



HAWAIIAN HOME LANDS TRUST
DEPARTMENT OF HAWAIIAN HOME LANDS

Native Hawaiian Development Program Plan
January 1, 2012- June 30, 2014

Prepared by Planning Office

PREFACE

The **Hawaiian Homes Commission Act (HHCA)** “rehabilitates” native Hawaiian beneficiaries by awarding residential, agricultural or pastoral homestead leases at a rate of \$1.00 per year for 99-years. “Rehabilitating a native Hawaiian family takes more than a land lease.

Section 213 of the HHCA, established the **Native Hawaiian Rehabilitation Fund (NHRF)** to provide a wide range of “rehabilitation” programs that address educational, economic, political, social and cultural opportunities. Development in these areas improves the general welfare and conditions of native Hawaiians. Funded by a 30% share of revenues from sugar leases and water licenses, the NHRF fund provides a pool of financial resources that can be dispersed to programs, projects, and services that are deemed necessary for “rehabilitation”.

In addition to NHRF, per **Hawaiian Homes Commission Resolution Number 257** adopted on June 21, 2011, a set aside sum of up to 15% of the annual general lease revenues is to be used for the purpose of supplementing the Native Hawaiian Development Program Plan (NHDPP).

The **Native Hawaiian Development Program Plan (NHDPP)** identifies priority programs and services that should be provided for the next two years. It also determines how the NHRF and 15% set aside will be allocated in the next fiscal biennium to support those priorities. The NHDPP focuses on two (2) areas of development: 1) Individual Development; 2) Community Development.

Hawaiian Home Lands Trust

Native Hawaiian Development Program Plan January 1, 2012- June 30, 2014

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NATIVE HAWAIIAN DEVELOPMENT PROGRAM

“Empower”

To provide individuals and or groups with skills, information, authority and resources in order to carry out their responsibilities.

The purpose of the Native Hawaiian Development Program is to “improve the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs.” [Title 10 Administrative Rules, Chapter 6.1]

NATIVE HAWAIIAN DEVELOPMENT PROGRAM PLAN

The Native Hawaiian Development Program Plan (NHDPP) is a two (2) year approach designed to achieve the aforementioned purpose by “increasing the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities”. [Title 10] The following are guiding principles that help to define the plan:

- Beneficiaries define their own vision for their community.
- Beneficiary Organizations through its democratically-elected leaders are the primary conduit for the relationship between the department and homestead residents and applicants with regard to community development. Each homestead lessee and applicant is eligible to vote for their leaders.
- The interests of applicants, the future residents of homestead communities, must not be overlooked in community planning.
- The skills and talents of individuals need to be strengthened and nurtured to ensure strong, prepared leadership for the future.
- Each homestead association defines what it wants to be responsible for within the areas of authority the commission is willing or able to delegate.
- Successful participation of beneficiaries in planning for the use and management of homestead lands and assets is tied to being adequately prepared and supported.
- Homestead leaders can best learn governance and management skills through hands-on training that applies to the assets in their own community.
- Each homestead is unique and each homestead association will have its own way of working toward self-sufficiency. Not every homestead association will be interested or ready to take the steps toward self-sufficiency at the same time or in the same way.

- Beneficiary organizations¹ will assume more responsibilities as their capacity increases.
- Beneficiary organizations are under no obligation to participate in this initiative.
- The policies and practices of DHHL must support increased self-governance by homestead associations and beneficiary organizations.

The NHDPP has two (2) primary goals:

1. Individual Development
2. Community Development

¹ Throughout this document the term “beneficiary organization” refers to organizations that are owned and controlled by homesteaders or DHHL applicants that they represent

I. INDIVIDUAL DEVELOPMENT

“Self-sufficiency”

Provision by one's self
of all of one's own needs

GOAL:

Provide opportunities for native Hawaiians to obtain the knowledge and skills that will increase their ability to earn a living, become self-sufficient, or secure and make better use of their homestead award.

STRATEGY:

A strong education and the development of job skills are essential for creating self-sufficient, independent individuals. In turn, increasing the knowledge and abilities of individuals strengthens the community as a whole. Providing scholarships makes an education attainable for many more native Hawaiians. By coordinating our scholarship programs with others, we enhance programs that already exist and extend the opportunities for an advanced education to more people.

Economic opportunities and homeownership are also affected by the lack of appropriate skills and experience, making it difficult for lessees with agricultural and pastoral awards to make full use of their homesteads. DHHL staff estimates that only 15% of agricultural awards are in productive farming at this time. Access to the appropriate resources, training and technical assistance are needed to help lessees get started and expand their production.

Education affects homeownership in two major ways – earning power and financial security. Numerous studies document the relationship between educational achievement and income. Higher and more stable incomes allow people to qualify for a mortgage. Similarly, knowledge about handling money wisely (like budgeting, managing debt, and saving) helps people prepare for homeownership and paying a mortgage.

Settlement of native Hawaiians on the land is DHHL's primary mission. With homes costing more than \$500,000 in the private sector, many more native Hawaiians are seeking homestead awards. The large average native Hawaiian family size, combined with lower per capita income, lack of savings, credit or debt problems makes it a challenge to achieve homeownership. The lack of experience in buying real estate means that training and assistance is critical to make native Hawaiian homeownership a reality.

IMPLEMENTATION ACTIONS FOR 2012-2014:

1.1 Education

Objective: Provide educational opportunities through scholarships, internships, and community service opportunities. Evaluation indicators to

measure program outcomes and results will need to be developed for each Implementation Action.

1.1.1 HHC Scholarships

Maintain and administer two (2) post-high scholarship programs that provide financial assistance to native Hawaiians with demonstrated financial need or academic excellence (Kuhio Scholars) enrolled in post-high school educational institutions. Annually, there are approximately 300-400 applications received and 200 awards granted.

Eligibility Requirements:

- Be native Hawaiian (50% or more Hawaiian ancestry) or Homestead Lessee (25% or more Hawaiian ancestry);
- Be enrolled as a full-time classified student in an accredited two-year, four-year or graduate degree program;
- Minimum GPA of 2.0 for undergraduates, 3.0 for graduate students;
- Agree to participate in community service projects;
- Applications due March 1 each year;
- For Kuhio Scholars, minimum GPA of 3.8 for graduate students.

**Applications are available at: www.hawaiicommunityfoundation.org*

Budget: \$200,000 encumbered for application review, determination of native Hawaiian status, and coordination

1.1.2 HHCS – Vocational Education

Produce a separate brand for HHCS Vocational Education and develop a distinct website and information and marketing materials. Although the HHCS can cover UH Community College vocational education program costs, there has been minimal use of this program. There is a need to brand the HHCS – Vocational Education program separately from the HHCS – Four Year and Advanced Degree program. Vocational Education programs at the UH community colleges are a tremendous resource for native Hawaiians to enter the trades and other professions.

Budget: \$2,500 printing and distribution

1.1.3 Partnerships

Chaminade University

Chaminade University of Honolulu offers a four year renewable scholarship valued at \$8,500 to attend Chaminade. Chaminade University is committed to support up to 40 scholarships each year for qualified homestead students. This commitment will be for four years per student as long as they maintain their commitment to education.

Eligibility Requirements:

- Be a dependent of a current resident who holds a lease to a Hawaiian homestead property;
- Have a high school GPA of 2.5 or higher;
- Have a SAT of 900 or an ACT of 18; and

- Be a full-time day undergraduate student.

Budget: No additional cost to DHHL

Other Partnerships

Staff should pursue similar partnerships with other educational institutions (e.g. Hawaii Pacific University and BYU Hawaii) and sources of financial assistance (e.g. Office of Hawaiian Affairs)

1.2 Homesteading Opportunities Assistance Program (H.O.A.P.)

Objective: Revive, expand, and rebrand the existing “Homeownership Assistance Program” into the “Homestead Opportunities Assistance Program,” to assist all beneficiaries.

Expansion and enhancement of the program may include technical assistance in residential, agricultural, pastoral, and aquaculture homesteading. Evaluation indicators to measure program outcomes and results will need to be developed for each Implementation Action.

Budget: \$500,000 annually

1.2.1 Residential Technical Assistance

Continue to offer current elements of the existing program, designed to provide comprehensive support and resources for homeownership including homebuyer education, financial literacy training, one-on-one credit counseling, and other homeownership tools.

1.2.2 Agricultural Technical Assistance

Provide educational and technical assistance programs to Hawaiian Home Lands agricultural lessees. The objective of the program is to increase the number of successful homesteaders in agricultural enterprises by increasing their knowledge and training in commercial and subsistence agricultural production, best management practices, marketing, financial and business skills. Current technical assistance includes group training in food productions, disease control, best management practices, business planning, processing, and marketing on Kauai, Molokai, and Hawaii Islands.

Homestead farmers have expressed the need to have more input into the program’s direction and scope of work to make effective use of limited resources (technical assistance, land, loans, project support) in accordance with intent (farm plan) and capabilities (experience, financing).

1.2.3 Pastoral Technical Assistance

Provide educational and technical assistance programs to Hawaiian Home Lands pastoral homestead lessees. The objective of the program is to increase the number of successful homesteaders in pastoral enterprises by increasing their knowledge and training in commercial and subsistence pastoral production, best management practices, marketing, financial and business skills. Current technical assistance includes group training in food

productions, disease control, best management practices, business planning, processing, and marketing on Kauai, Molokai, and Hawaii Islands.

Homestead ranchers have expressed the need to have more input into the program's direction and scope of work to make effective use of limited resources (technical assistance, land, loans, project support) in accordance with intent (ranch plan) and capabilities (experience, financing).

DRAFT FOR HHC APPROVAL

II. COMMUNITY DEVELOPMENT

“Community Development”

A process involving the conception, planning, and implementation of projects or activities which create improvements in (or reduce the extent of declines in) the living standards of people in a particular community.

GOAL:

To support homestead associations and beneficiary organizations in developing unified, organized, effective, and sustainable Hawaiian communities.

STRATEGY:

Beneficiary organizations provide an avenue for homestead applicants and lessees to take part in the planning of new homestead developments, the various uses of homestead land, and the management of homestead assets. These organizations need to have certain skills and resources in order to enable them to participate in these activities.

It is important to build the leadership, organizational, and management capacity within beneficiary groups. Most homestead organizations currently secure resources in order to undertake projects to benefit their communities. The types and sizes of projects are very diverse, ranging from annual community gatherings to moderate-sized recreation, education, cultural, and community center activities.

“Community Development” is consistent with the intent of the Hawaiian Homes Commission Act 201.6 which authorizes the transfer of certain department authority to democratically-elected homestead organizations that demonstrate a capacity to provide these services at a level and quality comparable to services provided by the department.

To assist in Community Development, the DHHL is focusing on the following implementation actions:

1. Hawaiian Home Lands Trust Grants
2. Technical Assistance and Training

IMPLEMENTATION ACTIONS FOR 2012-2014:

2.1 Hawaiian Home Lands Trust Grants

Objective: Provide beneficiary organizations the opportunity to seek funds through an open and competitive grant application process to support community-driven projects that improve the living standards in homestead communities, including HHC-approved Regional Plan Priority Projects and projects included in the Hawaiian Home Lands Trust Strategic Goals & Objectives 2012-2017. Grants can also be used for the following:

- Nonprofit Board Roles and Responsibilities

- Nonprofit Financial Management
- Strategic Planning
- Proposal and Grant Writing
- Project Action Planning

All grants require a minimum match of 25% of the grant request amount in outside in-kind services and/or funds. Evaluation indicators to measure program outcomes and results will need to be developed.

Eligibility:	Beneficiary Organizations
Deadlines:	April 1 and October 1
Application Forms:	To be developed and posted on website
Review Process:	Applications are distributed to an Evaluation Committee for review and rating. Project descriptions and funding recommendations are submitted to the Hawaiian Homes Commission for action.
Grant Amounts:	Not to exceed \$100,000 per application
Budget:	\$500,000 annually

2.2 Training and Technical Assistance

Objective: Provide training and technical assistance to beneficiary organizations to assist in developing organizational visions and strategies, in securing resources, in successfully implementing their community projects, and in becoming stable, self-sufficient homestead communities. Evaluation indicators to measure program outcomes and results will need to be developed for each Implementation Action.

2.2.1 Homestead Association Assistance

Planning staff will be assigned to serve as a liaison with homestead associations and beneficiary organizations to provide advice, pull in technical assistance, and serve as a point of contact and referral. As part of this role, staff will be available upon request and as budget permits to attend community and/or board meetings.

Budget: Staff time and cost for travel, lodging, coordination and presentation included in other budgets.

2.2.2 Leadership Conference

Convene homestead association and beneficiary organization leaders annually to provide technical assistance and training and also to network and develop partnerships, collaborate on projects, and to share best practices with one another. Topics may include:

- Nonprofit Board Roles and Responsibilities
- Nonprofit Financial Management
- Strategic Planning
- Proposal and Grant Writing
- Project Action Planning

- Learning Circles

Conference may be “piggy backed” on other similar conferences in attempts to partner and share costs.

Budget: \$75,000 with matching funds from USDA-RCDI grant and/or other sources

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PROPOSED BUDGET

The table below highlights the annual amount and source of funding for each implementing action in the NHDPP.

Implementation Action	Source of Funding	
	NHRF & Reso. 257	Other
1.1. Education		\$202,500
1.2 Homestead Opportunities Assistance Program	\$500,000	
2.1 Hawaiian Home Lands Trust Grants	\$500,000	
2.2 Training and Technical Assistance		*\$175,000
Total Annual Budget	\$1,000,000	\$377,500

**Subject to negotiation with outside funding source*

DRAFT FOR HHC APPROVAL

HAWAII ADMINISTRATIVE RULES

TITLE 10

DEPARTMENT OF HAWAIIAN HOME LANDS

CHAPTER 6.1

NATIVE HAWAIIAN DEVELOPMENT PROGRAM

- \$10-6.1-1 Purpose
- \$10-6.1-2 Native Hawaiian development program structure
- \$10-6.1-3 Native Hawaiian development program plan content
- \$10-6.1-4 Procedures for obtaining assistance
- \$10-6.1-5 Eligibility
- \$10-6.1-6 Funding
- \$10-6.1-7 Reporting

\$10-6.1-1 Purpose. The purpose of the Native Hawaiian development program is to improve the general welfare and condition of native Hawaiians through educational, economic, political, social, cultural and other programs. [Eff and comp 10/26/98] (Auth: HHC Act \$222) (Imp: HHC Act \$222)

\$10-6.1-2 Native Hawaiian development program structure. (a) The native Hawaiian development program shall have a hierarchical structure of goals, objectives, and action plans. The primary goal of the native Hawaiian development program shall be to increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities. Additional related goals may also be established by the commission. Objectives shall be established delineating a comprehensive strategy for reaching the goals. The department shall develop

\$10-6.1-2

action plans to achieve the objectives. Each action plan may have several implementing mechanisms such as grants, scholarships, loans, technical assistance, and partnerships.

(b) The goals, objectives, and action plans offered during a given fiscal year shall be detailed in a native Hawaiian development program plan. The native Hawaiian development program plan shall cover two fiscal years and shall be approved by the commission before the beginning of each fiscal biennium. The department shall seek community input and participation in its development of the native Hawaiian development program plan. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

§10-6.1-3 Native Hawaiian development program plan content. (a) The native Hawaiian development program plan shall specify the goals, objectives, action plans, and implementing mechanisms applicable during the fiscal biennium covered by the plan.

(b) The department may utilize the following resources to establish the goals, objectives, action plans, and implementing mechanisms contained within the native Hawaiian development program plan:

- (1) An assessment of the needs of the native Hawaiian community based on a review of social and economic data on native Hawaiians and assessments provided by native Hawaiian community groups;
- (2) A written questionnaire survey of Hawaiian agencies, organizations, and community groups to obtain their opinion of the needs of the native Hawaiian community and their recommendations for objectives, programs, and the type of assistance to meet such needs;
- (3) An assessment of the feasibility and practicality of offering a given program or type of assistance; and

§10-6.1-5

- (4) An assessment of the progress made toward previously established goals, objectives, and programs.
- (c) The native Hawaiian development program plan shall specify for each action plan:
 - (1) A statement of the objectives;
 - (2) A general description of the implementing mechanisms; and
 - (3) Where applicable, eligibility requirements, application procedures, and selection criteria. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

§10-6.1-4 Procedures for obtaining assistance.

The department shall provide standard forms for requesting financial assistance. The standard forms shall be designed for the specific type of assistance being requested. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

§10-6.1-5 Eligibility. (a) Each type of assistance offered may have unique eligibility requirements that shall be specified in the native Hawaiian development program plan. Common to all types of assistance shall be the minimum requirement that the beneficiaries of the assistance must be native Hawaiian.

(b) Additional basic eligibility requirements for specific types of assistance are:

- (1) Grants shall only be awarded to public agencies and non-profit organizations recognized as tax-exempt by the U.S. Internal Revenue Service. Organizations who are recognized by the State as non-profit but whose operations do not require recognition from the U.S. Internal Revenue Service may also be eligible to receive a grant; and

§10-6.1-5


- (2) Technical assistance and partnerships shall be available to any type of organization or public agency provided that the purpose of the assistance is to benefit native Hawaiians. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

§10-6.1-6 Funding. The native Hawaiian development program shall be funded by the native Hawaiian rehabilitation fund, and federal, state, county, and private sources. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

- §10-6.1-7 Reporting.** (a) The department shall submit a report on the native Hawaiian development program to the commission. The report shall cover the activities of the previous fiscal year, and include:
- (1) A description of the plans of action implemented;
 - (2) A summary of specific projects, organizations, and individuals assisted;
 - (3) An assessment of the native Hawaiian development program;
 - (4) Recommendations for improvement or modification to the goals, objectives, action plans, implementing mechanisms, or operational procedures; and
 - (5) A summary of the assistance provided by type of assistance.
- (b) The report shall be submitted no later than December 31 of each year. [Eff and comp 10/26/98] (Auth: HHC Act §222) (Imp: HHC Act §222)

June 21, 2011

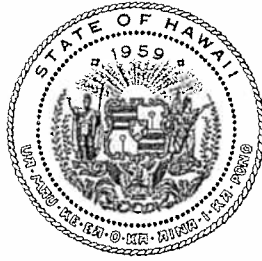
TO: Hawaiian Homes Commission

FROM: Chairman, Albert "Alapaki" Nahale-a 

SUBJECT: **Resolution No. 257**
Budget Policy on General Lease Revenue

RE: To Adopt a budget policy to set aside a sum up to 15% of the annual revenue from general leases for the purpose of supplementing the Native Hawaiian Development Program; and that this Resolution be referenced in the 2011 2013 Native Hawaiian Development Program Plan

ITEM NO A-4
EXHIBIT A



HAWAIIAN HOMES COMMISSION RESOLUTION NUMBER 257

WHEREAS, the mission of the Department of Hawaiian Home Lands is to manage the Hawaiian Home Lands trust effectively and to develop and deliver lands to native Hawaiians; and

WHEREAS, one of the principle purposes of the Hawaiian Homes Commission Act is to provide financial support and technical assistance to native Hawaiian beneficiaries so that by pursuing strategies to enhance economic self-sufficiency and promote community-based development, the traditions, culture and quality of life of native Hawaiians shall be forever self-sustaining; and

WHEREAS, the Department's Native Hawaiian Development Program was established to improve the general welfare and condition of native Hawaiians through educational, economic, political, social, and cultural programs; and

WHEREAS, programs and benefits delivered to beneficiaries through the current Native Hawaiian Development Program Plan include outreach initiatives for nation-building, community grants, technical assistance, and scholarships for vocational and higher education; and

WHEREAS, the Native Hawaiian Development Program Plan is primarily funded by the Native Hawaiian Rehabilitation Fund; and

WHEREAS, the Department of Hawaiian Home Lands issues general leases for its available lands, as allowed by Section 204 and Section 220.5 of the Hawaiian Homes Commission Act, to generate revenues to supplement its homestead program and to efficiently deliver lands to native Hawaiian beneficiaries of the Hawaiian Home Lands trust; and

WHEREAS, a set aside of a portion of those general lease revenues to be used for the benefit of native Hawaiian beneficiaries is consistent with the purpose and intent of the Hawaiian Homes Commission Act, 1920, as amended; and

WHEREAS, a set aside sum up to 15% of the annual general lease revenues would ensure a sustained revenue stream to significantly enhance and bolster the Native Hawaiian Development Program;

NOW, THEREFORE, BE IT RESOLVED, by the members of the Hawaiian Homes Commission on this 21st day of June, 2011, that this Commission adopt a budget policy to set aside a sum up to 15% of the annual revenue from general leases for the purpose of supplementing the Native Hawaiian Development Program; and

BE IT FURTHER RESOLVED that this Resolution be referenced in the 2011-2013 Native Hawaiian Development Program Plan.

ADOPTED this 21st day of June, 2011 in Hilo on the island of Hawaii.



HAWAIIAN HOMES COMMISSION

OFFERED BY:

Albert "Alapaki" Nahale-a, Chairman

Perry O. Artates, Member

Imaikalani Aiu, Member

Donald S.M. Chang, Member

Leimana Damate, Member

Kama Hopkins, Member

Ian Lee Loy, Member

Trish Morikawa, Member

Henry K. Tancayo, Member

ITEM NO: A-4

SUBJECT: Resolution No. 257 – Budget Policy on General Lease Revenue

MOTION/ACTION

Moved by Commissioner L. DaMate, seconded by Commissioner P. Artates.

Chairman Nahale-a read Resolution No. 257 adopting a budget policy to set aside 15% of annual revenues from the general leases to be utilized in supplementing the Native Hawaiian Development Program (NHDP)

MOTION

Moved by Commissioner L. DaMate, seconded by Commissioner P. Artates.

DISCUSSION

Commissioner K. Hopkins queried whether a 20% increase would be feasible and what impact it would create financially as homesteaders share rough times and money issues. He would like to see assistance to those whose homes are in disrepair. According to Act 187, Session Laws 2010, the matter would require approval by the Attorney General's office for Congressional consent, noted Administrative Services Officer Rodney Lau. The department currently is unable to transfer general lease monies into NHRF (Native Hawaiian Rehabilitation Fund).

The purpose of the resolution is to provide the commission with some policy conversations and initiate a policy to continue funding. There is no policy that mandates funds to be set aside into NHRF. Monies in the NHRF fund are depleting and funding sources need to continue. The plan is scheduled for presentation to homestead communities in July where it can be determined what the monies can be utilized for; such as capacity building grants, scholarships, etc.

ACTION

Motion carried unanimously.

ITEM NO: A-5

SUBJECT: Approval of the 2011 Native Hawaiian Housing Plan (NHHP) and Budget for the Native Hawaiian Housing Block Grant (NHHBG) as Authorized Through the Native American Housing Assistance and Self-Determination Act (NAHASDA) FY 2011-2013