to the Planning Office via email: dhhl.planning@hawaii.gov.

Aloha and mahalo,

Jobie M. K. Masagatani, Chairman Hawaiian Homes Commission