

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION WORKSHOP/AGENDA
91-5420 Kapolei Parkway, Kapolei, Oahu
July 21, 2014 at 9:30 a.m., to be continued, if necessary, on
July 22, 2014, at 9:30 a.m.

ORDER OF BUSINESS

Roll Call
Approval of Agenda
Approval of Minutes for April 2013 and May 2013

A – PUBLIC TESTIMONY ON AGENDIZED ITEMS

B - WORKSHOPS

B-1 FY 2014-2015 Development and Trust Fund Budget

ITEMS FOR DECISION MAKING.

G - PLANNING OFFICE

G-1 Adoption of Final Oahu Island Plan
G-2 Adoption of Final Water Policy Plan
G-3 Extend the Implementation Period of the Native Hawaiian Development Program Plan
G-4 Resolution of Appreciation No. 278 – **Darrell C. Yagodich**

D - HOMESTEAD SERVICES DIVISION

D-2 Ratification of Loan Approvals (see exhibit)
D-3 Approval of Consent to Mortgage (see exhibit)
D-4 Approval of Streamline Refinance of Loans (see exhibit)
D-5 Approval to Schedule Loan Delinquency Contested Case Hearing (see exhibit)
D-6 Approval of Homestead Application Transfers / Cancellations (see exhibit)
D-7 Ratification of Designation of Successor to Leasehold Interest and Designation of Person to Receive Net Proceed (see exhibit)
D-8 Approval of Assignment of Leasehold Interest (see exhibit)
D-9 Approval of Amendment of Leasehold Interest (see exhibit)
D-10 Approval to Cancel Lease – **Alexander W. Winchester**, Lease No. 3948, Lot No. 2, Waimanalo, Oahu
D-11 Commission Designation of Successor – **Richard I. Colipano**, Lease No. 6111, Lot No. 100, Kalamaula, Molokai, Hawaii
D-12 Commission Designation of Successor – **Violet K. M. Makua**, Lease No. 2226, Lot No. 148, Kewalo, Oahu

E – LAND DEVELOPMENT DIVISION

E-1 Approval of Lease Award – Daniel W. T. K. Pelekane Tamashiro

F – LAND MANAGEMENT DIVISION

- F-1 Approval to Issue License Easement, Hawaiian Telcom, Inc., Lalamilo, Island of Hawaii
- F-2 Approval to Issue License Easement, Department of Water Supply, County of Hawaii, Puukapu, Island of Hawaii
- F-3 Approval for Payment Plan on Deficient Rent, General Lease No. 110, Yamada and Sons, Inc., Panaewa, Hawaii
- F-4 Approval for Assignment of Lease and Amendment of Lease, General Lease No. 293, Kalaeloa Solar One, LLC, Kalaeloa, Oahu
- F-5 Approval for Assignment of Option to Lease from Hawaii DeBartolo LLC to Kapolei Hawaii Property Company LLC, East Kapolei, Oahu
- F-6 Ratification of Defaults and Revocation, Statewide
- F-7 Ratification of Actions Taken by the Chairman, Hawaiian Homes Commission, Statewide
- F-8 Approval for Assignment of Lease from Big Island Carbon LLC to an Entity to be Approved by the Bankruptcy Trustee; General Lease No. 275, Kawaihae, Hawaii

ITEMS FOR INFORMATION

C – OFFICE OF THE CHAIRMAN

C-2 Draft Native Hawaiian Housing Block Grant (NHHBG) Annual Performance Report

D – HOMESTEAD SERVICES DIVISION

- D-1 HSD Status Reports
 - Exhibits:
 - A - Homestead Lease and Application Totals and Monthly Activity Reports
 - B - Delinquency Report
 - C – DHHL Guarantees for FHA Construction Loans

EXECUTIVE SESSION

The Commission anticipates convening in executive meeting pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on these matters.

1. DHHL v Correa et al., Civil No. 1RC13-1-7813
2. Leighton Pang Kee v Masagatani, et al, Civil No. 12-1-2403-09 VLC
3. Proposed Hawaiian Homes Commission Policy regarding transfer of lease from a lessee who is at least one-quarter Hawaiian

RECESS

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
HAWAIIAN HOMES COMMISSION AGENDA
91-5420 Kapolei Parkway, Kapolei, Oahu
July 22, 2014 at 9:30 a.m.,

RECONVENE

Roll Call

A – PUBLIC TESTIMONY ON AGENDIZED ITEMS

EXECUTIVE SESSION

The Commission anticipates convening in executive meeting pursuant to Section 92-5(a)(4), HRS, to consult with its attorney on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities on the following matter.

4. Background on Federal Recognition, including prior challenges to the constitutionality of the Hawaiian Homes Commission Act, as amended.

ITEMS FOR DECISION MAKING

C - OFFICE OF THE CHAIRMAN

- C-1 Re-affirming the Hawaiian Homes Commission Support of Mechanisms to Achieve Federal Recognition

H- ADMINISTRATIVE SERVICES OFFICE

- H-1 Approval of Fiscal Year 2015 Development and Trust Fund Budget for the Department of Hawaiian Home Lands

ITEMS FOR INFORMATION

J - GENERAL AGENDA

- J-1 Request to Address the Commission – **Desmund Manaba**, Right-of-Entry No. 503, Hoolehua, Molokai
- J-2 Request to Address the Commission – **Jeff Gilbreath**, Executive Director, Hawaii Community Assets

- J-3 Request to Address the Commission – **Yuklin Aluli, Attorney At Law** Re: DHHL v Correa et al., Civil No. 1RC13-1-7813
J-4 Request to Address the Commission – **Maureen Ann Kanani Marshall**

ANNOUNCEMENTS AND ADJOURNMENT

1. Next Meeting – August 18, 2014, Lanai City, Lanai, Hawaii
2. Other Announcements
3. Adjournment



Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

COMMISSION MEMBERS

Gene Ross K. Davis, Molokai
Doreen N. Gomes, Maui
Wallace A. Ishibashi, East Hawaii
David B. Kaapu, West Hawaii

Michael P. Kahikina, Oahu
William K. Richardson, Oahu
Vacant, Kauai
Renwick V. I. Tassill, Oahu

Next community meeting to be held at Hale Kupuna O Lanai,
1144 Ilima Street, Lanai City, August 18, 2014, at 6:00 p.m.

Special Accommodations (such as Sign Language Interpreter, large print, taped material) can be provided, if requested, at least five (5) working days before the scheduled meeting on the respective island by calling Blaine Fergerstrom, at the **Information & Community Relations Office**, on Oahu, (808) 620-9520.

ITEM D-2 EXHIBIT
RATIFICATION OF LOAN APPROVALS

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
DUDOIT, Robin W.	12731	Kalamaula, Molokai
TOM, Issac K.	10233	Kaniohale, Hawaii

ITEM D-3 EXHIBIT
APPROVAL OF CONSENT TO MORTGAGE

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
AHANA, Kauhi K.	12036	Kaupea, Oahu
AKAU, Lehuanani E. P.	11411	Kaupea, Oahu
AKI, David K., III	4425	Kaupea, Oahu
AMORIN, Mack S. Y.	12273	Waiehu 4, Maui
APO OLESON, Judy M.	12535	Lalamilo, Hawaii
BUSH, Georgiette	3022	Waimanalo, Oahu
CENO, Harrine L.	8830	Waianae, Oahu
COLLO, Brianna K.	9542	Waiehu 2, Maui
FUKUYAMA, Deborah J.	2514Z	Nanakuli, Oahu
FULLER, Donna May L.	9618	Kalawahine, Oahu
GRAMBERG, Louella N.	6270	Panaewa, Hawaii
HAWN, Vanessa A.	12067	Kaupea, Oahu
JALE, Janet P.	12190	Waiehu 4, Maui
KAHIKINA, Michael E. R. H., Sr.	4443	Waianae, Oahu
KAIMINAAUAO, Kahakualii	4311	Anahola, Kauai
KAMEALOHA, Martin K. H.	9868	Maluohai, Oahu
KANAE, Laurance K.	9945	Waiehu 3, Maui
KAPUNI, Claudell N. D.	7850	Hoolehua, Molokai
KEKUMU, Matthew M., Jr.	5967	Waimanalo, Oahu
KEOHOU, Melvin	6167	Puukapu, Hawaii
KUAILANI, Nicole K.	7641	Waiohuli, Maui
LAFAELE, Esther M.	2589	Waimanalo, Oahu
MANOI, Corie P.	4462	Waianae, Oahu
MATTOS, Gordon J.	8765	Waimanalo, Oahu
MOKUAHI, Leif K.	2518	Kewalo, Oahu
NAEOLE, Eugene K., Jr.	7269	Nanakuli, Oahu
NORDLUM, Lorita K.	8380	Princess Kahanu Estates, Oahu
POAI, Dennis K.	9366	Kaniohale, Hawaii
PU, Frederick, Jr.	5435	Paukukalo, Maui
RAQUEL, Kapua O.	8697	Anahola, Kauai
RASPOTNIK, Ikaika J.	4645	Waianae, Oahu
WONG, Joseph M.	9284	Kaniohale, Hawaii
ZACK, Virginia N.	9293	Kaniohale, Hawaii

ITEM D-4 EXHIBIT
APPROVAL OF STREAMLINE REFINANCE OF LOANS

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
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AKAU, Jason K.C.S.	7239	Kawaihae, Hawaii
GRACE, Nadine K.	8447	Princess Kahanu Estates, Oahu
KAHAE, Pamela L.	9924	Waiehu 3, Maui
KAIMIKAUA, Deanna U.	198	Hoolehua, Molokai
KAPONO, Donnette L.	1074A	Keaukaha, Hawaii
SCHMIDT, Lillian K.	5748	Kekaha, Kauai
THOMAS, Kimberly K.	9909	Anahola, Kauai

ITEM D-5 EXHIBIT

APPROVAL TO SCHEDULE LOAN DELINQUENCY CONTESTED CASE HEARINGS

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
ARMITAGE, Carinthia U.	5344	Waianae, Oahu
FLORES, Darrellane L.	9810	Maluohai, Oahu
FLORES, John, Jr.	9810	Maluohai, Oahu
KALANIOPIO, William, Jr.	9835	Kawaihae, Hawaii
KAMAKA, Bert K.	3488	Paukukalo, Maui
KAWAUCHI, Sari N.	12237	Waiehu 4, Maui
NOEAU, Brian M.	7102	Kawaihae, Hawaii
TALBERT, Julie Ann L.	8340	Princess Kahanu Estates, Oahu

ITEM D-6 EXHIBIT

HOMESTEAD APPLICATION TRANSFERS / CANCELLATIONS

<u>APPLICANT</u>	<u>AREA</u>
AKANA, Benjamin	Waimea Area and Hawaii IW Pas
AWONG, Glenn K.	Hawaii IW Agr to Maui IW Agr
AWONG, Glenn K.	Hawaii IW Res to Maui IW Res
KAMAKEA, Dalene K.	Maui IW Agr to Hawaii IW Agr
KIESLING, Agnes E.M.M.	Maui IW Res to Lanai Res
KONG KEE, John C.K.	Lanai Res
MADEIRA, Mona A.L.	Waimea Area/Hawaii IW Pas to Oahu Agr
MADEIRA, Mona A.L.	Waimea Area/Hawaii IW Res to Oahu Res
NAKI, Henry K.	Molokai IW Res to Oahu IW Res
NAKOOKA-WILLIAMS, Nohea L.	Hawaii IW Res to Maui IW Res
PRESTIGE, Samuel L., Jr.	Hawaii IW Res to Oahu IW Res
PROWS, Kaimiloaonalanikiekie	Oahu IW Agr to Hawaii IW Agr
PROWS, Kaimiloaonalanikiekie	Oahu IW Res to Hawaii IW Res
PUKAHI, Leroy K., Jr.	Hawaii IW Res to Oahu IW Res
THOMPSON, Cheyanne L.M.K.	Oahu IW Res to Hawaii IW Res
WAIALEE, Kaikuahine W.	Hawaii IW Agr

* IW = Islandwide

ITEM D-7 EXHIBIT

**RATIFICATION OF DESIGNATION OF SUCCESSORS TO LEASEHOLD INTEREST AND
DESIGNATION OF PERSON TO RECEIVE NET PROCEED**

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
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AFONG, Dora-Lee U.
GATES, Caroleen K.

3011 Waimanalo, Oahu
8918 Waianae, Oahu

ITEM D-8 EXHIBIT
APPROVAL OF ASSIGNMENT OF LEASEHOLD INTEREST

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
AGENA, Celeste H. H.	11882	Kapolei, Oahu
AH LOY, HENRIETTA H.	3216	Hoolehua, Molokai
CHONG, Mark K.	3846	Nanakuli, Oahu
GASTON, Lila Ann	8006	Puukapu, Hawaii
HOLOMALIA, Barry M.	5154	Nanakuli, Oahu
KARRATTI, Michael I.	11352	Kekaha, Kauai
KEKUMU-BEATTIE, Tisha-Marie W.	10125	Waiohuli, Maui
REZANTES, Hiram A. K.	11882	Kapolei, Oahu
RUIZ, Kuulei J.	4077A	Waimanalo, Oahu
SMITH, Louise K. K.	10436	Waiohuli, Maui
VINCENT, Isabel N.	6419	Makuu, Hawaii
WAHILANI, Samuel W.	4735	Waianae, Oahu

ITEM D-9 EXHIBIT
APPROVAL OF AMENDMENT OF LEASEHOLD INTEREST

<u>LESSEE</u>	<u>LEASE NO.</u>	<u>AREA</u>
GASTON, Lila Ann	8006	Puukapu, Hawaii
IOPA, John H., Jr.	4063	Waiakea, Hawaii
ISAACS, Paul L. N. L.	3216	Hoolehua, Molokai
KAIMIKAUA, Charmaine	11557	Kanehili, Oahu
KAOHIMAUNU, Kalani L.	3746A	Kuhio Village, Hawaii
LUNDBERG, Hans K.	11624	Kanehili, Oahu
MAKUA, John O.	2226	Kewalo, Oahu
MOLETA, Zelda	11630	Kanehili, Oahu
NAWELI, Shontaz	2758	Waimanalo, Oahu
PAKELE, Lisa L.	11888	Kanehili, Oahu
RUIZ, Kuulei J.	4077A	Waimanalo, Oahu
SAM, Wayne N.	11633	Kanehili, Oahu
VINCENT, Chucky I.	10066	Waiehu 3, Maui
VINCENT, Isabel N.	6419	Makuu, Hawaii
VINCENT, Joseph K. K.	10066	Waiehu 3, Maui
YAP, Emma K. B.	10488	Waiohuli, Maui

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 22, 2014

To: Chairman and Members, Hawaiian Homes Commission
From: Dreana Kalili, Policy & Program Analyst 
Subject: Re-Affirming the Hawaiian Homes Commission Support of
Mechanisms to Achieve Federal Recognition

CONTENT TO BE DISTRIBUTED UNDER SEPARATE COVER.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

TO: Chairman and Members, Hawaiian Homes Commission

FR: Niniau K. Simmons, NAHASDA Manager 

SUBJECT: Draft 2014 Annual Performance Report of the Native
Hawaiian Housing Block Grant (NHHBG)

FOR INFORMATION:

Attached, please find for your review the draft 2014 Annual Performance Report. Each year, the department must provide an annual report on eligible activities undertaken as denoted in the Native American Housing and Self Determination Act (NAHASDA). The attached report, as a draft, will be disseminated for thirty days of public comment commencing on July 15th and a final version submitted for commission approval on August 18.

Highlights of the past year include:

- Obligating \$17 million in infrastructure development
- Development & implementation of the HALE Program
- Implementation of the Home Assistance Program
- Increasing NAHASDA funded positions
- Provided financial capability training to over 30 community stakeholders

Annual Performance Report Cover Sheet

Department of Hawaiian Home Lands (DHHL)

Reporting period for which this APR is prepared: from: **7/1/13** (mm/dd/yy) to: **6/30/14** (mm/dd/yy)

Niniau K. Simmons <small>Name of Contact Person</small>		NAHASDA Manager <small>Title</small>	(808) 620-9513 <small>Telephone no. with Area Code</small>
Jobie M. K. Masagatani <small>Name of official authorized to submit APR</small>	Chairman, Hawaiian Homes Commission <small>Title</small>	 <small>Signature</small>	08/30/14 <small>Date</small>

Certification:

The information contained in this report is accurate and reflects the activities actually accomplished during the reporting period. Activities planned and accomplished are eligible under applicable statutes and regulations and were included in the applicable one-year activities in the corresponding Native Hawaiian Housing Plan.

For HUD use only

<small>Date APR is received by HUD</small>	<small>Time</small>	<small>Logged in by</small>
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Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant?

Check one:

Yes

No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2013 – 2014 (Program Year 7)

Final expenditure of PY 7 funds were completed by January 2014. Balances for opened contracts and projects were carried over to 09HBGHI0001.

Goal 1. Increase the affordable housing inventory on Hawaiian home lands to meet the increasing or unmet demand for housing by low-income native Hawaiian families.

Objective 1A. Increase the supply of affordable housing units through the construction of infrastructure improvements for single-family housing.

On the island of O'ahu, in Waimānalo, Kumuhau Subdivision consists of 52 lots with 45 turnkey homes and 7 self help homes.

The 45 turnkey homes are completed and occupied as of June 30, 2012. Of the 45 homes built, thirteen (13) were NHHBG units were in FY 11-12. Interim construction of the 45 homes was financed with Trust funds and down payment assistance was applied during the current fiscal year for the thirteen families listed above and for 3 homes that were completed last year. Six (6) of the self-help families have been identified. Five of the homes are currently under construction. Anticipated completion for these homes is September 2014. A stop work order was issued for for the sixth home under construction by Honolulu Habitat. The construction for this home may be transferred to Leeward Habitat. A family has not been identified for the final lot. This lot has been turned over to Mustard-Seed Partners in Development for construction of a 2 bedroom home. They are currently reviewing applications for two families.

Note: None of the self help homes have been completed

Kaka'ina, which is the second phase of the Waimanalo project, consists of 45 homes. Infrastructure construction started in December 2012 and is scheduled for

completion in late calendar year 2014. The construction schedule was severely delayed when the existing surrounding community lobbied through the Neighborhood Board for a design change to delete a street connection. The subdivision plans and construction drawings had to be revised and resubmitted through the City's approval processes. Approximately 10 of the units will be reserved for NHHBG eligible families

In Kānehili, Kapolei, a total of 403 units are planned in two increments:

Increment 1 (286 homes):

- Phase 1 consists of 121 residential lots: 111 turn key homes by Gentry Kapolei Development (Gentry) all of which are occupied; 6 owner builder/vacant lots which are all occupied; and 4 lots which had originally been awarded as owner builder/vacant lots but have been returned to the Department and have been awarded to Habitat partner families for development under a self-help program. (2) (Heanu & Mahoe) under construction by Leeward HFH. Loans will be assisted with NAHASDA funds. The remaining 2 lots will be funded by RD.
- Phase 2 consists of 139 turn key homes by Gentry – of which all are occupied
- Phase 3 – consists of 10 Modified Self Help – of which all are occupied
- Phase 4 – consists of 20 Gentry Turn Key – of which all are occupied

Increment 2 (117 homes):

Construction of the adjacent Detention Basin has been completed. Houses are being constructed as lessees become financially pre-qualified to purchase a house. As of June 2014, 53 turn key homes by Gentry have been constructed and are occupied; an additional five turnkey homes will begin construction by Gentry, and scheduled to be occupied by December 2014. Thirty-nine of the remaining lots about the Kualaka'i Parkway and require a sound/safety wall along the boundary before houses can be built. Design of the wall has started; construction is anticipated to start in late-2014.

Note: For house completion, four (4) (Moniz, Hernando, Watson, Kamakele) NHHBG homes will be counted this FY. Home construction total is 4. The four homes were under construction last FY and subsidies were counted last FY.

For East Kapolei II, on the island of Oahu, the off site construction (sewer and drainage) is completed, and has been accepted by the county. Development of "backbone infrastructure" continues with the East-West Road, completed and Road E Extension underway.

In East Kapolei II, Increment II-B, construction of 160 house lots will begin in mid-2014. Construction time is 300 calendar days. \$8.4 million in NHHBG funds have been encumbered. House construction is anticipated to start in mid-2015, with first occupancy by late-2015. 205 Undivided Interest Leases were awarded in October 2008 for this increment and the adjacent Increment II-C.

On the island of Hawai'i, the La'i 'Ōpua subdivision will provide approximately 356 homes of which approximately 72 are earmarked for NAHASDA eligible families. The homes will be divided between Village 4 (240) and Village 5 (116).

For Village 5, the first phase of house construction includes 45 homes. As of June 30, 2014, first phase of house construction nearing completion. 42 homes have been constructed. 37 homes are occupied; 5 homes are vacant; 2 lots with homes currently under construction by Habitat for Humanity, 1 empty lot without a home. Habitat for Humanity built five homes in 10 days through the "Blitz Build" program of FY 13. Construction began on September 12, 2012, and was completed on September 22, 2012.

Village 4 currently consists of two phases. Phase 1 Subdivision consists of approximately 117 residential lots. Design completed. Bids opened June 3, 2013. Construction awarded to Isemoto Contracting Co., Ltd. NTP issued May 12, 2014. Estimated construction time: One year. Phase 2 Subdivision consists of approximately 103 residential lots. Design in progress.

Also, on the island of Hawai'i, the Lālāmilo subdivision, Phase 1 consists of 37 homes of which approximately 12 will be for NAHASDA eligible families. This project faced some challenges when, in late 2007/early 2008, the developer filed for bankruptcy causing unexpected delays and additional costs. The NAHASDA portion of the infrastructure contract was expended in PY2 and last reported in the 2008 APR. Although 8 NHHBG families moved in and were reported for last fiscal year, the remaining two NHHBG families have yet to be identified. Currently, of the 37 lots five (5) lots are un-awarded vacant lots and two (2) lots have completed homes for which the original buyers have fallen out and these units remain to be filled. The challenge in selling these two units has been the lack of qualified buyers and, for NHHBG purposes, the sales price of these two homes that range from \$280,000 - \$300,000. DHHL is considering awarding five (5) of the vacant lots to Habitat partner families or some other self help program that would be able to service/identify the remaining (2) NHHBG eligible households. DHHL is continuing discussion with the Habitat affiliate for assistance. Progress of the project remains unchanged from the 2011 APR reporting period.

Lālāmilo Housing Phase 2A, Increment 1 consists of approximately 81 residential lots. Infrastructure construction in progress. Estimated construction completion in early 2015. House construction to follow, but is dependent upon DHHL budget and number of interested and qualified lessees.

For the Pi'ilani Mai Ke Kai project on the island of Kaua'i in Anahola.
Phase I: Total number of Lots in Phase I consists of 80 approximately residential lots; 36 turn key homes are completed; 6 owner builder homes (4 homes completed, 1 under construction); 12 Self Help Homes (12 completed but only 11 occupied, one home was constructed without a family identified for ownership. However, a family has been identified and the closing will take place in early July 2014. One owner builder lot is under construction. Habitat Homes: There are currently 24 lots in inventory. This is due to the lack of qualified families in the area. Habitat is actively searching for qualified families to participate in the program.

Total Lots: 80

Phase II: DHHL awarded the contract (IFB-12-HHL-013) to Earthworks Pacific, Inc. for the construction of on and offsite infrastructure and lot grading of 51 Lots in Phase II. The start of lot construction was delayed and started in June of 2013. Construction of infrastructure for Piilani Mai Ke Kai Subdivision, Phase II is almost complete as of June 2014. Pavement issues have delayed the final completion to August, 2014. The home ownership mix and scheduled/completion dates of the homes in Phase II are pending.

Task 2. Provide funding for technical assistance for at least one affordable housing project that encourages the self-help (sweat equity) construction method to assist a minimum of 10 low-income families to achieve homeownership.

During Fiscal Year 2013 – 2014:

The following was carried from Grant Number 07HBGHI0001:

Habitat for Humanity International, State Support Office – To provide technical assistance for 20 homes. To date construction was completed for five (5) homes. (Fujimoto, Haili, Kekauoha, Lucas, Mamac) through the Laiopua Blitz build last FY. Six (6) are pending or in process of construction. Pending status – Kumuhau (5) homes, Piilani Mai Ke Kai (1) home. This contract closed on August 21, 2013.

Objective 1b. Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low interest rate loans, matching funds for Individual Development Accounts (IDA's), or other means/methods that become available.

Task. Offer appropriate subsidies, such as down payment assistance/principal reduction, or matching funds for Individual Development Accounts (IDA), which may be recaptured during the useful life period, and low interest loans to at least 20 eligible native Hawaiian families.

NHHBG funds are used to leverage and prioritize RD funds for NAHASDA eligible households. Families receive a grant in the amount of 20% of the base price of the home.

One (1) (Sakuda) eligible household was assisted with a down payment assistance subsidy in Kanehili Phase 7, on the island of Oahu.

Note: The home is a duplicate count with home completion data.

One (1) eligible household (Halemano) was assisted last FY with a down payment subsidy in Laiopua. Home completion will be counted this FY.

Notes: Construction is complete and the (Halemano) home will be counted in the 2014 APR for home completion.

Objective 1C. Increase the supply of affordable housing units by providing funding for house construction for single-family housing which may include solar water heating, photovoltaic panels, and/or other energy efficient features.

DHHL Loan Program – In collaboration with the State Habitat for Humanities organization. The project has a total of Twenty-eight (28) homes with work in progress. As of January 31, 2014, funds were expended through 08HBGHI0001 for the following lessees: (Kumuhau: Kameholani, Kane, Heanu, Gomes, Ah Yee, Kam, Levi) (Anahola: McDermott) (Kānehili: Mahoe) (PMKK: Lovelan). The homes are under construction.

Deferred Sales Price Program – Four (4) families were assisted through the deferred sales price program with funds from 08HBGHI0001. (Swanson, Freitas, Fernandez, Dias)

Note: The four (4) homes are a duplicate count with home completion data.

Objective 1D. Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL's inventory of affordable housing for eligible Native Hawaiian families

Goal 2. Reduce the number of homes in need of repair or replacement, or to relieve overcrowding in homes that are occupied by low-income native Hawaiian families.

Objective 2A. Assist in the preservation and revitalization of existing homes and communities on Hawaiian home lands.

Task 1. Continue working with the City and County of Honolulu and the County of Hawai'i to provide lessees assistance with the rehabilitation of existing homes on Hawaiian home lands.

FY 2013 -2014

Statewide Home Repair Program – The agreements for the home repair programs with both the City and County of Honolulu and Hawaii County have been terminated. This was reported in the APR for the 11 and 12 FY. DHHL has increased NAHASDA staffing to manage the home repair program within DHHL. This change has made it possible for DHHL to offer much needed home repairs to eligible families on the neighboring islands. Currently, DHHL staff is working with families on Molokai in addition to the islands of Oahu and Hawai'i. DHHL began implementation of the policies and procedures for the home repair program in August 2013 after approval for the Home Assistance Program policies and procedures manual was received from the Hawaiian Homes Commission in July 2013. Recent changes from HUD concerning the environmental requirements for home repair and rehabilitation have also been addressed during this FY. Current activities for this program are reported in detail in Program year 09HBGHI0001.

Task 3. Initiate new partnerships and/or encourage the development of home repair and/or replacement programs for areas not currently being served by existing City and County partnerships.

During Fiscal Year 2013 – 2014

Nānākuli Housing Corporation (NHC) was contracted to provide self help home repair education to 25 families and to provide down payment assistance to 2 families on the island of O'ahu. All 25 families completed their repairs in the last fiscal year. NHC provided additional support/assistance for 6 families. Two families were identified for home replacement/new construction and are eligible for NHHBG down payment assistance. The Barrett family was identified to receive down payment assistance. There were significant delays with the USDA funding for their home replacement. DHHL is pleased to report the Barrett home was completed in FY 13-14. NHC reallocated the entire down payment assistance budgeted in the contract for the Barrett home replacement. One (1) (Barrett) home was completed under this grant. The contract is closed.

Note: (Barrett) DPA and home construction. This is a duplicate count.

Goal 4. Develop educational and training programs to address the housing and community needs for existing or potential beneficiaries on Hawaiian home lands.

Objective. Encourage the continuing development of and access to educational programs that assist native Hawaiian families with financial literacy and pre- and post-homebuyer education for applicant families, "Undivided Interest" families, or existing lessees, especially those who are delinquent on their mortgages.

Task. Continue to contract with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education to native Hawaiian families, which includes DHHL's Home Ownership Assistance Program (HOAP).

During Fiscal Year 2013 – 2014:

The HOAP program was terminated in 2011. The DHHL has implemented a replacement program called HALE that will coordinate financial literacy services for pre-home ownership along with lessees who are suffering from loan delinquencies. DHHL began the program as a pilot in September 2013 and hopes to have additional staffing in place by the end of 2014. The position for the HALE Program Manager has been posted and DHHL expects to have the position filled by October 2014.

DHHL has contracted with Helen Wai, LLC for lease cancellation and foreclosure prevention services. These services will include counseling and a financial assessment of lessees referred to the vendor. The notice to proceed was issued in June of 2013. Activities for this Contract are reported in PY 09. As of January 30, 2014, balance of \$130,938.43 was carried over to 09HBGHI0001.

DHHL has contracted with Hawaiian Community Assets for lease cancellation/home buyer education services. Contract in the amount of \$312,457 was executed in May 2014 and will service a total of 75 lessees statewide.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL has received HUD approval to convert to a fiscal year program and report on activities and goals accomplished within the fiscal year. DHHL has completed its first Housing Plan using the new format during FY 13-14. The APR format will also be revised to coincide with the fiscal conversion. This will be DHHL's final year reporting the APR in this current program year format.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL has added additional staff to assist in overseeing the program. Two housing specialist positions have been filled. The position for the HALE Manager has been posted and DHHL anticipates the position being filled by the fall of 2014. DHHL continues to evaluate the staffing needs for the program. DHHL is considering the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$8,700,000

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$8,700,000¹

Narrative:

¹ Note: Program income of \$28,971 was applied to prior grant year upon return of funds to LOCCS.

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

Funds from grant award 12HBGHI0001 and 13HBGHI0001 in the combined amount of \$24,735,714 have been invested in Bank of Hawaii as approved by HUD in September 2013. The entire amount was drawn down from the federal system and deposited in October 2013.

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Table I – Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	8,700,000	8,700,000
Planned Program Income	174,000	
b. P & I Repayments		684,128
b. Interest Income		19,219
b. Gains from Investments in Govt. Securities		9,751
b. Less transfer of Program Income from 08HBGHI0001 to 07HBGHI0001		(28,971)
		950,951
2. Other Federal Resources		173,736
3. State Resources		0
4. Private Resources		0
5. Total Resources	<u>8,874,000</u>	<u>9,824,687</u>

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Grant Number 08HBGHI0001/2
 DHHL FYE: 6/30/14

Table IIa – Uses of NHHBG Funds

Activity (a)	Budgeted NHHBG (b)	Budgeted Other Amounts I	Year-to-Date 7/1/2013 – 4/30/2014		Cumulative-to-Date		
			Grant (NHHBG) Funds Expended (d)	Other Funds Expended (e)	Grant (NHHBG) Funds Expended (f)	Other Funds Expended (g)	% of NHHBG Funds Obligated (h)
1. Development	7,540,000	174,000	2,476,554	236,091	7,096,671	739,333	101.6%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership – Construction	5,000,000	174,000	1,197,315	24,354	1,923,413	45,426	38.1%
Homeownership – Loans	1,000,000	0	1,189,258	161,737	2,216,280	403,435	101.6%
Homeownership – Grants	1,540,000	0	89,981	50,000	2,956,978	290,472	210.9%
2. Housing Services	575,000	0	91,062	0	1,038,470	104,915	198.8%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	50,000	0	6,339	0	0	0	12.7%
5. Model Activities	100,000	0	0	0	0	0	0%
6. Planning and Administration	435,000	0	233,814	68,419	558,521	280,439	192.9%
7. Total	8,700,000	174,000	3,017,696	304,510	8,700,000	1,124,687	110.7%

Note 1: Other Funds Expended. Year-to-Date

P & I repayment on mortgage loans	266,823
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>37,687</u>
Total Other Funds Expended, 7/1/13 – 6/30/14	<u>304,510</u>

Note 2: Other Funds Expended Cumulative-to-Date

P & I repayments on mortgage loans	950,951
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>173,736</u>
Total Other Funds Expended, Cumulative Year-to-Date	<u>1,124,687</u>

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Table IIb – Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted						
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date			
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	
(l)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
1. Development													
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	
b. Homeownership	Construction of New Units	50	50	9	10	34	10	19	0	0	51	0	0
	Acquisition	25	25	4	10	20	10	14	0	0	35	0	0
	Rehabilitation	10	10	0	0	14	0	0	0	0	14	0	0
2. Housing Services	25	25	0	0	242	0	0	0	0	0	242	0	0
3. Housing Management Services	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total	110	110	13	20	310	20	33	0	0	0	342	0	0

Acquisition includes down payment assistance, matched savings programs, subsidies, and subsidized Participation/Construction Loans

Planned Units based on NHP:

Construction: Kanehili 5 (4 subsidies counted last year) + Laiohua 3 (1 subsidy counted last year) + 1 Nanakuli = 9

Acquisition: Kanehili 2 (1 is a duplicate count) + Kumuhau 7 (7 pending const.) + Piilani 1 (pending const.) + Anahola 1 (pending Const.) + Nanakuli (NHC) 1 (1 is a duplicate count) + Laiohua 2 (2 are a duplicate count) = 14

Rehabilitation: Rehabilitation activities counted in 09HBGHI0001

Housing Services: No Housing activities to report for 08HBGHI0001

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2013-14 (Program Year 8)

DHHL executed the grant agreement for NHHBG #09HBGHI0001 on September 4, 2009 and received notification that funds were available in LOCCS as of September 11, 2009.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08BGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL’s intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

Objective 1C: Reduce the price of housing by providing direct assistance to eligible native Hawaiian homebuyers through down payment assistance and/or principal reduction subsidies, low/no interest rate loans, matching funds for Individual Development Accounts (IDAs), or other means/methods that become available.

Tasks and activities:

- a. Provide funding for subsidies, such as downpayment assistance/principal reduction or matching funds for Individual Development Accounts (IDA), which may be recaptured during the useful life period, for at least 10 eligible native Hawaiian households.
- b. Provide low-interest or no-interest loans to as least 20 eligible native Hawaiian households.

DHHL Loan Program - In collaboration with the State Habitat for Humanities organization. The project has a total of Twenty-eight (28) homes with work in progress. Leeward HFH-(Mahoe, Heanu) Honolulu HFH-(Levi, Lai, Ah Yee, Gomes, Kane, Kam) Kauai HFH-(McDermott, Kaneholani, Kanehe) W. HI HFH-(Kay-Malina, Kahoonei, Makanui, Fukumitsu, Wong, Wakinekona, Ross, Mahi) Molokai HFH-(Dudoit, Pa, Aquino, Gramberg, Pelekane-Tamashiro, Willing, Cenal, Kamai, Kalani)

Deferred Sales Price Program – One (1) family was assisted through the deferred sales price program. (Fernandez)

Note: The home is a duplicate count with home completion data.

NHHBG funds are used to leverage and prioritize RD funds for NAHASDA eligible households. Families receive a grant in the amount of 20% of the base price of the home.

One (1) (Hoopai) eligible household was assisted with a down payment assistance subsidy in Kanehili Phase 7, on the island of Oahu.

Note: The home is a duplicate count with home completion data.

Hawaii First Federal Credit Union was contracted to assist a minimum of 14 or more families into homeownership through financial counseling and individual development accounts to promote saving, personal responsibility and self-sufficiency. Beneficiary savings are matched 4 to 1. Currently, there are Six (6) families (Kay-Malina, Lincoln-Maielua, Kahoonei, Hill, Hirayama, Kuamo'o) assisted with IDA funds. The contract is closed.

Papakolea Community Development Corp. - to assist/inform lessees of their responsibilities & available resources. Notice to Proceed was issued in March of 2013. A time extension until March of 2015, was approved in December of 2013. The Executive Director stepped down in January of 2014. Lilia Kapunia is the current Executive Director of the organization. No activity to report.

Objective 1D. Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL's inventory of affordable housing for eligible Native Hawaiian families

Goal 2. Reduce the number of homes in need of repair or replacement, or to relieve overcrowding in homes that are occupied by low-income native Hawaiian families.

Objective 2A. Assist in the preservation and revitalization of existing homes and communities on Hawaiian home lands.

Task 3. Initiate new partnerships and/or encourage the development of home repair and/or replacement programs for areas not currently being served by existing City and County partnerships.

During Fiscal Year 2013–2014

Statewide Home Repair Program – The agreements for the home repair programs with both the City and County of Honolulu and Hawaii County have been terminated. This was reported in the APR for the 11 and 12 FY. DHHL has increased NAHASDA staffing to manage the home repair program within DHHL. This change has made it possible for DHHL to offer much needed home repairs to eligible families on the neighboring islands. Currently, DHHL staff is working with families on Molokai in addition to the islands of Oahu and Hawai'i. DHHL is in process of reviewing, revising and implementing the policies and procedures for the home repair program. Approval for the revised policies and procedures manual was received from the Hawaiian Homes Commission in July of 2013. Recent changes from HUD concerning the environmental requirements for home repair and rehabilitation have also been addressed during this FY. Currently there are Seventeen (17) families pending construction and Twenty-eight (28) program applications under review.

Honolulu - One (1) family was assisted with a home repair loan. (Home is under construction (Pae).

Hawaii County - Two (2) families were assisted with home repair loans (Queen, Kaleohano) (homes are under construction) Two (2) homes were completed for two families (Simmons & Paulino) The two rehab projects were originally with the Hawaii County program.

Nānākuli Housing Corporation (NHC) - was contracted to provide self help home repair education to 25 families and to provide down payment assistance to 2 families on the island of O'ahu. All 25 families were identified, training completed, and repairs to the homes were completed during FY 2011. NHC reallocated the entire down payment assistance budgeted in the contract for the Barrett home replacement. One (1) (Barrett) home was completed under this grant. The contract is closed.

Note: Construction and DPA for the Barrett home was counted in PY 07.

Nānākuli Housing Corporation (NHC) - was contracted to provide self help home repair education to 25 families and to provide home rehabilitation for 2 families on the island of O'ahu. The Notice to Proceed for NHC's new grant was issued in December 2012. NHC identified 26 families eligible for training. The training was completed for 26 participants. Home repair training has begun and the program participants are in process of completing home repairs for the families in the program. NHC has identified two (2) families for home repair assistance. (Kahawai & Malaki) NHC is currently awaiting lead based paint testing and RER approval. NTPs will be issued for the projects once approvals are received.

Goal 3. Increase alternative energy resources and/or programs that will benefit eligible native Hawaiian households.

Objective 3a. Provide funding to eligible entities to implement alternative energy resource programs for eligible native Hawaiian households as a means to reduce housing costs and in alignment with the DHHL energy policy.

Tasks and activities

- a. Identify communities interested in exploring alternative energy resources
- b. In partnership with communities, identify alternative energy resources (i.e. solar, CFL lighting) that will ultimately reduce housing costs (utilities) for eligible native Hawaiian households.

During FY 2013 - 2014:

Council for Native Hawaiian Advancement was contracted to provide energy upgrades for eighteen (18) NAHASDA eligible families living in Hawaiian homestead communities in the County of Hawaii. Eighteen (18) eligible applicants were identified for the program. ERRs were completed and approved. Notice to proceed for thirteen (13) of the installations was issued in April 2013. Installations were started during FY 2013. CNHA received final inspection from Hawaii County this FY. Energy upgrades were completed for eleven (11) families (Cachola, Iaone, Kaheiki, Kaluhikaua, Kotake, Lee, Mohika, Perry, Silva, Simmons, Ua). Contract closure is anticipated during 2014-15 FY.

CNHA - to provide grants for installation of solar water heaters for 60 eligible families. Notice to Proceed the administrative portion of the grant was issued in March 2013. CNHA has received (40) applications for the HEPs program. Four (4) were ineligible, Eleven (11) are pending eligibility approval and CNHA is in the process of completing the Environmental requirements for Twenty five (25) program eligible lessees.

Goal 5. Develop educational and/or training programs to address financial, home repair, or home maintenance needs for eligible native Hawaiian Households.

Objective: Provide access to educational or training programs that assist native Hawaiian families with financial literacy, pre- and post-homebuyer education and counseling for new or existing lessees, especially those who are delinquent on their mortgages.

Tasks and activities

- a. Continue to work with eligible entities, including DHHL's Home Ownership Assistance Program (HOAP), to provide financial literacy education and counseling, home buyer education, and foreclosure prevention to eligible native Hawaiian households.
- b. Continue to work with eligible entities to provide home maintenance and/or self-help home repair training programs to eligible native Hawaiian households.

During FY 2013 - 2014:

DHHL has contracted with Helen Wai, LLC for lease cancellation and foreclosure prevention services. These services will include counseling and a financial assessment of lessees referred to the vendor. The notice to proceed was issued in June of 2013. Initial counseling for lease cancellation & foreclosure prevention was

conducted for thirty-five (35) lessees. There has been one follow-up visit conducted. One (1) lessee was non-compliant.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL has received HUD approval to convert to a fiscal year program and report on activities and goals accomplished within the fiscal year. DHHL has completed its first Housing Plan using the new format during FY 13-14. The APR format will also be revised to coincide with the fiscal conversion. This will be DHHL's final year reporting the APR in program year format.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL has added additional staff to assist in overseeing the program. Two housing specialist positions have been filled. The position for the HALE Manager has been posted and DHHL anticipates the position being filled by the fall of 2014. DHHL continues to evaluate the staffing needs for the program. DHHL is considering the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$9,700,789

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$9,700,789

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHG by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHG to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHG funds (principal only) invested as of this reporting period end date.

\$ 0.00

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Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	9,700,789	9,700,789
Planned Program Income	240,000	
b. Interest Income		0
b. P & I Repayments		207,550
2. Other Federal Resources		74,738
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	9,940,789	9,983,077

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Grant Number 09HBGHI0001
DHHL FYE 6/30/2014

Table IIa - Uses of NHHBG Funds

Activity (a)	Year-to-Date 7/1/2012 - 4/30/2013				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	8,260,000	240,000	1,573,412	190,675	1,688,112	213,630	177.3%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	5,760,000	240,000	751,491	9,396	751,491	9,396	207.8%
Homeownership - Loans	1,500,000	0	410,230	117,059	410,230	117,059	44.2%
Homeownership - Grants	1,000,000	0	411,692	64,220	526,392	87,175	193.5%
2. Housing Services	450,000	0	271,094	30,000	585,286	126,733	264.1%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	29.6%
6. Planning and Administration	940,789	0	170,835	0	170,835	0	78.6%
7. Total	9,700,789	240,000	2,015,341	220,675	2,444,233	340,363	171%

Note 1: Other Funds Expended. Year-to-Date

P & I repayment on mortgage loans

207,550

Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)

132,812

Total Other Funds Expended, 7/1/13 - 6/30/14

340,363

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Grant Number 09HBGHI0001
DHHL FYE 6/30/2014

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted					
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development												
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	40	40	2	0	2	0	2	0	0	0	0
	Acquisition	40	40	25	23	10	23	25	0	0	33	0
	Rehabilitation	10	10	13	2	18	2	15	0	0	20	0
2. Housing Services		0	25	61	0	173	0	61	0	0	173	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		90	115	101	25	203	25	103	0	0	226	0

Acquisition includes down payment assistance, matched savings programs, subsidies, and subsidized Participation/Construction Loans

Planned Units based on NHP

Construction: Kanehili 1 + Laiopua 1 = 2

Acquisition: Kanehili 1 + Laiopua 1 + Hawaii First Federal Credit Union 6 (Two received NAHASDA loan/ duplicate count for assistance) + DHHL Loans w/HF 19 (in progress)

Rehabilitation: Home repair program 4 (2 complete + 2 under const) + CNHA HEPs 11 = (13 complete + 2 under const)

Housing Services: NHC 26 + Helen Wai LLC 35 = 61

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 13-14 (Program Year 9)

DHHL executed the grant agreement for NHHBG #10HBGHI0001 on September 30, 2010 and received notification that funds were available in LOCCS as of August 26, 2010. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

2011 Grant Cycle - Contracts were drafted and executed for Council for Native Hawaiian Advancement, Nanakuli Housing Corporation and Papakolea Community Development Corporation.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08BGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL has received HUD approval to convert to a fiscal year program and report on activities and goals accomplished within the fiscal year. DHHL has completed its first Housing Plan using the new format during FY 13-14. The APR format will also be revised to coincide with the fiscal conversion. This will be DHHL's final year reporting the APR in program year format.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL has added additional staff to assist in overseeing the program. Two housing specialist positions have been filled. The position for the HALE Manager has been posted and DHHL anticipates the position being filled by the fall of 2014. DHHL continues to evaluate the staffing needs for the program. DHHL is considering the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,700,000

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,700,000

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHG by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHG to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHG funds (principal only) invested as of this reporting period end date.

\$0.0

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Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,700,000	12,700,000
Planned Program Income	180,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	<u>12,880,000</u>	<u>12,700,000</u>

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Grant Number 10HBGHI0001
DHHL FYE 6/30/2014

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date 7/1/2013 - 4/30/2014				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	10,600,000	180,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	6,820,000	180,000	0	0	0	0	0.0%
Homeownership - Loans	1,780,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	780,000	0	0	0	0	0	51.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,270,000	0	0	0	0	0	0.0%
7. Total	12,700,000	180,000	0	0	0	0	3.1%

Grant Number 10HBGHI0001
DHHL FYE 6/30/2014

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted						
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date			
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
1. Development													
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
2. Housing Services	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total	0	0	0	0	0	0	0	0	0	0	0	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2013-14 (Program Year 10)

DHHL executed the grant agreement for NHHBG #11HBGHI0001 on September 2, 2011, and received notification that funds were available in LOCCS as of August 30, 2011. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

The 2012 Grant Cycle ended June 15, 2012. Fourteen (14) Grant Applications were submitted and twelve (12) passed on for approval by the Hawaiian Homes Commission in February of this year.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08BGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. Three (3) additional NAHASDA specific staff positions were established and approved during this fiscal year. The current DHHL Administration is in process of accessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. Three (3) additional staff positions will be recruited and hired in FY 2014.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must "prioritize" the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,675,000

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,674,600

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,675,600	12,674,600
Planned Program Income	208,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	12,883,000	12,674,600

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Grant Number 11HBGHI0001
DHHL FYE 6/30/2014

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date 7/1/2013 - 6/30/2014				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	10,336,700	208,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	6,336,700	208,000	0	0	0	0	0.0%
Homeownership - Loans	2,000,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	1,000,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,288,300	0	0	0	0	0	0.0%
7. Total	12,675,000	208,000	0	0	0	0	0.0%

Grant Number 11HBGHI0001
DHHL FYE 6/30/2014

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted					
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development												
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	50	50	0	0	0	0	0	0	0	0	0
	Acquisition	30	30	0	0	0	0	0	0	0	0	0
	Rehabilitation	10	10	0	0	0	0	0	0	0	0	0
2. Housing Services												
3. Housing Management Services												
4. Crime Prevention and Safety												
5. Model Activities (specify below)												
6. Planning and Administration												
7. Total												

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2013-14 (Program Year 10)

DHHL executed the grant agreement for NHHBG #11HBGHI0001 on September 2, 2011, and received notification that funds were available in LOCCS as of August 30, 2011. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

The 2012 Grant Cycle ended June 15, 2012. Fourteen (14) Grant Applications were submitted with twelve (12) passing committee to the Hawaiian Homes Commission for approval in February of this year.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08HBGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL has received HUD approval to convert to a fiscal year program and report on activities and goals accomplished within the fiscal year. DHHL has completed its first Housing Plan using the new format during FY 13-14. The APR format will also be revised to coincide with the fiscal conversion. This will be DHHL's final year reporting the APR in program year format.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL has added additional staff to assist in overseeing the program. Two housing specialist positions have been filled. The position for the HALE Manager has been posted and DHHL anticipates the position being filled by the fall of 2014. DHHL continues to evaluate the staffing needs for the program. DHHL is considering the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must "prioritize" the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects. The DHHL is looking at increasing the maximum loan amount from \$50,000 to \$100,000 to address this issue.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,700,000

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,700,000

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

Monies remain in an investment account with Bank of Hawaii as approved by HUD in September 2013.

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,700,000	12,700,000
Planned Program Income	426,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	13,126,000	12,700,000

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Grant Number 12HBGHI0001
DHHL FYE 6/30/2014

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	8,914,000	426,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	4,914,000	426,000	0	0	0	0	0.0%
Homeownership - Loans	2,000,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	1,500,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	100,000	0	0	0	0	0	0.0%
5. Model Activities	760,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,426,000	0	0	0	0	0	0.0%
7. Total	12,700,000	426,000	0	0	0	0	0.0%

Grant Number 12HBGHI0001
DHHL FYE 6/30/2014

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted						
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date			
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
1. Development		0											
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	50	50	0	0	0	0	0	0	0	0	0	0
	Acquisition	30	30	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	10	10	0	0	0	0	0	0	0	0	0	0
2. Housing Services		0	0	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		90	90	0	0	0	0	0	0	0	0	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2013-14 (Program Year 10)

DHHL executed the grant agreement for NHHBG #11HBGHI0001 on September 2, 2011, and received notification that funds were available in LOCCS as of August 30, 2011. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

The 2012 Grant Cycle ended June 15, 2012. Fourteen (14) Grant Applications were submitted with twelve (12) passing committee to the Hawaiian Homes Commission for approval in February of this year.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHPs: 08HBGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

"Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL's inventory of affordable housing for eligible native Hawaiian families."

"Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands."

"Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available."

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

5. Are you on schedule to complete the 5-year goals identified in your NHP?

Check one: Yes No

6. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
7. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL has received HUD approval to convert to a fiscal year program and report on activities and goals accomplished within the fiscal year. DHHL has completed its first Housing Plan using the new format during FY 13-14. The APR format will also be revised to coincide with the fiscal conversion. This will be DHHL's final year reporting the APR in program year format.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL has added additional staff to assist in overseeing the program. Two housing specialist positions have been filled. The position for the HALE Manager has been posted and DHHL anticipates the position being filled by the fall of 2014. DHHL continues to evaluate the staffing needs for the program. DHHL is considering the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must "prioritize" the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects. The DHHL is looking at increasing the maximum loan amount from \$50,000 to \$100,000 to address this issue.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources – A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount – A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,700,000

Funds Actually Awarded – A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,700,000

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

Monies remain in an investment account with Bank of Hawaii as approved by HUD in September 2013.

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,035,714	12,035,714
Planned Program Income	432,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	12,467,714	12,035,714

Grant Number 13HBGHI0001
DHHL FYE 6/30/2014

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date 7/1/2013 - 4/30/2014				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	6,899,172	0	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	3,000,000	0	0	0	0	0	0.0%
Homeownership - Loans	1,899,172	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	1,000,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	75,000	0	0	0	0	0	0.0%
5. Model Activities	2,000,000	0	0	0	0	0	0.0%
6. Planning and Administration	2,061,542	432,000	0	0	0	0	0.0%
7. Total	12,035,714	432,000	0	0	0	0	0.0%

Grant Number 13HBGHI0001
DHHL FYE 6/30/2014

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted					
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)
1. Development												
a. Rental	Construction of New Units	2	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	10	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	59	0	0	0	0	0	0	0	0	0	0
2. Housing Services	0	254	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services	0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total	71	254	0	0	0	0	0	0	0	0	0	0

Part II – Reporting on Program Year Accomplishments

[This Part is not grant specific. A single Part II consisting of Sections A through C (including the Inspection of Assisted Housing table), is to be prepared and submitted at the end of each fiscal year and will cover all open grants.]

SECTION A – ASSESSMENT

1. Self-Assessment: Sec. 819(b) of the NAHASDA requires the DHHL to annually review its activities and to include the results of this review in its APR. Under this section, provide a narrative briefly describing the activities monitored, the findings of the DHHL related to these activities, actions planned to address significant deficiencies, and any specific actions conducted to monitor sub-recipients.

Addition of NAHASDA Staff

The present administration has taken a proactive approach to work closely with the NAHASDA Manager to insure effective communication between all DHHL divisions and programs. NAHASDA staff are actively working on codifying policies and procedures within the NHHBG program and revisions of some of the existing ones. They have taken advantage of training opportunities and materials offered through HUD and other sources. Four of the current NAHASDA personnel are currently pursuing grants management training through Management Concepts. Two of the four staff members have completed their certifications in the Pass-Through and Recipient Tracks, and are planning to obtain certifications offered by Management Concepts in FY 2014. Financial counseling training was made available through NeighborWorks. The training will help NAHASDA and DHHL personnel to better assist native Hawaiian families in their pursuit of home ownership. Several of the NAHASDA and DHHL staff members have received certifications for financial counseling during FY 2013 – 2014.

Contract Monitoring

DHHL monitors all contracts funded with NHHBG funds through the various departments that administer the specific activity of the contract. For example, contracts for development (site development or house development) are monitored by the appropriate Project Manager located in our Land Development Division. Contracts that are funded through the NAHASDA Community Grant Cycle (subrecipient agreements) or that are required for program implementation (i.e. Lead-Based Paint) are monitored by the NAHASDA Program Specialist and/or Compliance Specialist. DHHL Self-Monitoring was established in July 2012 to ensure DHHL's compliance with HUD regulations. The NAHASDA Program Specialist coordinates various reports for HUD purposes.

Sub Recipient Monitoring

In addition to the quarterly reports that are submitted to DHHL and phone calls, site visits were conducted in June and July of this year for the subrecipient grants. The NAHASDA Manager and Performance Auditor went on visits to conduct monitoring on NHHBG activities. Results of subrecipient monitoring will be provided in the final draft.

Training

Currently, DHHL has eight (8) staff positions that are funded through NAHASDA. DHHL is providing additional training opportunities for NHHBG staff through the Management Concepts' Grants Management Certificate Program that will assist DHHL staff in the management of the NAHASDA Program. One NAHASDA staff has completed Management Concepts' Grants Management Certificate Program for the Pass-Through Track and Recipient Track. Three of the current NAHASDA staff, as well as other DHHL staff, have completed the HUD sponsored Environmental Review Training, Davis Bacon Training, and Self Monitoring Training. DHHL is making every effort to ensure that all staff who utilize NHHBG funds receives adequate training, as applicable. During this fiscal year Hawaii's HUD office has conducted several trainings for DHHL staff and subrecipients.

As a part of the DHHL's self monitoring plan, DHHL had several staff attend the HUD sponsored Self Monitoring Training in 2011. As a result of the training, DHHL has implemented the following:

1. Insurance for all NAHASDA assisted units – DHHL has implemented a tracking mechanism by adding the appropriate data fields to the existing DHHL data system. This assists DHHL with the overall tracking of insurance and useful life requirements of NAHASDA. Every effort is made to ensure all homes that have received NAHASDA assistance maintains adequate insurance for the replacement of the home. However, in the unforeseen event that an assisted family may be unable to comply with the Insurance requirement due to extenuating circumstances (unemployment, illness, etc.), DHHL has secured a vendor to place homeowners insurance for those families.
2. Labor Standards Compliance – the DHHL currently has a Labor Compliance Specialist (not NAHASDA funded) that reviews all NAHASDA projects for compliance with the Davis Bacon wage requirements, as applicable. A compliance specialist position was approved specifically for the monitoring of NAHASDA funded projects and is housed at the NHHBG office in Hilo.
3. Environmental Review Records (ERR) for NAHASDA projects – are currently reviewed by the NAHASDA Compliance Specialist. Implementation of the Two-Tiered Review has dramatically cut the length of time to process ERRs. DHHL has procured the services of an Environmental firm to conduct ERRs; environmental assessments; and related environmental needs for projects that have been assisted with NAHASDA funds or have a possibility of utilizing NAHASDA funds.
4. Procurement - All procurement of services and goods are guided by the Hawai'i Public Procurement Code, Hawai'i Revised Statutes (HRS), Chapters 103D and 103F, in addition to 24 CFR Part 85.36. The DHHL Fiscal Office and/or the State Procurement Office review all contracts to ensure compliance. In addition to state resources as they pertain to procurement (i.e. online access), DHHL staff has created a Procurement Manual that is updated, as needed.

5. Subrecipient Monitoring
 - a. Subrecipient Grants - Site visits were conducted for Subrecipient compliance on three (3) open subrecipient grants during this fiscal year. Site visits were scheduled in June and July 2014. Those contracts executed in May or June of this year were not monitored as work had yet to begin.
 - b. Construction Monitoring - Project Managers conduct site visits to monitor the project progress and to ensure work has been completed as stated in invoices submitted for payment. Site visits are conducted a minimum of 2-4 times per month for each project. A template has been created to document the site visits conducted by DHHL Project Managers for each project. This will be kept in the contract file for each NAHASDA assisted project. The Land Development Division weekly staff meetings are held to update the Division Administrator on the project progress and any issues that may be of concern.

Inspections -

 - **Infrastructure** (streets, water, sewer, etc.) are inspected by County inspectors. Upon final inspection and submittal of As-built drawings, they are then turned over to and maintained by the applicable County entity.
 - **Homes-Building** inspections are conducted throughout construction on the homes. (electrical, plumbing, final inspections, etc.) The type of certification issued varies by county. A Certificate of Occupancy, Final Inspection or the equivalent is required before permanent power can be furnished for the home.
 - c. Payroll Compliance – NAHASDA staff have been tracking payroll compliance via certified payroll review.
6. Useful Life Tracking – DHHL has implemented a tracking mechanism by adding the appropriate data fields to the existing DHHL data system. The program assists DHHL with the overall tracking of insurance and useful life requirements of NAHASDA. DHHL has also implemented appropriate transfer procedures that will allow DHHL to ensure that units assisted with NHHBG funds are kept “affordable” for the useful life of the unit or that a pro-rated portion of the NHHBG funds originally used to assist the low income household are repaid in the event that the unit is transferred to a non-income eligible household. This is a coordinated effort from staff in various DHHL departments to adequately monitor the NHHBG assisted units.
7. NHHBG Eligibility – The Hawaiian Homes Commission approved the NAHASDA Eligibility policy in December 2012. The policy was disseminated to subrecipients for implementation and/or reference.

DHHL Self Monitoring - All existing DHHL staff (even staff whose positions are not funded by NHHBG) are committed to fulfilling DHHL’s statutory obligations to ensure the continued funding of the NHHBG. As of this writing, DHHL is in the midst of self-monitoring and will provide additional details in its final version of the APR.

2. Assisted Housing Unit Inspection: Sec. 819(b)(2) specifies that self-assessment must include an on-site inspection of housing units assisted with NHHBG funds. A summary of the results of the assisted housing units inspected in this reporting period should be included in the APR in table format.

Rental Units - During this reporting period, there were no NAHASDA assisted rental units constructed on Hawaiian Home Lands; therefore, no rental inspections were conducted. DHHL is exploring options for a rental program using NAHASDA funds and may pursue this activity in the near future.

Single Family Homes – As a standard practice, and as required for all construction that is permitted (i.e. via county permitting process) in the State of Hawai'i, DHHL requires its developers and individual lessees to comply with county building codes, standards, and processes. In general, county building codes require that the county conduct periodic inspections at key intervals during construction. The various county codes may vary between county and typically cover plumbing, electrical, building, housing, land use, energy, and fire.

For example, the City and County of Honolulu conducts monitoring inspections for the building, land use, housing, and energy codes with a call in for final building code inspection. In addition, contractors or developers are required to call in for electrical, plumbing, and final building inspection. Electrical and plumbing call in (call in and schedule the inspection) is required at the various building stages of underground, rough in, fixture installation, and final inspections.

Subrecipients have transitioned into the requirement and projects that are directly controlled by DHHL have continued to provide the needed documentation.

Inspection of Assisted Housing (Table III)

Provide the information in table format summarizing the results of assisted housing unit inspection. The table should include the following information: Type of Housing; Total Number of Assisted Housing; Number of Units Inspected; Number of Units in Standard Condition; Number of Units Needing Moderate Rehabilitation (costing less than \$20,000); Number of Units Needing Substantial Rehabilitation (costing more than \$20,000); and Number of Units Needing Replacement (See Attachment 3 for a sample).

Table III – Inspection of Assisted Housing

Type of Housing	Total Number of Assisted Units	Units Inspected				
		Total Number of Units Inspected	Number of Units in Standard Condition	Number of Units Needing Moderate Rehabilitation (costing less than \$20,000)	Number of Units Needing Substantial Rehabilitation (more than \$20,000)	Number Units Needing Replacement
Homeownership (New Build)	32	32	32	0	0	0
Rental (NA)	0	0	0	0	0	0
Total	32	32	32	0	0	0

As noted in previous APR's, ALL units built on Hawaiian Home Lands are required to comply with the respective county building process to include permitting and compliance with applicable county building codes. Since the 2011 reporting period, DHHL has begun to collect the county issued Certificate of Occupancy or similar document indicating that the unit has met applicable county inspection requirements. For DHHL infrastructure projects, DHHL collected Certificates of Occupancy during FYE June 30, 2013, Kānehili (8 of 8 units assisted), La'i 'Ōpua (1 of 1 units assisted), Kumuhau (16 of 16 units assisted), and Habitats (6 of 6 units assisted), Waiohuli (1 of 1 units assisted)

There were nine (9) completed home repairs for the Home Repair Programs four (4) Honolulu and five (5) Hawaii. Home Rehabilitations were not included in the table above. Documentation of final inspection was received for all.

SECTION B – PUBLIC ACCOUNTABILITY

Section 820(d) of NAHASDA requires the DHHL to make the APR available for public comment and to provide a summary of any comments received from beneficiaries with the submission to HUD. The Department will be disseminating this draft for public comment. Beside the Native Hawaiian Organizations listed with the Department of Interior, the following list of organizations will also be receiving a copy of this draft. It will be posted on the DHHL website for thirty (30) days.

	<u>Organization</u>
	Hui Kāko'o 'Āina Ho'opulapula
	Sovereign Councils of Hawaiian Homelands Assembly
	Papakōlea Community Development Corporation
	Kalāwahine Streamside Association
	Kānehili - East Kapolei 1 Undivided Interest
	Kapolei Community Development Corporation
	Kaupe'a Homestead Association
	Kewalo Hawaiian Homestead Community Assn.
	Malu'ohai Residents Association
	Nānākuli Hawaiian Homestead Community Association
	Papakōlea Community Association
	Princess Kahanu Estates Hawaiian Homes Assoc.
	Wai'anae Kai Homestead Association
	Wai'anae Valley Homestead Association
	Waimānalo Hawaiian Homes Association
	Ahupua'a O Moloka'i
	Ho'olehua Homestead Agriculture Association
	Ho'olehua Homestead Association
	Kalama'ula Hawaiian Homestead Association
	Kalama'ula Mauka Homestead Association
	Kamiloloa-One Ali'i Homestead Association
	Kapa'akea Homesteaders Association
	Moloka'i Homestead Farmers Alliance
	Moloka'i Livestock Association
	Ka 'Ohana O Kahikinui
	Kēōkea Homestead Farm Lots Association
	Paukūkalo Hawaiian Homestead Community Association
	Villages of Leialī'i Association
	Waiehu Kou Community Homestead Assn
	Waiehu Kou Phase 3 Association, Inc.
	Waiehu Kou Phase IV
	Waiehu Kou Residence Lots, Phase 2 Assn.
	Waiohuli Hawaiian Homesteaders, Inc.
	Anahola Hawaiian Homes Association
	Anahola Hawaiian Land Farm Lots Association
	Kekaha Hawaiian Homestead Association

	Pi'ilani Mai Ke Kai
	Kailapa Community Association
	Kaniohale at the Villages of La'i 'Opua
	Kawaihae Puaka'ilima Community Association
	La'i 'Opua 2020
	Waimea Hawaiian Homestead Association Inc.
	Kaumana Hawaiian Home Lands Assoc
	Keaukaha Community Association
	Keaukaha-Pana'ewa Farmers Association
	Maku'u Farmers Association
	Pana'ewa Hawaiian Home Lands Community Association
	Pi'ihonua Homestead Community Association

The Housing Directors in the State of Hawai'i as follows:

- Hawai'i's local HUD office
- United States, Department of Agriculture, Rural Development (RD)
- Hawai'i Housing Finance and Development Corporation of Hawai'i (HHFDC)
- Counties of Hawai'i, Kaua'i, Maui and City and County of Honolulu
- Office of Hawaiian Affairs (OHA)

The Hawaiian Service Institutions and Agencies (HSIA) as follows:

- Queen Lili'uokalani Children's Center – A private, non-profit social service organization for Hawaiian orphan and destitute children;
- Lunalilo Home – A trust that strives to respect each resident's dignity, while providing them a high quality of elderly care services in a loving, family home environment;
- Queen Emma Foundation – A non-profit organization whose mission is to support and advance health care in Hawai'i, primarily through The Queen's Medical Center;
- ALU LIKE, Inc. – A private, non-profit, community-based multi-service organization serving Native Hawaiians in their efforts to achieve social and economic self-sufficiency;
- Kamehameha Schools – A trust that exists to carry out in perpetuity the wishes of Princess Bernice Pauahi Bishop to educate children and youth of Hawaiian ancestry;
- Office of Hawaiian Affairs (OHA) – A trust whose mission it is to protect Hawai'i's people and environmental resources and OHA's assets, toward ensuring the perpetuation of the culture, the enhancement of lifestyle and the protection of entitlements of Native Hawaiians, while enabling the building of a strong and healthy Hawaiian people and nation, recognized nationally and internationally;
- Bernice Pauahi Bishop Museum – The State Museum on Natural and Cultural History; its mission is to record, preserve and tell the stories of Hawai'i and the Pacific, inspiring its guests to embrace and experience Hawai'i's natural and cultural world; and
- Papa Ola Lōkahi—A non-profit organization formed to address the health care needs of the Native Hawaiian people.

Department of Hawaiian Home Lands Administrators as follows:

- Jobie M. K. Masagatani, Chairman Designate

- Darrell Young, Deputy to the HHC Chairman
- Derek Kimura, Executive Assistant
- William (Kamana'o) Mills, Special Assistant, Hawaiian Home Land (HHL) Claims
- Rodney Lau, Administrative Services Officer
- James Pao, Fiscal Management Officer
- Dean Oshiro, Homestead Services Administrator
- Linda Chinn, Land Management Division Administrator
- Sandra S. Pfund, Land Development Division Administrator
- Punialoha Chee, Information and Communications Office Administrator

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
From: Dean T. Oshiro, Acting HSD Administrator 
SUBJECT: **Homestead Services Division Status Reports**

RECOMMENDED MOTION/ACTION

NONE

DISCUSSION

The following reports are for information only:

- Exhibit A: Homestead Lease & Application Totals
and Monthly Activity Reports
- Exhibit B: Delinquency Report
- Exhibit C: DHHL Guarantees for FHA Construction
Loans

July 21, 2014

SUBJECT: Homestead Lease and Application Totals and Monthly Activity Reports

LEASE ACTIVITY REPORT

Month through June 30, 2014

	As of 5/31/14	Add	Cancel	As of 6/30/14
Residential	8,335	0	6	8,329
Agricultural	1,101	0	0	1,101
Pastoral	408	0	0	408
Total	9,844	0	6	9,838

The number of Converted Undivided Interest Lessees represents an increase of 373 families moving into homes. Their Undivided Interest lease was converted to a regular homestead lease.

	As of 5/31/14	Converted	Rescinded/ Surrendered/ Cancelled	As of 6/30/14
Undivided	966	0	0	966

Balance as of 6/30/14

Awarded	1,434
Relocated to UNDV	7
Rescinded	99
Surrendered	2
Cancelled	1
Converted	<u>373</u>
Balance to Convert	966

Lease Report For the Month Ending June 30, 2014

	RESIDENCE			AGRICULTURE			PASTURE			TOTAL LEASES		
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL
OAHU												
Kalawahine	92	0	0	92	0	0	0	0	0	0	0	92
Kanehili	341	0	0	341	0	0	0	0	0	0	0	341
Kapolei	286	0	0	286	0	0	0	0	0	0	0	286
Kauepa	326	0	0	326	0	0	0	0	0	0	0	326
Kaupuni	19	0	0	19	0	0	0	0	0	0	0	19
Kewalo	251	0	0	251	0	0	0	0	0	0	0	251
Kumuohau	51	0	0	51	0	0	0	0	0	0	0	51
Luakulae	149	0	0	149	31	0	0	31	0	0	0	180
Malu'ohai	156	0	0	156	0	0	0	0	0	0	0	156
Nanakuli	1,049	0	0	1,049	0	0	0	0	0	0	0	1,049
Papakolea	64	0	0	64	0	0	0	0	0	0	0	64
Princess Kahanu Estates	271	0	0	271	0	0	0	0	0	0	0	271
Waiahole	0	0	0	0	17	0	0	17	0	0	0	17
Waianae	423	0	0	423	11	0	0	11	0	0	0	434
Waimanalo	746	0	1	745	2	0	0	2	0	0	0	747
TOTAL	4,224	0	1	4,223	61	0	0	61	0	0	0	4,284
MAUI												
Hikina	31	0	0	31	0	0	0	0	0	0	0	31
Kahikinui	0	0	0	0	0	0	0	75	0	0	75	75
Keokea	0	0	0	0	65	0	0	65	0	0	0	65
Lealii	104	0	0	104	0	0	0	0	0	0	0	104
Paukukalo	181	0	0	181	0	0	0	0	0	0	0	181
Waiehu 1	38	0	0	38	0	0	0	0	0	0	0	38
Waiehu 2	108	0	0	108	0	0	0	0	0	0	0	108
Waiehu 3	114	0	0	114	0	0	0	0	0	0	0	114
Waiehu 4	98	0	0	98	0	0	0	0	0	0	0	98
Waiohuli	602	0	0	602	0	0	0	0	0	0	0	602
TOTAL	1,276	0	0	1,276	65	0	0	65	75	0	0	1,416
EAST HAWAII												
Discovery Harbour	2	0	0	2	0	0	0	0	0	0	0	2
Kamaoa	0	0	0	0	0	0	0	25	0	0	25	25
Kaumana	46	0	0	46	0	0	0	0	0	0	0	46
Keaukaha	471	0	1	470	0	0	0	0	0	0	1	470
Kuristown	3	0	0	3	0	0	0	0	0	0	0	3
Makuu	0	0	0	0	124	0	0	124	0	0	0	124
Panaewa	0	0	0	0	260	0	0	260	0	0	0	260
Piihonua	17	0	0	17	0	0	0	0	0	0	0	17
Puueo	0	0	0	0	12	0	0	12	0	0	0	12
University Heights	4	0	0	4	0	0	0	0	0	0	0	4
Waiakea	299	0	0	299	0	0	0	0	0	0	0	299
TOTAL	842	0	1	841	396	0	0	396	25	0	0	1,263
WEST HAWAII												
Honokala	0	0	0	0	0	0	0	23	0	0	23	23
Humuula	0	0	0	0	0	0	0	5	0	0	5	5
Kamoku	0	0	0	0	0	0	0	16	0	0	16	16
Kanihale	224	0	0	224	0	0	0	0	0	0	0	224
Kawaihae	188	0	0	188	0	0	0	1	0	0	1	189
Laiopua	281	0	1	280	0	0	0	0	0	0	1	280
Lalamilo	29	0	0	29	0	0	0	0	0	0	0	29
Nienie	0	0	0	0	0	0	0	21	0	0	21	21
Puukapu/Waimea/Kuhio Vil	115	0	0	115	110	0	0	110	214	0	0	439
Puupulehu	30	0	0	30	0	0	0	0	0	0	0	30
TOTAL	867	0	1	866	110	0	0	110	280	0	0	1,257
KAUAI												
Anahola	537	0	1	536	46	0	0	46	0	0	1	582
Hanapepe	47	0	0	47	0	0	0	0	0	0	0	47
Kekaha	117	0	0	117	0	0	0	0	0	0	0	117
Puu Opas	0	0	0	0	0	0	0	1	0	0	1	1
TOTAL	701	0	1	700	46	0	0	46	1	0	1	748
MOLOKAI												
Hoolehua	157	0	0	157	348	0	0	348	21	0	0	526
Kalamaula	163	0	2	161	72	0	0	72	3	0	0	236
Kapaakea	47	0	0	47	0	0	0	0	3	0	0	50
Moomomi	0	0	0	0	3	0	0	3	0	0	0	3
O'ne Alii	29	0	0	29	0	0	0	0	0	0	0	29
TOTAL	396	0	2	394	423	0	0	423	27	0	0	844
LANAI												
Lanai	29	0	0	29	0	0	0	0	0	0	0	29
TOTAL	29	0	0	29	0	0	0	0	0	0	0	29
STATEWIDE TOTAL	8,335	0	6	8,329	1,101	0	0	1,101	408	0	0	9,838

**HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING
June 30, 2014**

AREA WAITING LIST

DISTRICT AREA	RESIDENCE				AGRICULTURE				PASTURE				TOTAL
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	
Oahu District	1,029	0	0	1,029	3	0	0	3	0	0	0	0	1,032
Maui District	73	0	0	73	4	0	0	4	5	0	0	5	82
Hawaii District	139	0	0	139	15	0	0	15	65	0	0	65	219
Kauai District	60	0	0	60	4	0	0	4	29	0	0	29	93
Molokai District	21	0	0	21	19	0	0	19	1	0	0	1	41
TOTAL	1,322	0	0	1,322	45	0	0	45	100	0	0	100	1,467

ISLANDWIDE WAITING LIST

ISLAND	RESIDENCE				AGRICULTURE				PASTURE				TOTAL
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	
Oahu	9,083	35	4	9,114	3,440	10	0	3,450	0	0	0	0	12,564
Maui	3,612	8	2	3,618	4,491	4	0	4,495	565	1	0	566	8,679
Hawaii	5,568	12	5	5,575	6,936	12	3	6,945	1,810	6	0	1,816	14,336
Kauai	1,553	2	1	1,554	2,159	4	0	2,163	281	0	0	281	3,998
Molokai	759	2	0	761	1005	1	0	1006	192	1	0	193	1,960
Lanai	78	0	0	78	0	0	0	0	0	0	0	0	78
TOTAL	20,653	59	12	20,700	18,031	31	3	18,059	2,848	8	0	2,856	41,615

AREA AND ISLANDWIDE LISTS

	RES	AG	PAS	TOTAL	ADDITIONS		CANCELLATIONS	
OAHU	10,143	3,453	0	13,596	New Applications	96	New Lease Award	2
MAUI	3,691	4,499	571	8,761	Rescissions	2	Voluntary/Trans	13
HAWAII	5,714	6,960	1,881	14,555	Reinstate	0	NHQ Unqualified	0
KAUAI	1,614	2,167	310	4,091	HHC Adjustment	0	Lessee Transferee	0
MOLOKAI	782	1,025	194	2,001	TOTAL	98	Dec'd, No Succ	0
LANAI	78	0	0	78			Voluntary Cancellation	0
TOTAL	22,022	18,104	2,956	43,082			TOTAL	15

HOMESTEAD AREA AND ISLANDWIDE APPLICATIONS WAITING LIST MONTHLY REPORT FOR THE MONTH ENDING

June 30, 2014

	RESIDENCE				AGRICULTURE				PASTURE				TOTAL
	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	Last Month	Add	Cancel	TOTAL	
OAHU DISTRICT													
Nanakuli	186	0	0	186	0	0	0	0	0	0	0	0	186
Waianae	163	0	0	163	0	0	0	0	0	0	0	0	163
Lualualei	0	0	0	0	3	0	0	3	0	0	0	0	3
Papakolea/Kewalo	73	0	0	73	0	0	0	0	0	0	0	0	73
Waimanalo	607	0	0	607	0	0	0	0	0	0	0	0	607
Subtotal Area	1,029	0	0	1,029	3	0	0	3	0	0	0	0	1,032
Islandwide	9,083	35	4	9,114	3,440	10	0	3,450	0	0	0	0	12,564
TOTAL OAHU APPS	10,112	35	4	10,143	3,443	10	0	3,453	0	0	0	0	13,596
MAUI DISTRICT													
Paukukalo	73	0	0	73	0	0	0	0	0	0	0	0	73
Kula	0	0	0	0	4	0	0	4	5	0	0	5	9
Subtotal Area	73	0	0	73	4	0	0	4	5	0	0	5	82
Islandwide	3,612	8	2	3,618	4,491	4	0	4,495	565	1	0	566	8,679
TOTAL MAUI APPS	3,685	8	2	3,691	4,495	4	0	4,499	570	1	0	571	8,761
HAWAII DISTRICT													
Keaukaha/Waiakea	73	0	0	73	0	0	0	0	1	0	0	1	74
Panaewa	0	0	0	0	15	0	0	15	0	0	0	0	15
Humuula	0	0	0	0	0	0	0	0	0	0	0	0	0
Kawaihae	19	0	0	19	0	0	0	0	0	0	0	0	19
Waimea	47	0	0	47	0	0	0	0	64	0	0	64	111
Subtotal Area	139	0	0	139	15	0	0	15	65	0	0	65	219
Islandwide	5,568	12	5	5,575	6,936	12	3	6,945	1,810	6	0	1,816	14,336
TOTAL HAWAII APPS	5,707	12	5	5,714	6,951	12	3	6,960	1,875	6	0	1,881	14,555
KAUAI DISTRICT													
Anahola	50	0	0	50	4	0	0	4	21	0	0	21	75
Kekaha/Puu Opae	10	0	0	10	0	0	0	0	8	0	0	8	18
Subtotal Area	60	0	0	60	4	0	0	4	29	0	0	29	93
Islandwide	1,553	2	1	1,554	2,159	4	0	2,163	281	0	0	281	3,998
TOTAL KAUAI APPS	1,613	2	1	1,614	2,163	4	0	2,167	310	0	0	310	4,091
MOLOKAI DISTRICT													
Kalamaula	5	0	0	5	0	0	0	0	0	0	0	0	5
Hoolehua	7	0	0	7	19	0	0	19	1	0	0	1	27
Kapaakea	8	0	0	8	0	0	0	0	0	0	0	0	8
One Alii	1	0	0	1	0	0	0	0	0	0	0	0	1
Subtotal Area	21	0	0	21	19	0	0	19	1	0	0	1	41
Islandwide	759	2	0	761	1,005	1	0	1,006	192	1	0	193	1,960
TOTAL MOLOKAI APPS	780	2	0	782	1,024	1	0	1,025	193	1	0	194	2,001
LANAI DISTRICT													
Islandwide	78	0	0	78	0	0	0	0	0	0	0	0	78
TOTAL LANAI APPS	78	0	0	78	0	0	0	0	0	0	0	0	78
TOTAL AREA ONLY	1,322	0	0	1,322	45	0	0	45	100	0	0	100	1,467
TOTAL ISLANDWIDE	20,653	59	12	20,700	18,031	31	3	18,059	2,848	8	0	2,856	41,615
TOTAL STATEWIDE	21,975	59	12	22,022	18,076	31	3	18,104	2,948	8	0	2,956	43,082

4

ITEM NO. D-1
EXHIBIT A

DELINQUENCY REPORT - STATEWIDE

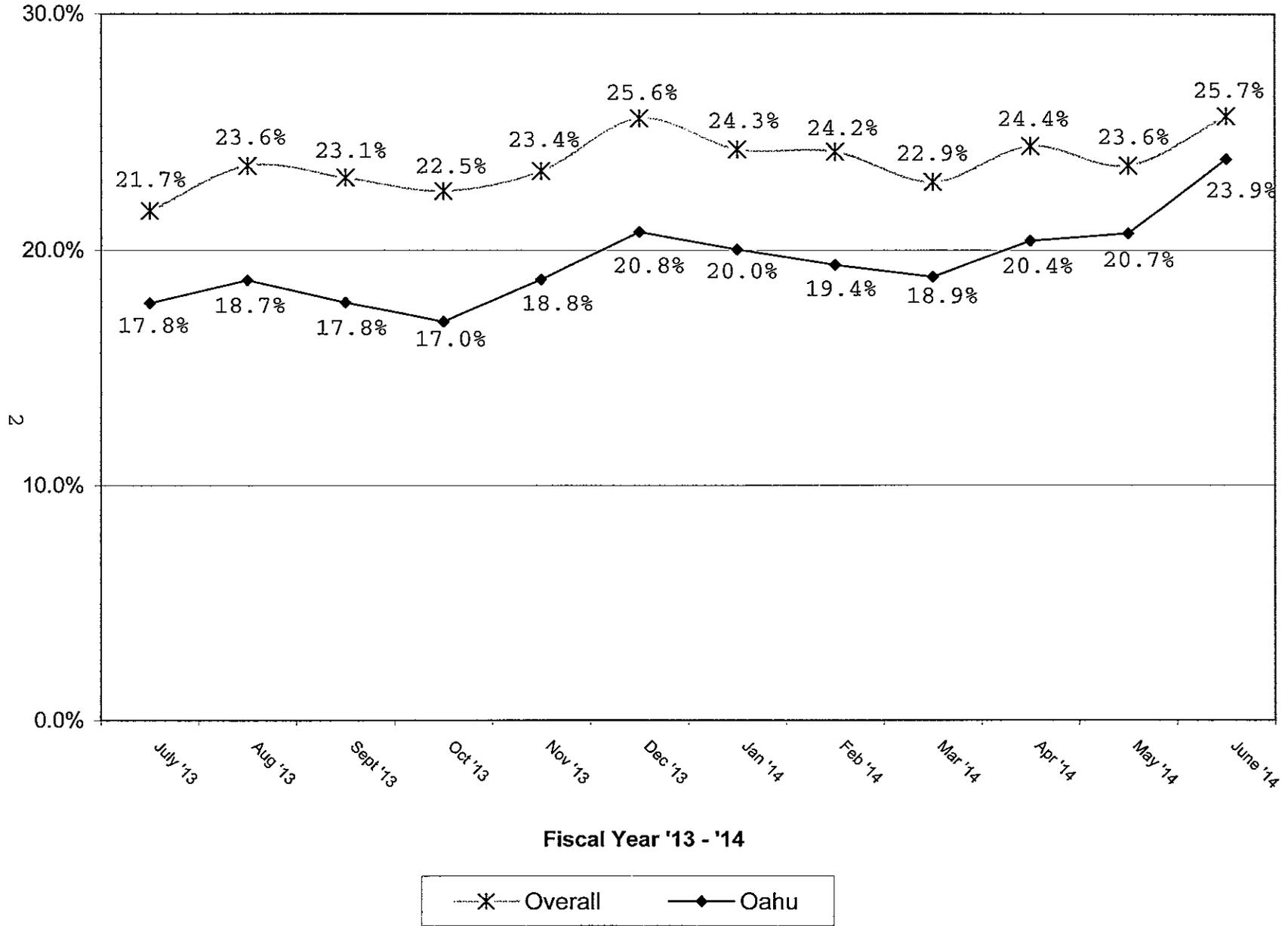
July 21, 2014

(\$Thousands)

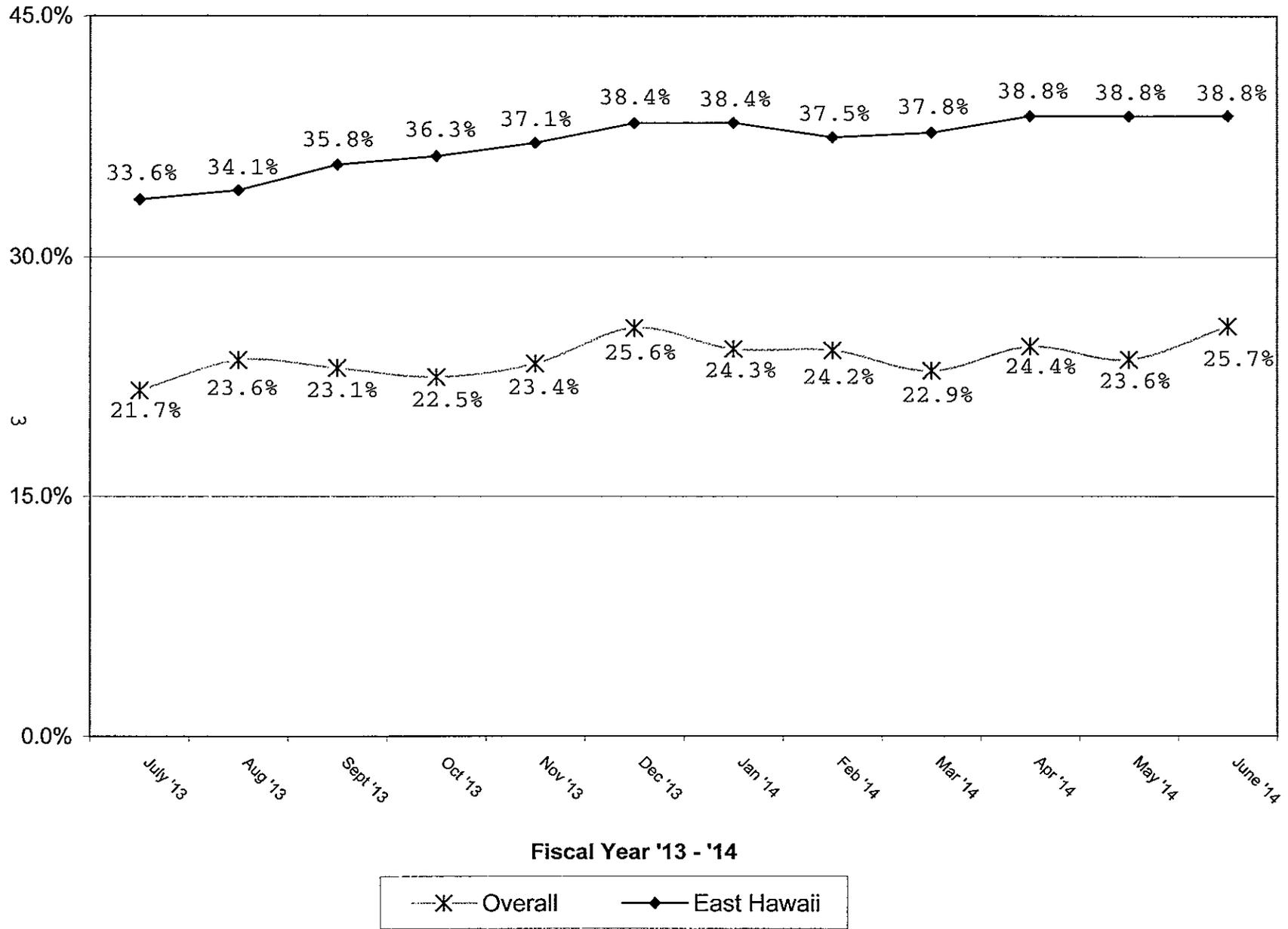
	Total Outstanding		Total Delinquency		30 Days (low)		60 Days (Medium)		90 Days (High)		180 Days (Severe)		R I S K % of Totals 6/30/2014	
	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	(000s) Amt.	No.	\$
<u>DIRECT LOANS</u>														
OAHU	417	28,006	84	6,691	21	1,676	9	668	15	1,142	39	3,204	20.1%	23.9%
EAST HAWAII	248	14,416	97	5,596	13	467	10	547	18	751	56	3,830	39.1%	38.8%
WEST HAWAII	65	5,196	12	971	1	242	0	0	2	271	9	458	18.5%	18.7%
MOLOKAI	71	1,981	20	556	5	45	1	43	3	94	11	375	28.2%	28.1%
KAUAI	113	7,742	19	1,089	7	356	1	85	2	136	9	511	16.8%	14.1%
MAUI	<u>84</u>	<u>5,779</u>	<u>18</u>	<u>1,319</u>	<u>5</u>	<u>237</u>	<u>1</u>	<u>10</u>	<u>5</u>	<u>261</u>	<u>7</u>	<u>810</u>	<u>21.4%</u>	<u>22.8%</u>
TOTAL DIRECT	998	63,120	250	16,221	52	3,023	22	1,353	45	2,656	131	9,189	25.1%	25.7%
	100.0%	100.0%	25.1%	25.7%	5.2%	4.8%	2.2%	2.1%	4.5%	4.2%	13.1%	14.6%		
Advances (including RPT)	290	7,180	290	7,180	0	0	0	0	290	7,180			100%	100%
DHHL LOANS & Advances	1,288	70,300	540	23,401	52	3,023	22	1,353	335	9,836	131	9,189	41.9%	33.3%
<u>LOAN GUARANTEES as of February 28, 2013</u>														
SBA	1	123	0	0	0	0	0	0	0	0			0.0%	0.0%
USDA-RD	315	40,678	31	4,037	0	0	0	0	31	4,037			9.8%	9.9%
Habitat for Humanity	73	4,062	26	1,285	0	0	0	0	26	1,285			35.6%	31.6%
Maui County	5	74	0	0	0	0	0	0	0	0			0.0%	0.0%
Nanakuli NHS	2	32	2	32	0	0	0	0	2	32			100.0%	100.0%
City & County	28	579	12	325	0	0	0	0	12	325			42.9%	56.1%
FHA Interim	9	2,051	0	0	0	0	0	0	0	0			0.0%	0.0%
OHA	<u>193</u>	<u>2,382</u>	<u>9</u>	<u>137</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9</u>	<u>137</u>			<u>4.7%</u>	<u>5.8%</u>
TOTAL GUARANTEE	<u>626</u>	<u>49,981</u>	<u>80</u>	<u>5,816</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>80</u>	<u>5,816</u>			<u>12.8%</u>	<u>11.6%</u>
PMI Loans	318	61,520	28	6,506	3	920	1	130	24	5,456			8.8%	10.6%
HUD REASSIGNED for Recovery	157	19,363	129	18,117	2	145	0	0	3	204	124	17,767	82.2%	93.6%
FHA Insured Loans	<u>2,812</u>	<u>413,952</u>	<u>269</u>	<u>35,473</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>269</u>	<u>35,473</u>			<u>9.6%</u>	<u>8.6%</u>
TOTAL INS. LOANS	<u>3,287</u>	<u>494,835</u>	<u>426</u>	<u>60,096</u>	<u>5</u>	<u>1,065</u>	<u>1</u>	<u>130</u>	<u>296</u>	<u>41,133</u>	<u>124</u>	<u>17,767</u>	<u>13.0%</u>	<u>12.1%</u>
OVERALL TOTALS(EXC Adv/RP)	4,911	607,936	756	82,134	57	4,088	23	1,483	421	49,606	255	26,956	15.4%	13.5%
ADJUSTED TOTALS	5,201	615,116	1,046	89,314	57	4,088	23	1,483	711	56,786	255	26,956	14.5%	

EXHIBIT B
ITEM NO. D-1

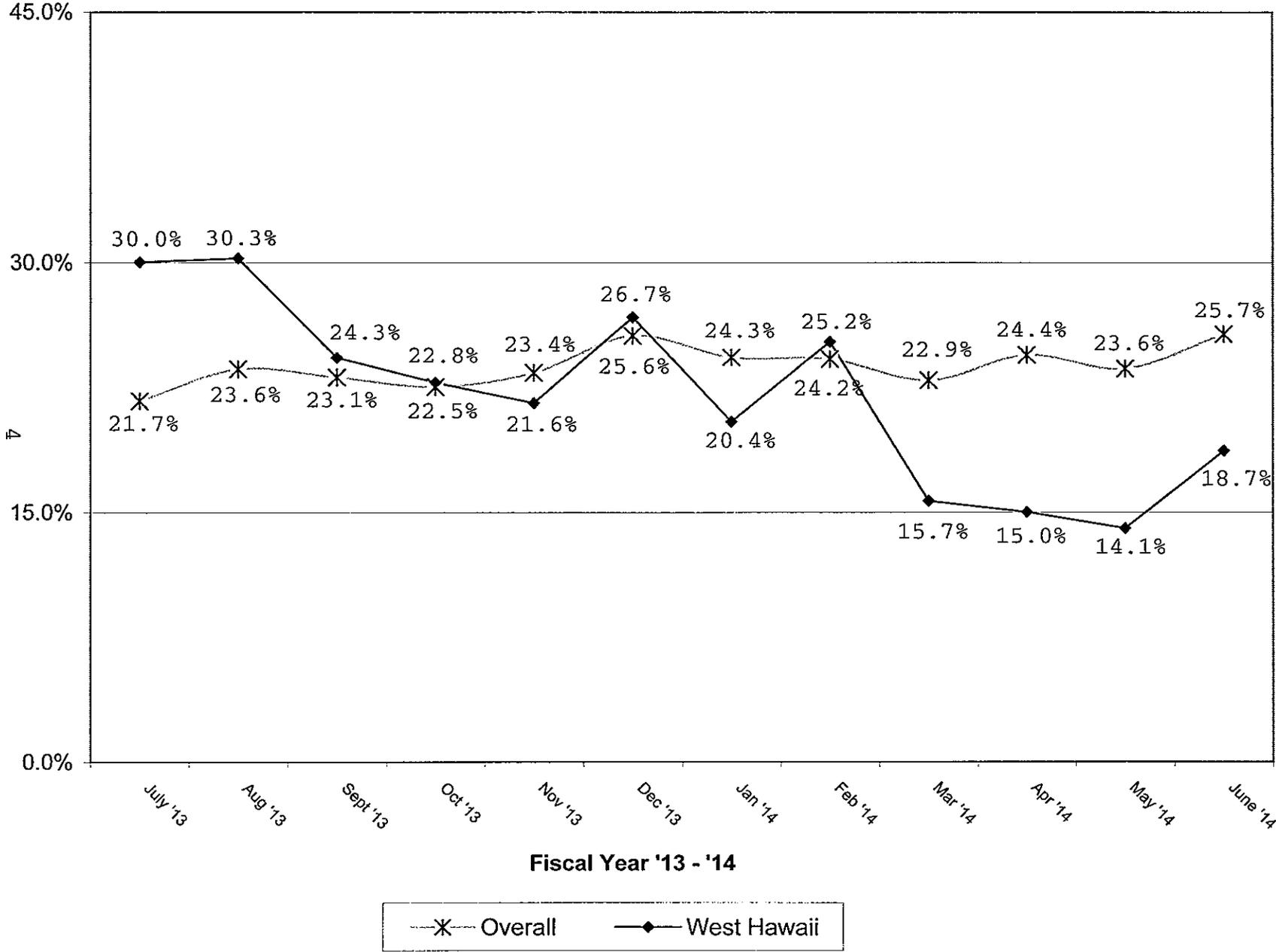
**OAHU
Direct Loans
Delinquency Ratio Report**



**EAST HAWAII
Direct Loans
Delinquency Ratio Report**

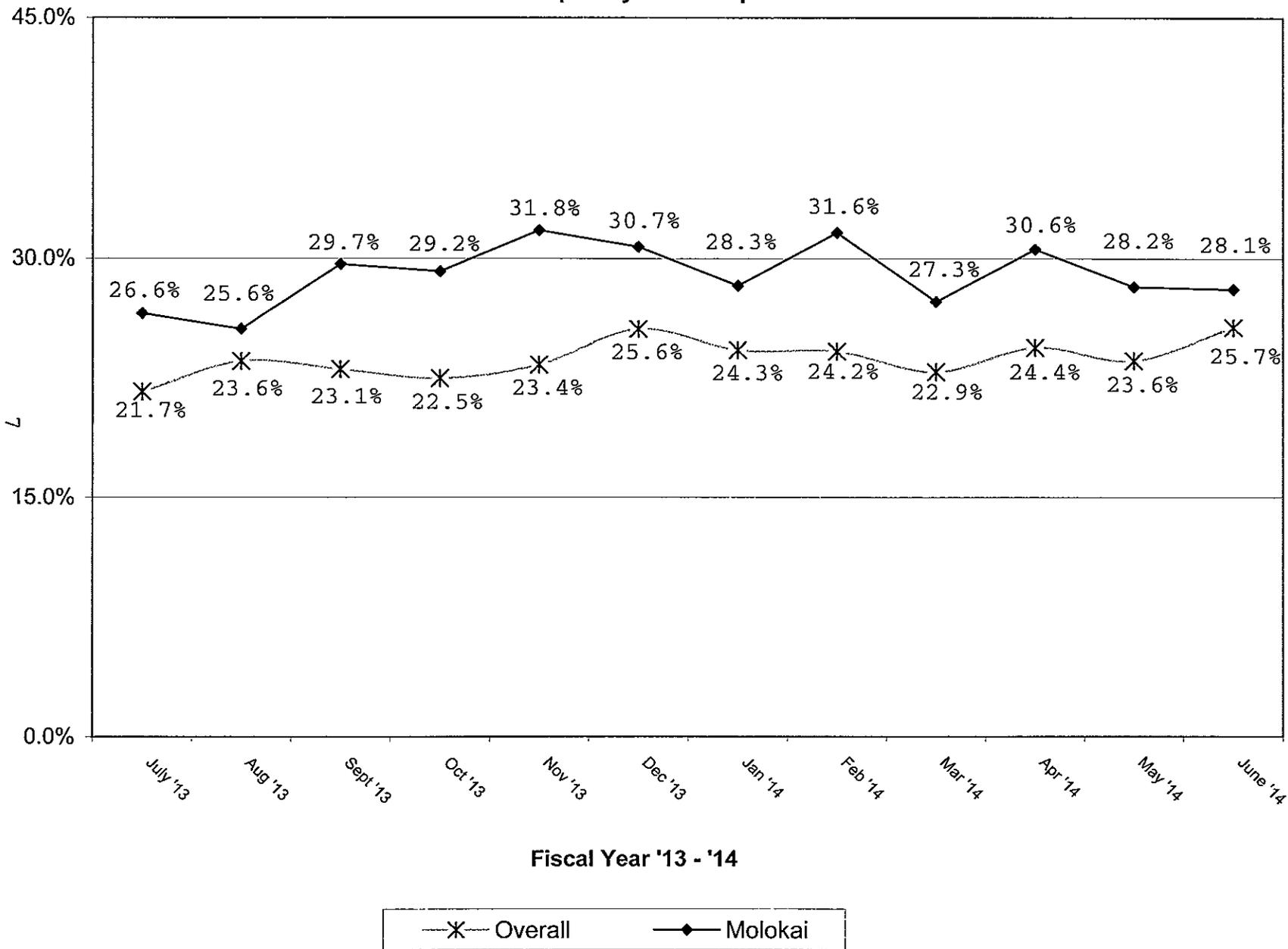


**WEST HAWAII
Direct Loans
Delinquency Ratio Report**



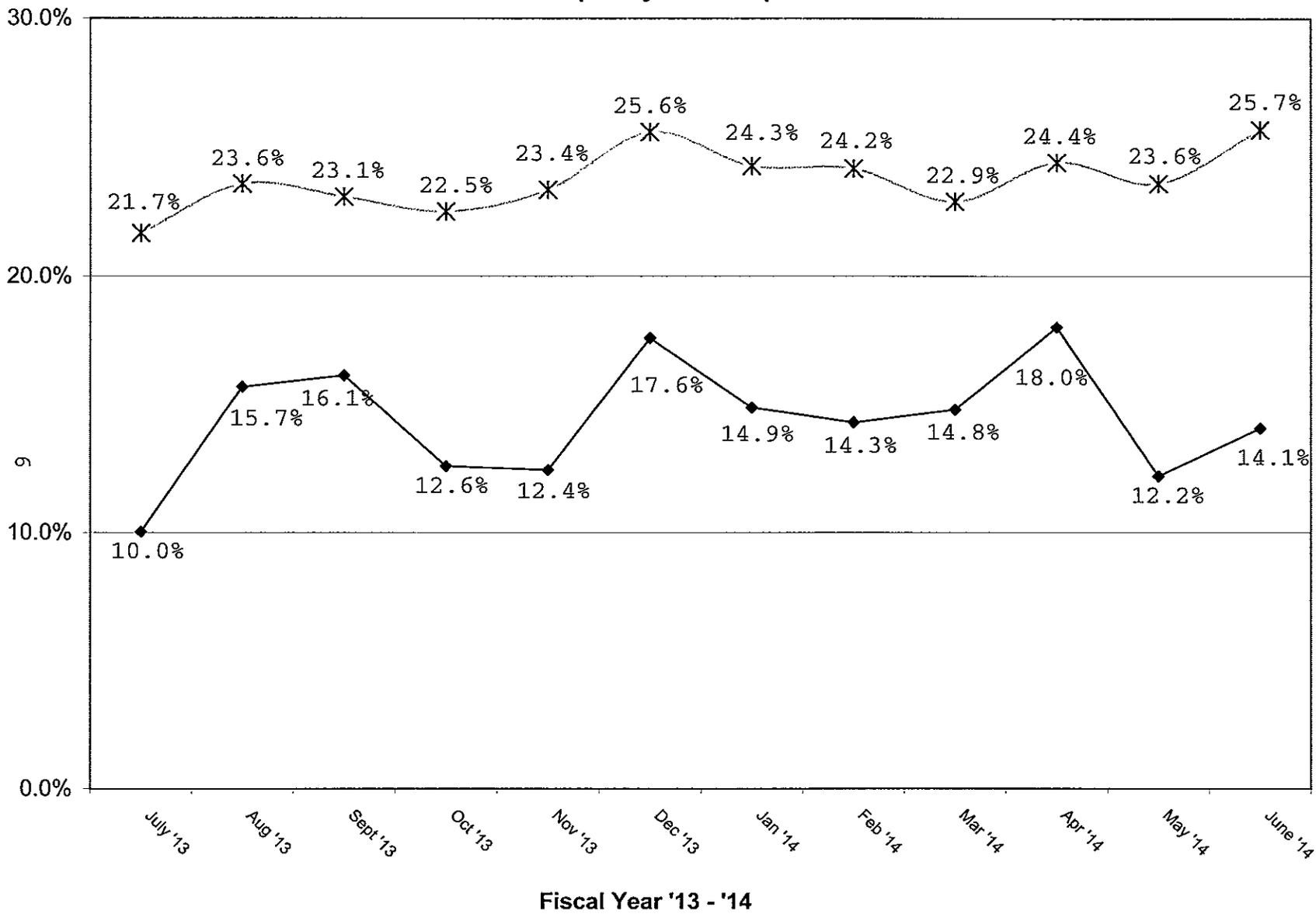
ITEM NO. D-1
EXHIBIT B

**MOLOKAI
Direct Loans
Delinquency Ratio Report**



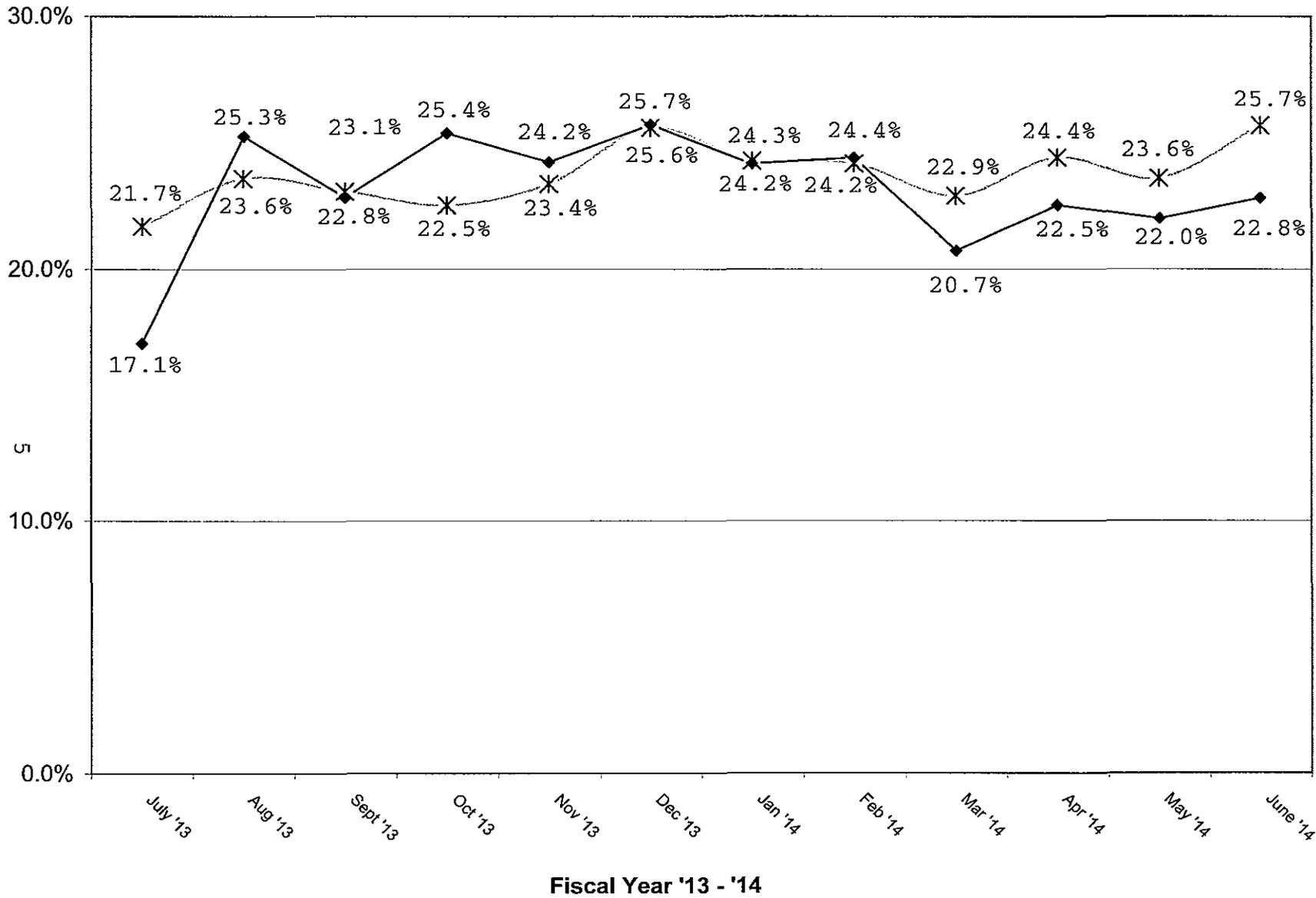
ITEM NO. D-1
EXHIBIT B

**KAUAI
Direct Loans
Delinquency Ratio Report**



—*— Overall —◆— Kauai

**MAUI
Direct Loans
Delinquency Ratio Report**



ITEM NO. D-1
EXHIBIT B

* Overall
 ◆ Maui

July 21, 2014

SUBJECT: **DHHL Guarantees for FHA Construction Loans**

DISCUSSION: The Department issues guarantees to FHA lenders during the construction period of a home, as FHA does not insure the loan until the home is completed. The loan term for these loans do not exceed fifteen (15) months from the date of loan signing. The following FHA Interim Construction loans were issued guarantees:

*Note: FHA loans are insured by the U.S. Department of Housing and Urban Development (HUD) and do not impact the State's guaranty ceiling.

<u>LEASE NO.</u>	<u>AREA</u>	<u>LESSEE</u>	<u>Loan Amount</u>	<u>Date Approved</u>
7389	Keokea	Keanaaina, John I., Jr.	\$215,858	6/18/14

	<u>No.</u>	<u>Balance</u>
FY Ending 6/30/14	11	\$ 3,182,933
Previous Months	-	\$ -0-
This Month	<u>1</u>	<u>215,858</u>
FY '14-'15 to date	1	\$ 215,858

ITEM NO. D-1
EXHIBIT C

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator
Homestead Services Division



SUBJECT: **Ratification of Loan Approvals**

RECOMMENDED MOTION/ACTION

To ratify the approval of the following loan previously approved by the Chairman, pursuant to section 10-2-17, Ratification of chairman's action, of the Department of Hawaiian Home Lands Administrative Rules.

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>LOAN TERMS</u>
Tom, Issac K.	10233, Kaniohale	NTE \$113,500, 4.5% interest per annum, \$576 monthly, amortized over 30 years

Loan Purpose: Purchasing existing home improvements in conjunction with a new lease award.

Dudoit, Robin W.	12731, Kalamaula	Loan #1: NTE \$90,750, 0% interest per annum, one year term, P&I due at maturity. Loan #2: NTE \$90,750, 0% interest per annum, \$252 monthly, repayable over 30 years
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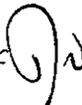
Loan Purpose: Construct a new single family dwelling utilizing NAHASDA funds.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

SUBJECT: **Approval of Consent to Mortgage**

RECOMMENDED MOTION/ACTION

To approve the following consents to mortgages for Federal Housing Administration (FHA) insured loans, Department of Veterans Affairs (VA) loans, United States Department of Agriculture, Rural Development (USDA, RD) guaranteed loans, United States Housing and Urban Development (HUD 184A) guaranteed loans and Conventional (CON) loans insured by private mortgage insurers.

DISCUSSION

<u>PROPERTY</u>	<u>LESSEE</u>	<u>LENDER</u>	<u>LOAN AMOUNT</u>
<u>OAHU</u>			
Kaupea Lease No. 11411 TMK: 1-9-1-139:127	AKAU, Lehuanani E. P.(FHA)	Bank of Hawaii	\$ 301,020
Kaupea Lease No. 4425 TMK: 1-9-1-139:122	AKI, David K., III(184A)	Bank of Hawaii	\$ 371,011
Waianae Lease No. 8830 TMK: 1-8-5-031:057	CENO, Harrine L.(FHA)	Goldem Empire Mortgage	\$ 210,890
Waimanalo Lease No. 5967 TMK: 1-4-1-036:022	KEKUMU, Matthew M., Jr.(FHA)	Goldem Empire Mortgage	\$ 182,864

<u>REFINANCE</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	4	\$ 321,900
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '14-'15	0	\$ -0-

<u>REPAIR</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	7	\$ 280,795
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '14-'15	0	\$ -0-

<u>HOME CONSTRUCTION</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	4	\$ 564,699
Prior Months	0	-0-
This Month	<u>1</u>	<u>90,750</u>
Total FY '14-'15	1	\$ 90,750

<u>FARM</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '14-'15	0	\$ -0-

<u>TRANSFER WITH LOAN</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '14-'15	0	\$ -0-

<u>AWARD</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	8	\$ 1,598,273
Prior Months	0	-0-
This Month	<u>1</u>	<u>113,500</u>
Total FY '14-'15	1	\$ 113,500

<u>OTHER</u>	<u>NO.</u>	<u>LOAN AMOUNT</u>
FY Ending 6/30/14	0	\$ -0-
Prior Months	0	-0-
This Month	<u>0</u>	<u>-0-</u>
Total FY '14-'15	0	\$ -0-

OAHU

Waianae Lease No. 4443 TMK: 1-8-5-030:110	KAHIKINA, Michael E. R. H., Sr. (FHA)	Homestreet Bank	\$ 231,681
Kaupea Lease No. 12067 TMK: 1-9-1-140:079	HAWN, Vanessa A. (FHA)	Homestreet Bank	\$ 280,779
Princess Kahanu Estates Lease No. 8380 TMK: 1-8-7-043:023	NORDLUM, Lorita K. (184A)	Homestreet Bank	\$ 84,941
Waimanalo Lease No. 8765 TMK: 1-4-1-038:001	MATTOS, Gordon J. (184A)	Homestreet Bank	\$ 215,534
Waimanalo Lease No. 3022 TMK: 1-4-1-020:042	BUSH, Georgiette (184A)	Homestreet Bank	\$ 185,840
Kalawahine Lease No. 9618 TMK: 1-2-4-043:047	FULLER, Donna May L. (FHA)	Homestreet Bank	\$ 394,751
Maluohai Lease No. 9868 TMK: 1-9-1-120:048	KAMEALOHA, Martin K. H. (FHA)	Homestreet Bank	\$ 360,601
Waianae Lease No. 4462 TMK: 1-8-5-030:057	MANOI, Corie P. (FHA)	Goldem Empire Mortgage	\$ 254,486
Waimanalo Lease No. 2589 TMK: 1-4-1-020:032	LAFAELE, Esther M. (FHA)	Guild Mortgage Company	\$ 162,000

ITEM NO. D-3

OAHU

Nanakuli Lease No. 7269 TMK: 1-8-9-016:017	NAEOLE, Eugene K., Jr. (USDA, RD)	Mann Mortgage, LLC	\$ 237,000
Waianae Lease No. 4645 TMK: 1-8-5-030:113	RASPOTNIK, Ikaika J. (FHA)	Homestreet Bank	\$ 160,267
Kewalo Lease No. 2518 TMK: 1-2-4-040:024	MOKUAHI, Leif K. (FHA)	Homestreet Bank	\$ 389,250
Kaupea Lease No. 12036 TMK: 1-9-1-140:117	AHANA, Kauhi K. (184A)	Bank of Hawaii	\$ 373,195
Nanakuli Lease No. 0 TMK: 1-8-9-004:118	FUKUYAMA, Deborah J. (FHA)	Goldem Empire Mortgage	\$ 181,826

MOLOKAI

Hoolehua Lease No. 7850 TMK: 2-5-2-030:024	KAPUNI, Claudell N. D. (FHA)	Bank of Hawaii	\$ 155,700
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MAUI

Waiehu 4 Lease No. 12190 TMK: 2-3-2-025:041	JALE, Janet P. (FHA)	Homestreet Bank	\$ 185,711
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OAHU

Waiehu 3 Lease No. 9945 TMK: 2-3-2-024:094	KANAE, Laurance K. (FHA)	Homestreet Bank	\$ 145,320
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HAWAII

Panaewa
Lease No. 6270
TMK: 3-2-2-061:072

GRAMBERG,
Louella N. (FHA)

Goldem \$ 83,000
Empire
Mortgage

Kaniohale
Lease No. 9366
TMK: 3-7-4-023:053

POAI,
Dennis K. (184A)

Homestreet \$ 154,530
Bank

Puukapu
Lease No. 6167
TMK: 3-6-4-008:054

KEOHOHOU,
Melvin (VA)

Dept. of \$ 228,947
Veterans
Affair

<u>RECAP</u>	<u>NO.</u>	<u>FHA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>VA</u> <u>AMOUNT</u>	<u>NO.</u>	<u>USDA-RD</u> <u>AMOUNT</u>
FY Ending 6/30/14	281	\$ 58,518,090	12	\$3,648,053	22	\$4,685,390
Prior Months	0	\$ 0	0	\$ 0	0	\$ 0
This Month	<u>23</u>	<u>4,801,722</u>	<u>1</u>	<u>228,947</u>	<u>1</u>	<u>237,000</u>
Total FY '14-'15	23	\$ 4,801,722	1	\$ 228,947	1	\$ 237,000

HUD 184A

FY Ending 6/30/1476 \$ 19,212,431

Prior Months	0	\$ 0
This Month	<u>9</u>	<u>2,004,049</u>
Total FY '14-'15	9	\$ 2,004,049

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division
SUBJECT: **Approval of Streamline Refinance of Loans**

RECOMMENDED MOTION/ACTION

To approve the refinancing of loans from the Hawaiian Home General Loan Fund.

DISCUSSION

The following lessees have met the "Streamline/Interest rate reduction loan" criteria, that was approved by the Hawaiian Homes Commission at its August 19, 2013 meeting. This criteria includes twelve (12) consecutive monthly payments, borrower's current interest rate is higher than the current DHHL interest rate, current with their Homeowners Insurance, Real Property Tax, Lease Rent, county sewer/refuse fees, and does not have any advances made by DHHL on the borrowers behalf.

HSD's recommendation for approval is based on actual payment history, over the past twelve (12) months and the review of the above-mentioned criteria. Streamline/Interest Rate Loan refinancing will provide lessees a chance to simply reduce their interest rate and payments without DHHL having to credit and/or income qualify the borrower.

The following lessee(s) has met the aforementioned criteria and is recommended for Streamline/Interest rate reduction loan refinance program:

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Grace, Nadine K.	8447, PKE	NTE \$101,610 @4.5% interest per annum, NTE \$778 monthly, repayable over 15 years.

Loan Purpose: Refinance of loan no. 18207. Original loan amount of \$107,066 at 7.5% per annum, \$750 monthly, payable over 30 years.

Kapono, Donnette L.	1074A, Keaukaha	NTE \$64,300 @4.5% interest per annum, NTE \$546 monthly, repayable over 13 years.
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Loan Purpose: Refinance of loan no. 15567. Original loan amount of \$93,650 at 6.25% per annum, \$577 monthly, payable over 30 years.

Kaimikaua, Deanna U.	137A, Hoolehua	NTE \$49,310 @4.5% interest per annum, NTE \$250 monthly, repayable over 30 years.
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Loan Purpose: Refinance of loan no. 17671. Original loan amount of \$54,132 at 7.5% per annum, \$379 monthly, payable over 30 years.

Kaimikaua, Deanna U.	137A, Hoolehua	NTE \$39,612 @4.5% interest per annum, NTE \$346 monthly, repayable over 15 years.
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Loan Purpose: Refinance of loan no. 17670. Original loan amount of \$43,605 at 8.75% per annum, \$343 monthly, payable over 30 years.

<u>LESSEE</u>	<u>LEASE NO. & AREA</u>	<u>REFINANCING LOAN TERMS</u>
Schmidt, Lillian K.	574B, Kekaha	NTE \$37,150 @4.5% interest per annum, NTE \$252 monthly, repayable over 18 years.

Loan Purpose: Refinance of loan no. 16731. Original loan amount of \$44,465 at 9.5% per annum, \$374 monthly, payable over 30 years.

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Thomas, Kimberly K.	9909, Anahola	NTE \$89,000 @4.5% interest per annum, NTE \$652 monthly, repayable over 16 years.
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Loan Purpose: Refinance of loan no. 16738. Original loan amount of \$110,300 at 6% per annum, \$661 monthly, payable over 30 years.

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Akau, Jason K.C.S.	7239, Kawaihae	NTE \$175,000 @4.5% interest per annum, NTE \$973 monthly, repayable over 25 years.
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Loan Purpose: Refinance of loan no. 18746. Original loan amount of \$170,232 at 6.75% per annum, \$1,104 monthly, payable over 30 years.

.....

Kahae, Pamela L.	59, Waiehu Kou III	NTE \$100,154 @4.5% interest per annum, NTE \$508 monthly, repayable over 30 years.
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Loan Purpose: Refinance of loan no. 18781. Original loan amount of \$99,981 at 5.75% per annum, \$583 monthly, payable over 30 years. A contested case hearing for this account was held on 10/3/12.

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STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division
SUBJECT: **Approval to Schedule Loan Delinquency Contested Case Hearings**

RECOMMENDED MOTION/ACTION

To authorize the scheduling of the following loan delinquency contested case hearings as shown below.

DISCUSSION

The department has been working to resolve the problem of loan delinquencies. The past due delinquent loan status with lessees continues to be a problem for the department; therefore, we recommend that contested case hearings be scheduled:

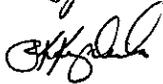
<u>Lessee</u>	<u>Lease No.</u>	<u>Area</u>	<u>Loan No.</u>	<u>Monthly Payment</u>	<u>Amount at 6/14</u>	<u>Balance at 6/14</u>
<u>Oahu</u>						
Flores, John Jr. & Flores, Darrellane L.	9810	Maluohai	19039	TBD HUD Buyback	TBD	TBD
Armitage, Carinthia U.	5344	Waianae	13173	\$325	\$1,642	\$18,769
Talbert, Julie Ann L.	8340	PKE	18410	\$1,052	\$103,149	\$248,468
<u>Maui</u>						
Kawauchi, Sari N.	12237	Waiehu Kou IV	19040	TBD HUD Buyback	TBD	TBD

<u>Lessee</u>	<u>Lease No.</u>	<u>Area</u>	<u>Loan No.</u>	<u>Monthly Payment</u>	<u>Amount at 6/14</u>	<u>Balance at 6/14</u>
<u>Maui (cont'd)</u>						
Kamaka, Bert K.	3488	Paukukalo	19038	TBD HUD Buyback	TBD	TBD
<u>Hawaii</u>						
Kalaniopio, William Jr.	9835	Kawaihae	19037	TBD HUD Buyback	TBD	TBD
Noeau, Brian M.	7102	Kawaihae	19027	TBD Habitat Buyback	\$100,473	\$100,473

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Dean T. Oshiro, Acting HSD Administrator 
FROM: Ross K. Kapeliela, Applications Officer 
Homestead Services Division
SUBJECT: **Approval of Homestead Application Transfers/Cancellations**

RECOMMENDED MOTION/ACTION

To approve the transfers and cancellations of applications from the Applications Waiting Lists for reasons described below:

DISCUSSION

1. Request of Applicants to Transfer

OAHU ISLANDWIDE AGRICULTURAL LEASE LIST

PROWS, Kaimiloaonalanikiekie 12/01/11 HAWAII AGR 03/06/14

OAHU ISLANDWIDE RESIDENTIAL LEASE LIST

PROWS, Kaimiloaonalanikiekie 12/01/11 HAWAII RES 03/06/14

THOMPSON, Cheyanne L.M.K. 12/20/10 HAWAII RES 01/02/14

MAUI ISLANDWIDE AGRICULTURAL LEASE LIST

KAMAKEA, Dalene K. 06/01/90 HAWAII AGR 05/01/14

MAUI ISLANDWIDE RESIDENTIAL LEASE LIST

KIESLING, Agnes E.M.M. 07/17/07 LANAI RES 04/29/14

WAIMEA AREA AND HAWAII ISLANDWIDE PASTORAL LEASE LIST

MADEIRA, Mona A.L. 04/09/76 OAHU AGR 03/05/14

WAIMEA AREA AND HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

MADEIRA, Mona A.L. 04/09/76 OAHU RES 03/05/14

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

AWONG, Glenn K. 10/16/89 MAUI AGR 03/31/14

HAWAII ISLANDWIDE RESIDENTIAL LEASE LIST

AWONG, Glenn K. 10/16/89 MAUI RES 03/31/14

NAKOOKA-WILLIAMS, Nohea L. 10/16/01 MAUI RES 04/28/14

PRESTIGE, Samuel L., Jr. 06/30/86 OAHU RES 04/08/14

PUKAHI, Leroy K., Jr. 04/10/80 OAHU RES 03/14/14

MOLOKAI ISLANDWIDE RESIDENTIAL LEASE LIST

NAKI, Henry K. 03/01/12 OAHU RES 04/30/14

2.Deceased Applicants
NONE FOR SUBMITTAL

3.Awards of Leases

HAWAII ISLANDWIDE AGRICULTURAL LEASE LIST

WAIALEE, Kaikuahine W. Assigned Agricultural Lease
Assignment #6881, Lot #12,
Panaewa, Hawaii dated
04/23/14. Remove application
dated 08/22/07.

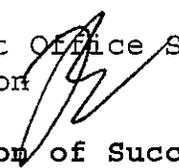
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting HSD Administrator 

FROM: Juan Garcia, Oahu District Office Supervisor
Homestead Services Division 

SUBJECT: **Ratification of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds**

RECOMMENDED MOTION/ACTION

To ratify the approval of the designation of successor to the leasehold interest and person to receive the net proceeds, pursuant to Section 209, Hawaiian Homes Commission Act, 1920, as amended. This designation was previously approved by the Chairman.

*See attached list of Lessee.

Leasehold Interest:

Ratified for July 2014	2
Previous FY 2014 - 2015	<u>0</u>
FY 2014 - 2015 Total to Date	2

Ratified for FY '13 - '14 61

Net Proceeds

Ratified for July 2014	0
Previous FY 2013 - 2014	<u>0</u>
FY 2013 - 2014 Total to Date	0

Ratified for FY '13 - '14 1

LIST OF LESSEES WHO DESIGNATED SUCCESSORS TO THEIR
LEASEHOLD INTEREST
FOR MONTH OF July 2014

1. Dora-Lee U. Afong
Lot No.: 35A
Area: Waimanalo, Oahu
Lease No. 3011

2. Caroleen K. Gates
Lot No.: 97
Area: Waianae, Oahu
Lease No. 8918

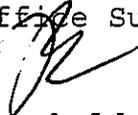
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

THROUGH: Dean Oshiro, Acting Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Approval of Assignment of Leasehold Interest**

RECOMMENDED MOTION/ACTION

To approve the assignment of the leasehold interest, pursuant to Section 208, Hawaiian Homes Commission Act, 1920, as amended, and subject to any applicable terms and conditions of the assignment, including but not limited to the approval of a loan.

DISCUSSION

Twelve (12) assignments of lease.

<u>LESSEE</u>	<u>TRANSFeree</u>
1. Name: Celeste H. H. Agena Res. Lease No.: 11882 Lease Date: 12/2/2006 Lot No.: UNDV Area/Island: Kapolei, Oahu Property Sold: No Amount: N/A Limited Life Interest: No	Name: Hiram A. K. Rezantes Relationship: Brother Loan Assump: No Applicant: Yes, Oahu IW Res., 12/30/2013

Reason for Transfer: Lessee is unable to qualify financially.
See simultaneous transfer below.

LESSEE

TRANSFeree

2. Name: Hiram A. K. Rezantes
Res. Lease No.: 11882
Lease Date: 12/2/2006
Lot No.: UNDV
Area/Island: Kapolei, Oahu
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Kahaamaikai J. J.
Rezantes
Relationship: Son
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee wants his son to have the lease.

3. Name: Henrietta H. Ah Loy
Agr. Lease No.: 3216
Lease Date: 12/18/1958
Lot No.: 36G2
Area/Island: Hoolehua,
Molokai
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Paul L. N. L. Isaacs
Relationship: Grandson
Loan Assump: No
Applicant: Yes, Oahu IW Agr.,
4/3/2013

Reason for Transfer: Lessee wants her grandson to have the lease.

4. Name: Mark K. Chong
Res. Lease No.: 3846
Lease Date: 10/23/1970
Lot No.: 334
Area/Island: Nanakuli, Oahu
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Maria Ann Chong
Relationship: Mother
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee is moving to another home.
Special Condition: Transferee to obtain funds to payoff existing loan. See simultaneous transfer below.

LESSEE

TRANSFeree

5. Name: Barry M. Holomalua
Res. Lease No.: 5154
Lease Date: 8/2/1982
Lot No.: 3
Area/Island: Nanakuli, Oahu
Property Sold: Yes
Amount: \$265,000.00
Limited Life Interest: No

Name: Mark K. Chong
Relationship: None
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee is selling his lease. Special Condition: Transferee to obtain funds to pay the purchase price.

6. Name: Lila Ann Gaston
Pas. Lease No.: 8006
Lease Date: 2/1/1991
Lot No.: 31
Area/Island: Puukapu, Hawaii
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Lila-Ann H. Takushi,
Deanna N. Jean & Sommer K.
Gaston
Relationship: Daughters
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee wants her daughters to have the lease.

7. Name: Michael I. Karratti
Res. Lease No.: 11352
Lease Date: 11/22/2006
Lot No.: 22
Area/Island: Kekaha, Kauai
Property Sold: Yes
Amount: \$295,000.00
Limited Life Interest: No

Name: Lindsay K. Kelley, III
Relationship: No Relation
Loan Assump: No
Applicant: Yes, Kauai IW Res.,
9/8/2010

Reason for Transfer: Lessee is selling his lease. Special Condition: Transferee to obtain funds to pay the purchase price.

LESSEE

TRANSFeree

8. Name: Tisha-Marie W. Kekumu-Beattie
 Res. Lease No.: 10125
 Lease Date: 11/15/2004
 Lot No.: 99
 Area/Island: Waiohuli, Maui
 Property Sold: Yes
 Amount: \$260,000
 Limited Life Interest: No

- Name: Wayne K. Puha
Relationship: No Relation
Loan Assump: No
Applicant: Yes, Maui IW Res.,
9/10/2012

Reason for Transfer: Lessee is selling her lease. Special Condition: Transferee to obtain funds to pay the purchase price.

9. Name: Kuulei J. Ruiz
 Res. Lease No.: 4077A
 Lease Date: 12/19/1973
 Lot No.: 32-A-2
 Area/Island: Waimanalo, Oahu
 Property Sold: No
 Amount: N/A
 Limited Life Interest: No

- Name: Jayton L. Ruiz
Relationship: Son
Loan Assump: No
Applicant: Yes, Oahu IW Res.,
9/22/2000

Reason for Transfer: Lessee wants her son to have her lease.

10. Name: Louise K. K. Smith
 Res. Lease No.: 10436
 Lease Date: 6/18/2005
 Lot No.: UNDV
 Area/Island: Waiohuli, Maui
 Property Sold: No
 Amount: N/A
 Limited Life Interest: No

- Name: Kelly A. M. S. Watanabe
Relationship: Daughter
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee wants her daughter to have the lease.

LESSEE

TRANSFEREE

11. Name: Isabel N. Vincent
Agr. Lease No.: 6419
Lease Date: 11/1/1985
Lot No.: 111
Area/Island: Makuu, Hawaii
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Zaylyne B. A. Vincent
Relationship: Granddaughter
Loan Assump: No
Applicant: No

Reason for Transfer: Lessee wants her granddaughter to have the lease.

12. Name: Samuel W. Wahilani
Res. Lease No.: 4735
Lease Date: 1/10/1978
Lot No.: 87
Area/Island: Waianae, Oahu
Property Sold: No
Amount: N/A
Limited Life Interest: No

Name: Kenui K.W. Wahilani
Relationship: Daughter
Loan Assump: No
Applicant: Yes, Hawaii IW Res.,
3/27/2012

Reason for Transfer: Lessee wants his daughter to have his tenant-in-common leasehold interest.

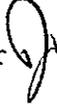
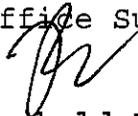
Assignments for the Month of July '14	12
Previous FY '14 - '15 balance	<u>0</u>
FY '14 - '15 total to date	12

Assignments for FY '13 - '14 247

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Dean Oshiro, Acting HSD Administrator 
FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division
SUBJECT: Approval of Amendment of Leasehold Interest

RECOMMENDED MOTION/ACTION

To approve the amendment of the leasehold interest listed below.

DISCUSSION

Fifteen (15) amendments of lease.

1. Lessee: Lila Ann Gaston
Pas. Lease No.: 8006
Lot No., Area, Island: 31, Puukapu, Hawaii
Amendment: To amend the commencement date and to update the property description due to final subdivision approval.

2. Lessee: John H. Iopa, Jr.
Res. Lease No.: 4063
Lot No., Area, Island: 85, Waiakea, Hawaii
Amendment: To amend the commencement date, and to incorporate the currently used terms, covenants and conditions in the lease, and to update the property description.

3. Lessee: Paul L. N. L. Isaacs
Agr Lease No.: 3216
Lot No., Area, Island: 36G2, Hoolehua, Molokai
Amendment: To amend the lease to correct the lessor name and lease title, to incorporate the currently used terms, covenants, and conditions in leases, to extend the lease term to an aggregate term of 199 years.

4. Lessee: Charmaine Kaimikaua
Res. Lease No.: 11557
Lot No., Area, Island: 18516, Kanehili, Oahu
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

5. Lessee: Kalani L. Kaohimaunu
Res. Lease No.: 3746-A
Lot No., Area, Island: 9, Kuhio Village, Hawaii
Amendment: To incorporate the currently used terms, covenants, and conditions in the lease.

6. Lessee: Hans K. Lundberg
Res. Lease No.: 11624
Lot No., Area, Island: 18518, Kanehili, Oahu
Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

7. Lessee: John O. Makua
Res.. Lease No.: 2226
Lot No., Area, Island: 148, Kewalo, Oahu
Amendment: To amend the lease to correct the lessor name and lease title, to incorporate the currently used terms, covenants, and conditions in leases, to extend the lease term to an aggregate term of 199 years, and to amend the lot description.

8. Lessee: Zelda Moleta
 Res. Lease No.: 11630
 Lot No., Area, Island: 18517, Kanehili, Oahu
 Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.
9. Lessee: Shontaz Naweli
 Res. Lease No.: 2758
 Lot No., Area, Island: 80, Waimanalo, Oahu
 Amendment: To amend the lease to correct the lessor name and lease title, to incorporate the currently used terms, covenants, and conditions in leases, to extend the lease term to an aggregate term of 199 years.
10. Lessee: Lisa L. Pakele
 Res. Lease No.: 11888
 Lot No., Area, Island: 18519, Kanehili, Oahu
 Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.
11. Lessee: Kuulei J. Ruiz
 Res. Lease No.: 4077A
 Lot No., Area, Island: 32A-2, Waimanalo, Oahu
 Amendment: To incorporate the currently used terms, covenants, and conditions in the lease.
12. Lessee: Wayne N. Sam
 Res. Lease No.: 11633
 Lot No., Area, Island: 18515, Kanehili, Oahu
 Amendment: To amend the commencement date, lot number, and property description due to final subdivision approval.

13. Lessee: Isabel N. Vincent
Agr. Lease No.: 6419
Lot No., Area, Island: 111, Makuu, Hawaii
Amendment: To amend the commencement date and to update the property description due to final subdivision approval.
14. Lessee: Joseph K. Vincent & Chucky I. Vincent
Res. Lease No.: 10066
Lot No., Area, Island: 37, Waiehu, Maui
Amendment: To amend the lessees' tenancy status from tenants in common to joint tenants.
15. Lessee: Emma K. B. Yap
Res. Lease No.: 10488
Lot No., Area, Island: 299, Waiohuli, Maui
Amendment: To amend the commencement date, lot number and the property description due to the Waiohuli Undivided Interest Relocation Option.

Amendments for the Month of July '14	15
Previous FY '14 - '15 balance	<u>0</u>
FY '14 - '15 total to date	15
Amendments for FY '13 - '14 total	149

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Jobie M. K. Masagatani, Chairman
Hawaiian Homes Commission

THRU: Dean Oshiro, Acting HSD Administrator 
Homestead Services Division

FROM: Juan Garcia, Oahu District Office Supervisor 
Homestead Services Division

SUBJECT: **Approval to Cancel Lease - Alexander W. Winchester,
Lease No. 3948, Lot No. 2, Waimanalo, Oahu**

RECOMMENDED MOTION/ACTION

1. To set aside the Hawaiian Homes Commission's approval of the designation of Albert V. T. Winchester, Joseph K. Winchester, and Thella Marie Asing, as joint tenant successors (Successors), to Lease No. 3948, Lot No. 2, Waimanalo, Oahu (Lease); and
2. To approve the cancellation of the Lease as there is no successor to the Lease interest; and
3. To approve the payment, in the amount of the appraised value of the improvements less any outstanding debts attached to the Lease, to the estate of the late Alexander W. Winchester (Decedent); and
4. To approve the re-award of the homestead lot to the next qualified applicant on the wait list.

DISCUSSION

The interest in the Lease was transferred to the Decedent by way of the Transfer Through Successorship and Amendment to Lease No. 3948 instrument, dated December 12, 1977.

On December 19, 2007, the Decedent executed a Note, with First Horizon Home Loans, in the amount of \$98,610.00. The Note was secured by a Mortgage which was consented to by the Department of Hawaiian Home Lands, in accordance with the Agreement between the Department and the United States Department of Housing and Urban Development (HUD).

Prior to his death, the Decedent designated individuals that were not qualified successors to the Lease interest.

The Decedent passed away on July 29, 2011 without having designated a qualified successor to the Lease.

The Successors made claim to the Decedent's interest in the Lease. At its meeting on July 23, 2012, the Hawaiian Homes Commission approved the designation of the Successors, subject to their acceptance of the terms and conditions of the Lease including but not limited to the outstanding indebtedness tied to the Lease.

The Successors disputed the lien created by the existing Note and the Mortgage because they believed that the Decedent was not financially qualified for the loan and that the Department had a duty to ensure that the Decedent was qualified for the loan. The Successors retained the services of an attorney and at their request, documentation regarding the Lease and the Mortgage were provided through their attorney.

At its meeting on February 19, 2013, the Commission denied the Successors request for a contested case hearing for the purpose of contesting the lien created by the outstanding loan.

The Transfer Through Successorship instrument was transmitted to the Successors, through their attorney on December 12, 2012, for execution to affirm their successorship interest and their acceptance of the terms and condition of the Lease, including the obligations to the existing loan.

The Note and Mortgage are currently held by JPMorgan Chase Bank, National Association. The Department has not received any notice of default from the lender or a claim from HUD.

Improvements on the homestead lot include a 2-bedroom and 1-1/2-bath dwelling constructed in 1972, which has an assessed value of \$91,500 by City and County of Honolulu Real Property Tax Assessment Division. Should the lease be cancelled, the Department will be required to obtain an appraisal of the improvements.

At its meeting on June 16, 2014, the Commission considered this matter but decided to defer action, to give the Successors thirty (30) days from June 16, 2014, to sign and

RUSH MOORE LLP

A Limited Liability Law Partnership

Attorneys at Law

Offices in Honolulu and Kona

Honolulu Office: 737 Bishop Street, Suite 2400, Honolulu, Hawaii 96813 / Tel. (808) 521-0400 / Fax (808) 521-0497

Direct dial number: (808) 521-0448

Email: rharris@rmhawaii.com

June 13, 2014

Via Regular US Mail and Facsimile (808) 620-9529

Department of Hawaiian Home Lands

Office of the Chair

P.O. Box 1879

Honolulu, Hawaii 96805

Re: Disposition of the Property at 41-221 Kaaiai St, Waimanalo, Hawaii 96795, TMK # 1-4-1-31-18; DHHL Lease #39498 of Alexander Wayne Winchester Claim of Frank Kawaikapuokalani Hewett

DEPT. OF HAWAIIAN HOME LANDS
JUN 16 AM 9:17

Ladies and Gentlemen:

It is our understanding that DHHL will make a final decision concerning Lease #39498 after the June 16-17, 2014 meeting of the Hawaiian Homes Commission. Our client, Mr. Frank Kawaikapuokalani Hewett, submits that DHHL should cancel the Lease and pay the net proceeds of the value of the leasehold improvements on the Property to him pursuant to Section 209(b) of the Hawaiian Homes Commission Act because he is sole primary beneficiary named in the Last Will and Testament of Alexander Wayne Winchester. Accordingly, we ask that DHHL consider both this letter and our previous March 20, 2014 letter to you concerning this matter before making a final decision concerning the Lease that was owned by Mr. Winchester.

Mr. Alexander Wayne Winchester was diagnosed with HIV, and he died on July 29, 2011. Because of his HIV diagnosis, Mr. Winchester's siblings shunned him and had nothing to do with him during the final months of his life. Mr. Winchester died without being survived by a spouse or any children, or grandchildren. Mr. Winchester, however, designated Mr. Hewett—a cousin who he regarded as a brother—as the Lease successor by completing a DHHL Form 51, "Designation of Successor to DHHL Homestead Leasehold Interest." See Ex. 1. DHHL received Mr. Winchester's DHHL Form 51 on August 30, 2007 and the Hawaiian Homes Commission ratified Mr. Winchester's successor designation on November 20, 2007. See Ex. 1, page 2.

Mr. Winchester also had a Will that named Mr. Hewett as the primary beneficiary of all of his real property and personal property, and expressly disinherited his siblings. See copy of Will provided with March 20, 2014 letter, at Article 1, Section B, page 2, and at Article 3, pages 3-5. However, these same siblings who shunned Mr. Winchester during his life are now seeking appointment as successors to the Lease and trying to avoid Mr. Winchester's clearly expressed wishes that he stated in his Will and the Designation of Lease Successor that DHHL ratified. Given Mr. Winchester's clearly expressed desire that his siblings not be successors to the Lease, it would be unjust for DHHL to appoint any of those siblings as a successor to his Lease when the law provides a viable alternative.

ITEM NO. D-10
Exhibit A

Page 2

Section 209 of the Hawaiian Homes Commission Act ("HHCA") does not require DHHL to select one of Mr. Winchester's siblings to be a successor to the Lease. The wording "may select" in Sec. 209 grants discretion to DHHL as to whether to appoint one of Mr. Winchester's siblings as successor to the Lease. Fortunately, the HHCA allows DHHL to cancel the Lease and pay the net proceeds of the improved value of the Lease to the legal representative of the lessee's estate when no suitable person is appointed as Lease successor. In relevant part, HHCA Section 209(a) states:

In case of the death of any lessee, except as hereinabove provided, who has failed to specify a successor or successors as approved by the department, the department may select from only the following qualified relatives of the decedent....

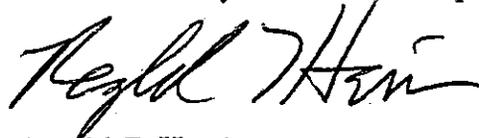
Upon the death of a lessee who has not designated a successor and who leaves a spouse not qualified to succeed to the lease or children not qualified to succeed to the lease, or upon the death of a lessee leaving no relative qualified to be a lessee of Hawaiian home lands, or the cancellation of a lease by the department, or the surrender of a lease by the lessee, the department shall appraise the value of all improvements ... and shall pay to the ... legal representative of the lessee ... the value thereof, less any indebtedness to the department....

(emphasis added) See Ex. 2.

Payment of the net proceeds of the improved value of the Lease to Mr. Winchester's estate complies with the law and does not prejudice any party or DHHL. DHHL can lease the property to another native Hawaiian and still honor Mr. Winchester's wishes as to the disposition of his property. Thus, Mr. Hewett requests that DHHL cancel the Lease and arrange for an appraisal pursuant to HHCA Sec. 209(b) for the net proceeds of the improved value of Mr. Winchester's Lease to be paid to Mr. Winchester's estate.

Very truly yours,

RUSH MOORE LLP
A Limited Liability Law Partnership



Reginauld T. Harris

Enclosures

Cc: Frank Kawaikapuokalani Hewett (w/ enclosures)
Mr. Joseph Winchester (w/ enclosures)
Ms. Katie L. Lambert, Deputy Attorney General (w/ enclosures)

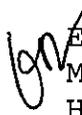
STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator 

THRU:  E. Halealoha Ayau
Molokai District Office Supervisor
Homestead Services Division 

SUBJECT: Commission Designation of Successor
RICHARD I. COLIPANO, Lease No. 6111, Lot No. 100,
Kalamaula, Molokai

RECOMMENDED MOTION/ACTION

To approve the designation of Shirley Ann L. Burrows, (Shirley), successor, to her late brother, Richmond I. Colipano's, 1/3 tenant in common leasehold interest in Residential Lease No. 6111, Lot No. 100, Kalamaula, Molokai, for the remaining term of the lease.

DISCUSSION

Richmond I. Colipano (Decedent), Richard B. L. Colipano (Richard), and Shirley, received Residence Lease No. 6111, Lot No. 100, Kalamaula, Molokai, through successorship from their mother, Shirley Ann Oto, on April 14, 2004.

On November 1, 2011, Richard transferred his 1/3 tenant in common leasehold interest to his sister, Shirley.

On October 13, 2009, the Decedent passed away without having named a successor to his leasehold interest.

As required by Administrative Rule 10-3-63, the Department published legal ads in the Honolulu Star Advertiser, The Garden Isle, the Hawaii Tribune Herald, the West Hawaii Today, and The Maui News on January 29, February 2, 12, and 16, 2014.

The Department received one successorship claim from the Decedent's sister, Shirley. She has been determined to be eligible for successorship at 47% Hawaiian.

There is an existing United States Department of Agriculture-Rural Development Loan, with an original loan amount of \$137,500.00, which Shirley received in 2011 to finance the construction of a four bedroom, two bath home. Shirley and six other families participated in a self-help project with Molokai Affordable Homes & Community Development Corporation to construct their homes.

Due to the default of the Molokai Affordable Homes & Community Development Corporation, construction of the home stopped. The County of Maui is assisting the families to complete their homes by providing a zero interest and no monthly payment loan from Home Community Housing Development Organization (CHDO) funds. The loan amount has not yet been determined. The Department's Housing Branch is monitoring the home construction.

The lease rent is paid current. No real property tax is owed.

The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission

FROM: Dean Oshiro, Acting HSD Administrator 

THRU: Juan Garcia, Oahu District Office Supervisor
Homestead Services Division 

SUBJECT: Commission Designation of Successor
VIOLET K. M. MAKUA, Lease No. 2226, Lot No. 148
Kewalo, Oahu

RECOMMENDED MOTION/ACTION

To approve the designation of John O. Makua, (John), successor, to his late mother, Violet K. M. Makua's, Residential Lease No. 2226, Lot No. 148, Kewalo, Oahu, for the remaining term of the lease, subject to his acceptance of the terms and conditions of the Lease.

DISCUSSION

On December 7, 1971, Violet K. M. Makua (Decedent) received Department of Hawaiian Home Lands Residential Lot Lease No. 2226, Lot No. 148, Kewalo, Oahu, through succession.

On July 4, 2004, the Decedent submitted her successor designation naming her grand-niece, Melanie K. K. Makua Ruis and Ronald Makua, her nephew, as her primary successors, and James G. W. Makua, nephew, as her alternate successor. Both nephews were eligible successors, but the grand-niece was not.

On July 9, 2004, the department rejected and returned the designation form to the Decedent, notifying the Decedent that a grand-niece is not an eligible successor-designee, and requested she submit a new designation form. The Decedent did not submit any other designation form before she passed away on July 15, 2008. The Decedent therefore left no designated successor to the lease.

As required by Administrative Rule 10-3-63, the Department published legal notice in the following newspapers - the Honolulu Star Advertiser, The Garden Isle, The Maui News, the Hawaii Tribune Herald, and the West Hawaii Today. The notices were published on January 29, February 2, 12, and 16, 2014.

The Department received one successorship claim from the Decedent's adopted son, John. He has been found to be eligible for successorship at 25% Hawaiian.

John reports that he and his biological father, James (Decedent's nephew), provided the Decedent assistance whenever it was needed. John currently is caretaker for the homestead and is employed by the Honolulu Fire Department.

There is no loan, nine dollars is owed for lease rent, and the real property taxes are paid current.

The Department requests approval of its recommendation.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

TO: Chairman and Members, Hawaiian Homes Commission
THROUGH: Sandra Pfund, LDD Administrator *Sandra Pfund*
FROM: Isaac M. Takahashi, Acting Branch Chief *IMT*
Housing Project Branch
SUBJECT: **Approval of Lease Award - Daniel W.T.K. Pelekane Tamashiro**

RECOMMENDED MOTION/ACTION

Approve the award of Department of Hawaiian Home Lands Residence Lot Lease to the applicant listed below for 99 years, subject to the purchase of the existing improvements on the lot by way of a loan or cash.

DISCUSSION

KALAMAULA RESIDENCE LOTS UNIT 1, KALAMAULA, MOLOKAI

<u>NAME</u>	<u>APPL DATE</u>	<u>LOT NO</u>	<u>TAX MAP KEY</u>	<u>LEASE NO</u>
Pelekane Tamashiro, Daniel W.T.K.	01/26/11	64	2-5-2-032:064	12732

With the execution of the foregoing lease, 2 single family home awards have been completed for the Kalamaula Residential Lots Habitat Offering 2012.

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Administrator
Land Management Division 

From: Kahana Albinio, Property Development Manager
Land Management Division

Subject: Approval to Issue License Easement, Hawaiian Telcom,
Inc. Lalamilo, Island of Hawaii

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) approve the issuance of a perpetual, non-exclusive License utility easement to Hawaiian Telcom, Inc., as LICENSEE, to install, repair, operate and maintain a ten (10)-foot wide by one thousand fifteen hundred (1,500) corridor for seven (7) overhead transmission line poles, guy wires, anchors and other equipment used over, under and across a portions of Hawaiian home lands identified by TMK Nos.: (3)6-6-012:021(por.), :022(por.), and :023(por.), situated in Lalamilo, Island of Hawaii and more specifically delineated in Exhibit "A" attached hereto for purposes of maintaining reliability of its telecommunication services to native Hawaiian beneficiaries and the greater community at large.

Approval and issuance of this non-exclusive license easement shall be subject to the following conditions:

1. The purpose of this license and use of the premises as described is strictly for the LICENSEE to install, repair, operate and maintain seven (7) overhead transmission line poles, guy wires, anchors and other equipment for its telecommunication services;
2. The easement area covers an area of approximately fifteen thousand (15,000) square feet or 0.34 acres of the Hawaiian home lands parcels as identified above and delineated more specifically in Exhibits "B-1 and B-2" attached hereto;

3. The license term shall be perpetual and become immediately effective upon full execution of the license easement document;
4. The license fee shall be gratis however, LICENSEE shall remit a non-refundable processing and document fee in the amount of \$275.00;
5. The license shall **NOT** be assignable to a third party;
6. LICENSEE'S work shall conform to federal, state and county (government agencies) standards. LICENSEE shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
7. LICENSEE shall not undertake any construction whatsoever on the licensed premises until LICENSOR has reviewed and approved the plans in writing (which approval shall not be unreasonably withheld or delayed);
8. LICENSEE shall bear any and all associated costs for installation, operation and maintenance of the its equipment situated within said easement;
9. LICENSEE shall be solely responsible for the security of all equipment stored on the Premises. LICENSEE shall be allowed to install security fencing, however, if LICENSEE intends to install other types of security systems, LICENSEE must first request and obtain PERMITTOR'S written approval;
10. Entry under the LICENSE is limited to LICENSEE'S employees, agents, contractors and subcontractors solely for the purpose stated herein;
11. LICENSEE shall exercise due care and diligence to prevent injury to persons and damages to or destruction of property belonging to DHHL;
12. LICENSEE shall keep and maintain the Premises and any and all equipment and personal properties of LICENSEE upon the Premises in a strictly clean, neat, orderly and sanitary condition, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse resulting from its

activities on the Premises;

13. Upon termination of this LICENSE, LICENSEE shall be responsible for environmental testing and subsequent cleanup of any contamination or hazardous materials found on the site that may have been caused by LICENSEE'S use;
14. The Chairman of the HHC is authorized to impose such other conditions deemed prudent and necessary; and
15. The license document will contain the standard terms and conditions of similar licenses issued by DHHL and shall be subject to other terms and conditions deemed prudent and necessary by the Chairman of the Hawaiian Homes Commission and shall further be subject to review and approval by the Office of the Department of the Attorney General, State of Hawaii.

DISCUSSION

As part of the Lalamilo Housing Phase 1, Kawaihae Road Improvements Project, DHHL has to relocate certain Hawaiian Telcom's equipment within Kawaihae Road.

Land Development Division is requesting issuance of a License as easement to Hawaiian Telcom to relocate seven (7) existing poles and line from Kawaihae Road to within DHHL's Lalamilo lands. Construction site work on the relocation of these poleline will be done by the DHHL and has yet to be determined. The survey maps provided under this submittal is for general overview. The map for Hawaiian Telcom (with survey info) will be generated after the relocated poles are installed and actual locations verified.

LMD is recommending gratis disposition even though it is a non-benefit license since DHHL is requesting relocation to accommodate our Lalamilo Housing project.

AUTHORITY

§ 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, authorizes the department to grant licenses for the use of Hawaiian Home Lands for public purposes.

§ 10-4-21 of the DHHL Administrative Rules requires the applicant to pay for all costs incurred by the department for the processing of a license application, including a non-refundable processing fee of \$200.00. It also allows for a rental to be charged should the use benefit other than the department or native Hawaiians.

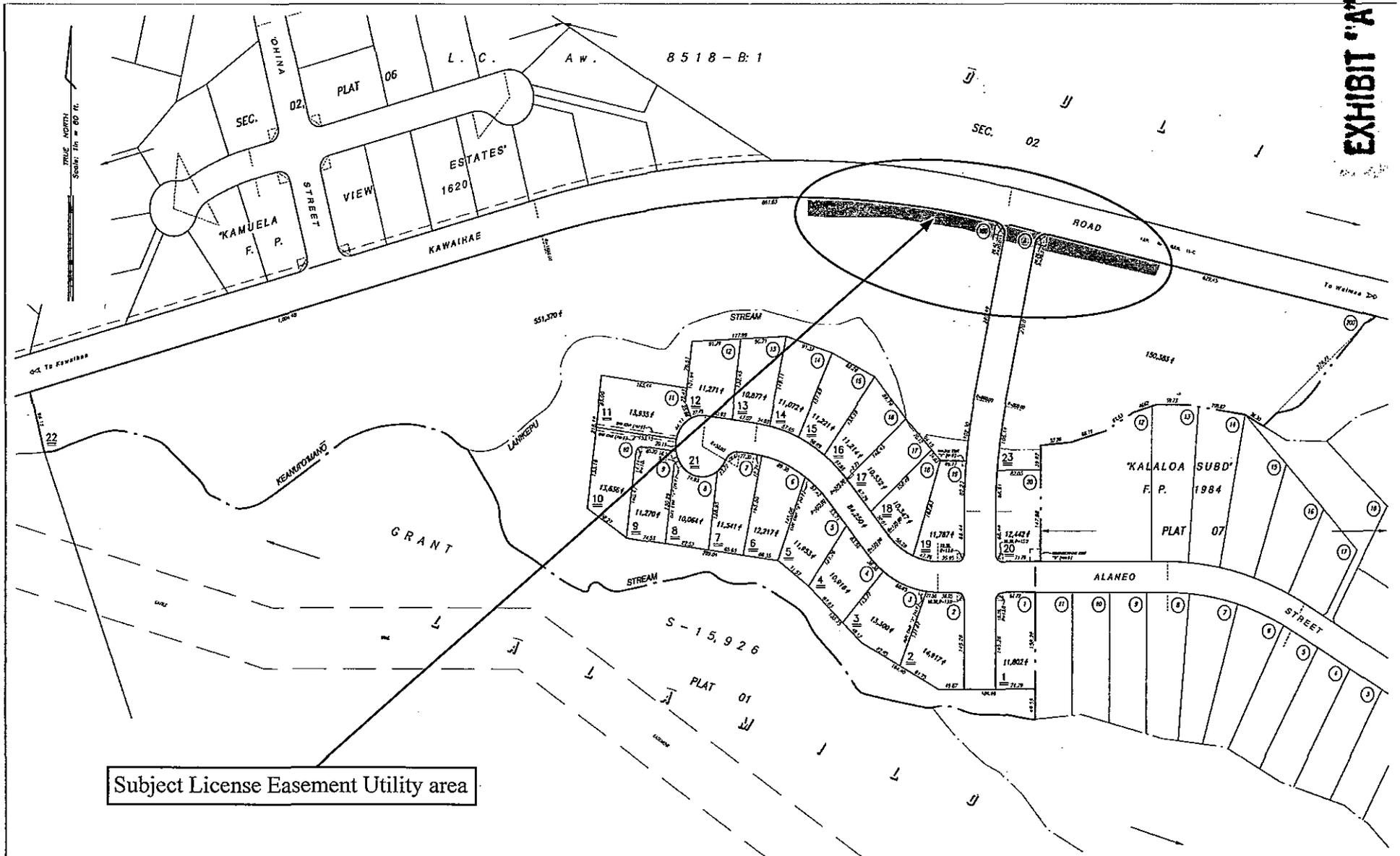
§ 10-4-22 of the DHHL Administrative Rules authorizes the issuance of licenses for public purposes, as easements in perpetuity or shorter term, subject to the easement being reverted to the department upon termination or abandonment.

RECOMMENDATION

Land Management Division requests approval of the motion as stated.

EXHIBIT "A"

ITEM No. F-1

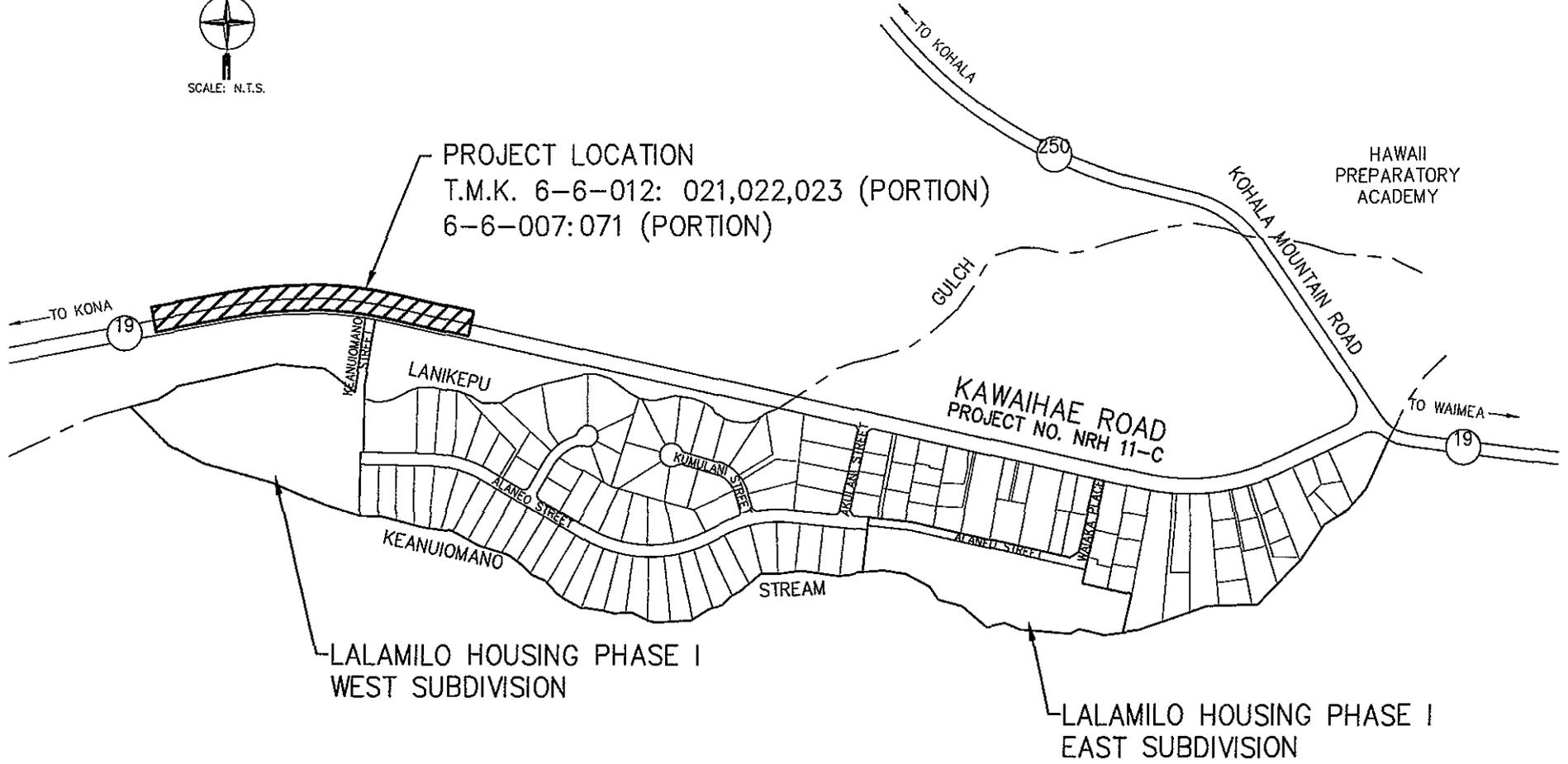


Subject License Easement Utility area

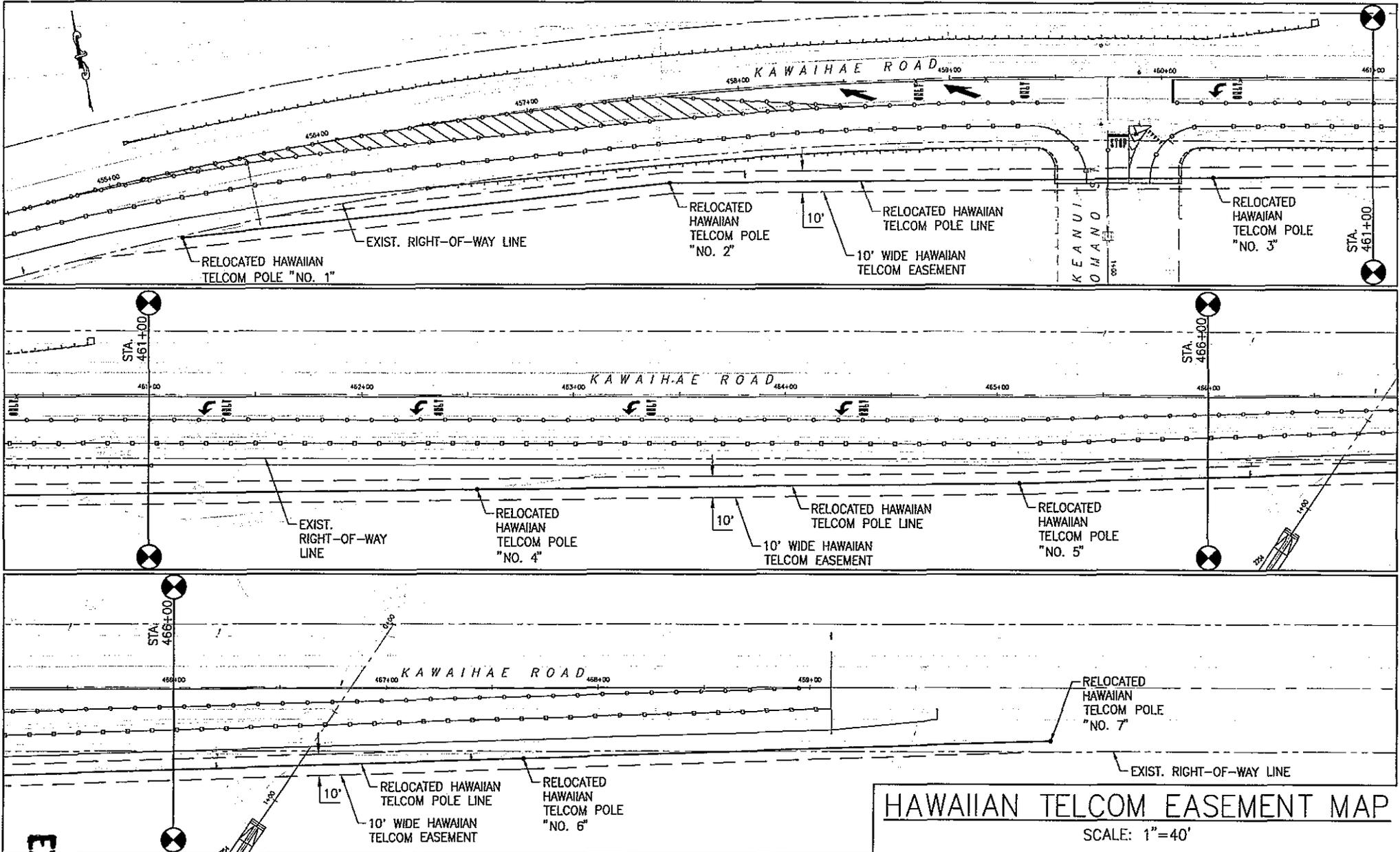
DEPARTMENT OF FINANCE PROPERTY ASSESSMENT DIVISION MAPPING BRANCH STATE OF HAWAII TAX MAP		
COUNTY OF HAWAII		
ZONE	SECTION	PLAT
6	6	12
SCALE: 1 IN = 80 FT.		

Owners, lessees, & vendees name recorded on this tax map print may not be current. Please refer to computer and history sheets for current owners.

FOR PROPERTY ASSESSMENT PURPOSES - SUBJECT TO CHANGE



LOCATION MAP



HAWAIIAN TELCOM EASEMENT MAP

SCALE: 1"=40'

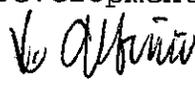
EXHIBIT "B"
ITEM No. F

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Administrator
Land Management Division 

From: Kahana Albinio, Property Development Manager
Land Management Division 

Subject: Approval to Issue License Easement, Department of
Water Supply, County of Hawaii, Puukapu, Island of
Hawaii

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission (HHC) approve the issuance of a perpetual, non-exclusive License easement to Department of Water Supply - County of Hawaii "DPW" for purposes of constructing seepage-stability berm improvements along a portion of the southern boundary on that certain Hawaiian home lands parcel situated in the Forest Reserve of Puukapu, Island of Hawaii, identified more specifically by Tax Map Key (3)6-5-001:017(por.) as delineated by gray shade on Exhibit "B".

Approval and issuance of this non-exclusive license easement shall be subject to the following conditions:

1. The purpose of this license and use of the premises as described is strictly for the LICENSEE to construct seepage-stability berm improvements and necessary earthquake repairs to the Waikoloa Reservoir No. 1 which upon completion will be operated and maintained by the LICENSEE;
2. The easement shall cover an area of approximately five thousand six hundred seventy-nine (5,679) square feet or 0.13 acres of the Hawaiian home lands parcel as identified above and described more specifically in Attachment 1 of Exhibit "C" attached hereto;

3. The license term shall be perpetual and become immediately effective upon full execution of the license easement document;
4. The license fee shall be gratis however, LICENSEE shall remit a non-refundable processing and document fee in the amount of \$275.00;
5. The license shall **NOT** be assignable to a third party;
6. LICENSEE'S work shall conform to federal, state and county (government agencies) standards. Licensee shall obtain applicable permits and approvals from government agencies prior to the commencement of any work on the property that requires such permits and approvals.
7. LICENSEE shall not undertake any construction whatsoever on the licensed premises until LICENSOR has reviewed and approved the plans in writing (which approval shall not be unreasonably withheld or delayed);
8. LICENSEE shall bear any and all associated costs for installation, operation and maintenance of the proposed seep-stability berm and necessary Waikoloa Reservoir No. 1 earthquake repairs;
9. LICENSEE shall be solely responsible for the security of all equipment stored on the Premises. LICENSEE shall be allowed to install security fencing, however, if LICENSEE intends to install other types of security systems, LICENSEE must first request and obtain PERMITTOR'S written approval;
10. Entry under the LICENSE is limited to LICENSEE'S employees, agents, contractors and subcontractors solely for the purpose stated herein;
11. LICENSEE will exercise due care and diligence to prevent injury to persons and damages to or destruction of property belonging to DHHL;
12. LICENSEE shall keep and maintain the Premises and any and all equipment and personal properties of LICENSEE upon the Premises in a strictly clean, neat, orderly and sanitary condition, free of waste, rubbish and debris and shall provide for the safe and sanitary handling and disposal of all trash, garbage and other refuse resulting from its

activities on the Premises;

13. LICENSEE shall comply with all applicable governmental laws, rules, regulations, and procedures relating to the operation and activities under this LICENSE. Upon termination of this LICENSE, LICENSEE shall be responsible for environmental testing and subsequent cleanup of any contamination or hazardous materials found on the site that may have been caused by LICENSEE's use;
14. The Chairman of the HHC is authorized to impose such other conditions deemed prudent and necessary; and
15. The license document will contain the standard terms and conditions of similar licenses issued by DHHL and shall be subject to other terms and conditions deemed prudent and necessary by the Chairman of the Hawaiian Homes Commission and shall further be subject to review and approval by the Office of the Department of the Attorney General, State of Hawaii.

DISCUSSION

On behalf of the Department of Water Supply, County of Hawaii, Manager-Chief Engineer, Mr. Quirino Antonio, Jr., P.E. submitted a written request dated May 30, 2014, (attached hereto as Exhibit "A") to DHHL for review and approval of its proposed Seepage-Stability Berm construction improvements and necessary Waikoloa Reservoir No. 1 Earthquake repairs.

The proposed land use will be essential and beneficial to Hawaiian home lands beneficiaries and the greater Puukapu/Waimea community at large. Moreover, the repaired reservoir will provide an additional 50-million gallon water storage facility to enhance the Department of Water Supply ability to provide a reliable and safe supply of water in adequate and continuous quantities when necessary.

AUTHORITY

§ 207(c)(1)(A) of the Hawaiian Homes Commission Act, 1920, as amended, authorizes the department to grant licenses for the use of Hawaiian Home Lands for public purposes.

§ 10-4-21 of the DHHL Administrative Rules requires the applicant to pay for all costs incurred by the department for the processing of a license application, including a non-refundable processing fee of \$200.00. It also allows for a rental to be charged should the use benefit other than the department or native Hawaiians.

§ 10-4-22 of the DHHL Administrative Rules authorizes the issuance of licenses for public purposes, as easements in perpetuity or shorter term, subject to the easement being reverted to the department upon termination or abandonment.

RECOMMENDATION

Land Management Division requests approval of the motion as stated.



DEPARTMENT OF WATER SUPPLY • COUNTY OF HAWAI'I
345 KEKŪANAŌ'A STREET, SUITE 20 • HILO, HAWAI'I 96720
TELEPHONE (808) 961-8050 • FAX (808) 961-8657

May 30, 2014

2014 JUN -2 PM 2:18
LAND MANAGEMENT
DIVISION

Mr. Kahana Albinio, Property Development Manager
State of Hawai'i
Department of Hawaiian Home Lands
Land Management Division
P.O. Box 1879
Honolulu, HI 96805

**NON-HOMESTEAD LAND USE REQUEST
WAIKOLOA RESERVOIR NO. 1 EARTHQUAKE REPAIRS
DEPARTMENT OF WATER SUPPLY JOB NO. 2011-970
DISTRICT OF SOUTH KOHALA, ISLAND OF HAWAI'I**

Enclosed for your review and approval is the completed Request Form for Non- Homesteading Land Use Purposes on the Department of Hawaiian Home Lands parcel, Tax Map Key (3) 6-5-001:017.

We will send additional detailed information explaining the purpose of the proposed Seepage-Stability Berm construction in a separate mailing to you.

Should you have any questions or need more information, please contact Mr. Owen Nishioka at (808) 961-8070, extension 259.

Sincerely yours,

Quirino Antonio, Jr., P.E.
Manager-Chief Engineer

ON:dmj

Enc.



STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
P. O. BOX 1879
HONOLULU, HAWAII 96805

REQUEST FORM FOR NON-HOMESTEADING LAND USE PURPOSES

PART I: APPLICANT INFORMATION

Name: _____

Address: _____

Phone No.: _____ Cell: _____ email: _____

If Corporation/Organization/Company/LLC/Non-Profit:

Name: County of Hawaii - Department of Water Supply

Address: 345 Kekuanaoa Street, Suite 20, Hilo, Hawaii 96720

Phone No.: 808-961-8050 Cell: _____ email: dws@hawaiiidws.org

Requesting Organization is a Non-Profit

- Type of Non-Profit:
- Private Nonprofit – governed by self appointed board
 - Member Nonprofit – governed by voting members
 - Homestead Organization – governed by HHCA beneficiary members

Requesting Organization is For Profit - Individual or Business

- Individual Sole Proprietorship Partnership
- Corporation Limited Liability Corporation Other

Is an Individual HHCA Beneficiary or is Owned by an HHCA Beneficiary Yes No

Requesting Organization is a Government Agency

- Federal State County

Officers and/or Principal Representatives: Mr. Quirino Antonio, Jr., P.E., Manager-Chief Engineer

Mission of Organization: Provide customers with an adequate and continuous supply of safe drinking water in financially responsible manner, comply with all relevant standards, and assist and facilitate development of water systems in areas not currently served.

Date Incorporated: _____ State of Incorporation: _____

Federal Tax ID#: _____ State Tax ID#: _____

PART 2: NON-HOMESTEADING LAND USE REQUEST

Describe proposed non-homesteading land use envisioned under this request as submitted The Land will be used to construct a portion of the Waikoloa Reservoir No. 1 repairs and improvements (seepage-stability berm). The seepage-stability berm will remain in-place permanently once it is constructed.

**Please attach additional information if necessary*

Land Area requested: Acreage/Sq.Ft. 0.13 / 5,679 Term: _____

Island: Hawaii Tax Map Key No.: (3) 6-5-001:017

Indicate Character of Use:

- Agricultural
- Commercial
- Church
- Other
- Pastoral
- Industrial
- Community Facility

Does applicant have any existing land disposition issued by Hawaiian home lands for non-homesteading use purposes? Yes No

If yes, under what type of use and disposition: Several of the Dept. of Water Supply (DWS) Water Systems on the Island of Hawaii are located within Hawaiian Home Lands properties. The Dept. of Hawaiian Home Lands has granted Licenses to the DWS to operate and to maintain its water systems on those Hawaiian Home Lands properties.

Describe how proposed land use request will have direct or significant indirect benefit to the Trust and/or its Beneficiaries (Applicants & Lessees): The proposed land use request to allow construction of the DWS water reservoir repairs and improvements will benefit the DWS South Kohala Water System customers who currently rely on the water system for household, agricultural, commercial and fire protection uses. The DWS has customers who reside on Hawaiian Home Lands in the Puukapu-Nienie and Lalamilo ares of South Kohala. The repaired Reservoir will provide an additional 50-million gallon water storage facility to enhance the DWS' ability to provide a reliable and safe supply of water in adequate and continuous quantities to its current and future customers.

The following authorized representative submits this request for use of Hawaiian home lands under non-homesteading purposes and acknowledges that:

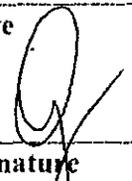
1. This is an application process that will be subject to further review, evaluation and consideration by DHHL and may require additional information to be submitted;
2. This request does not constitute any form of DHHL approval to this non-homesteading land use request as submitted;
3. In the best interest of the trust, DHHL reserves the right to exercise its prudent authority pursuant to and in accordance with the Hawaiian Homes Commission Act (Section III, Section 204(a)(2), Section 220.5, Section 207(c), Hawaii Revised Statutes, Chapter 171, as amended and the Hawaii Administrative Rules, Title 10;
4. Once the application is deemed complete, the non-homesteading land use request will be posted for a 30 day review period on the DHHL website for beneficiary and public comment;
5. Additional Island or Regional Specific Beneficiary Consultation will be required per the DHHL Beneficiary Consultation Policy;
6. All input/comments received will be provided to the Hawaiian Homes Commission if/when approval for disposition is considered by the HHC;
7. Associated non-refundable processing and documentation fees shall be assessed for each respective disposition request as follows:

Revocable Permit - \$100.00	License - \$200.00	General Lease -- Cost	Documentation (all)...\$75.00
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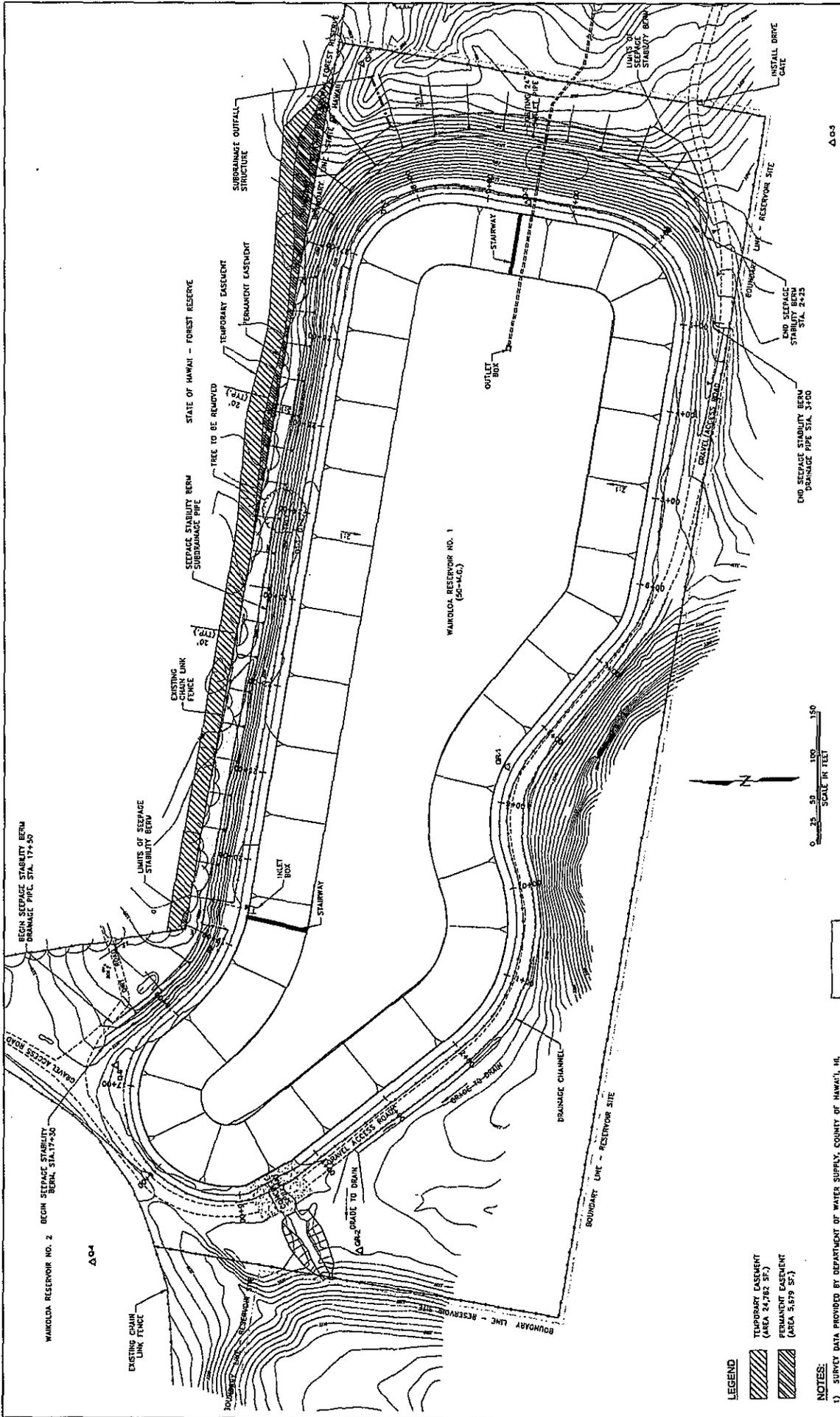
Department of Water Supply, County of Hawai'i
Print Individual or Organization Name

May 29, 2014
Date

Quirino Antonio, Jr., P.E., Manager-Chief Engineer
Authorized Representative Name & Title


Signature

Land Request Form No. 15'001



Δ 03

NO. DATE	BY	CHK	APPR	DATE	REVISION

EASEMENT SURVEY
MAP

DEPARTMENT OF WATER SUPPLY
COUNTY OF HAWAII, HAWAII
340 FAY STREET, HONOLULU, HAWAII
REV. 10 1972

KLEINFELDER

Professional Engineers and Surveyors
1001 Kalia Road, Honolulu, Hawaii

DESIGNED BY: [Blank] DRAWING NO: Easement Survey

- LEGEND**
- TEMPORARY EASEMENT (AREA 24,782 SF.)
 - PERMANENT EASEMENT (AREA 5,679 SF.)

- NOTES:**
- 1) SURVEY DATA PROVIDED BY DEPARTMENT OF WATER SUPPLY, COUNTY OF HAWAII, HI. DATED: 7/19/71
 - 2) EXPLANATION OF SYMBOLS FOUND ON SHEET G-02
 - 3) OUTLET PIPE CONVEYERS AND WATERLINE LOCATIONS ESTABLISHED FROM DEPARTMENT OF LAND AND NATURAL RESOURCES DISCH. DRAWINGS OF WAIKOLOA RESERVOIR NO. 1 AND 2, DATED JANUARY 1969 AND 1972 RESPECTIVELY.

EXHIBIT "C"

ITEM NO. F-2

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

Thru: Linda Chinn, Administrator
Land Management Division 

From: Kahana Albinio, Property Development Manager
Land Management Division

Subject: Approval for Payment Plan on Deficient Rent, General
Lease No. 110, Yamada & Sons, Inc., Panaewa, Hawaii

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission grant its approval to the proposed payment plan on deficient rent affecting General Lease No. 110, issued to YAMADA & SONS, INC., a Hawaii corporation, identified more specifically by TMK: (3) 2.1.025:001,:041,:042, &:084, as delineated in gray-shade on tax map attached hereto as Exhibit "A", subject, but not limited to the following terms and conditions:

1. After applying the portion of rent as remitted over the thirty-two (32) month period covering November 2011 - June 2014 in the amount of \$364,116.07 against the reopened and redetermined rent of \$706,560.00 due and payable to the Department of Hawaiian Home Lands for the same period, the final deficient balance equates to \$342,443.93 (see attached schedule Exhibit "B");

2. Based upon an amortized interest rate of four percent (4.0%) on the deficient balance of \$342,443.93 a monthly installment of FOURTEEN THOUSAND EIGHT HUNDRED SEVENTY AND 60/100 DOLLARS (\$14,870.60) is established (see attached schedule Exhibit "C"). When this amount is combined with the current base monthly rental of \$22,080.00 established as of November 1, 2011, a total monthly rental of \$36,950.60 shall become due and payable on the first day of every month for the twenty-four (24)-month period commencing on August 1, 2014 and expiring on July 1, 2016;

3. Should the terms and conditions as proposed be satisfied and the deficient rent balance be cured in full within the twenty-four (24)-month period, the payment plan shall cease and desist immediately with the base monthly lease rental installment of \$22,080.00 remaining intact;

4. Should the LESSEE desire to cure any outstanding balance before the expiration of the two (2) year term as described above, the payment plan shall cease immediately without any pre-payment penalty and the base monthly lease rental installment of \$22,080.00 remaining intact;

5. Failure to remit the payments as described above when due and payable will result in an immediate recommendation to terminate the general lease agreement without recourse and legal action will be initiated to collect the outstanding lease rent balance;

6. General Lease No. 110 shall be amended accordingly to reflect the terms and conditions as specified above and shall be made effective as of August 1, 2014;

7. The Chairman of the Hawaiian Homes Commission may set forth other terms and conditions deemed prudent and necessary;

8. The Amendment to Lease document shall be subject to the review and approval of the State of Hawaii Department of Attorney General; and

9. All other terms and conditions of General Lease No. 110 shall continue to remain in full force and effect.

BACKGROUND/DISCUSSION

General Lease No. 110 was awarded to Yamada & Sons, Inc., a Hawaii corporation as Lessee, filed in the Office of the Department of Hawaiian Home Lands, for a term of sixty-five (65) years commencing on November 1, 1966.

The following are pertinent information on GL No. 110:

General Lessee: Yamada and Sons, Inc., a Hawaii corporation
Location: Panaewa, Island of Hawaii
Tax Map Key No.: (3) 2-1-025:001,:041,:042, and :084

Land Area: 33.793 Acre (1,472,205 sq. ft.)

Term: 65 years; 11/1966 - 10/2031

Annual Rental: \$264,960 - 11/01/11 - 10/31/21
 \$322,980 - 11/01/21 - 10/31/31

Character of Use: Rock crushing site and equipment yard, and for no other purpose

Site Improvements: Open metal shelter without walls located on portion of western end of parcel which is in fair to poor condition. Property was also improved with other rock processing buildings and equipment

Mortgagee: None

Pursuant to the terms of GL 110, in April 2009 an independent appraiser contracted by and through DHHL re-determined and established the annual rental of \$471,000 per annum for the final twenty (20)-year period (11/01/2011 - 10/31/2031) of the 65-year lease term.

The Lessee exercised its right, as provided and in accordance with the terms of the general lease and Chapter 658, Hawaii Revised Statutes, to proceed in the Arbitration Process to re-determine the annual fair market rent as established. As a result, the arbitration panel by consensus agreed and established a final annual rent as detailed and summarized in the following table:

ANNUAL FAIR MARKET RENTS FOR GL 110 CONSENSUS, TWO OF THREE ARBITRATION PANELIST			
Beg. Date	End Date	GL 110 (1,472,205 SF)	
11/1/11	10/31/21	\$264,960	\$0.18
11/1/21	10/31/31	\$322,980	\$0.22

Since November 2011, the lessee has remitted base monthly lease rental payments on a timely basis, however not at its stepped-up rate as established. In February 2014, LMD notified the lessee of the balance of deficient rent due to the arbitration settlement. Mr. Brain Ikawa, President of Yamada and Sons, Inc., submitted written correspondence dated March 11, 2014, acknowledging the rental deficiency and requesting for

DHHL to consider a payment plan without interest to cure the deficient rent.

After careful review and analysis, LMD crafted the proposed payment plan as described above to cure the deficient balance. The Lessee has kept and maintained the premises under said lease in fairly good condition. Other than the deficient rent, the base monthly lease rental payments have been remitted on a timely basis. Further, DHHL's proposal letter dated July 8, 2014 (attached hereto as Exhibit "D") being acknowledged and accepted by lessee on July 10, 2014.

RECOMMENDATION

Land Management Division recommends approval of the requested motion/action as stated.

GL 110

Rents should have been:

Annual rent effective 11/1/11	264,960.00	
Divided by 12 months	<u>12</u>	
Monthly rent	22,080.00	
No. of months, 11/2011 - 06/2014	<u>32</u>	
Total rent shd have been, 11/1/11 - 6/30/14	706,560.00	
Less: Rents orig. posted, 11/2011 - 6/2014:		
Total	<u>(364,116.07)</u>	
Total Deficient Rent Due as of 6/30/14		<u><u>342,443.93</u></u>

EXHIBIT "B"

ITEM NO. F-2

Payment Plan for Outstanding Rent Balance Due
 General Lease No. 110 - Yamada and Sons Inc.
 At 4% Interest
 Printed: July 8, 2014

Payment Plan Calculator

Enter Values	
Deficient Rent Due	\$ 342,443.93
Annual Interest Rate	4.00 %
Payment Plan Period	2
Number of Payments Per Year	12
Balance Start Date	7/1/2014
Optional Extra Payments	\$ -

Payment Plan Summary	
Scheduled Payment	\$ 14,870.60
Scheduled Number of Payments	24
Actual Number of Payments	24
Total Early Payments	\$ -
Total Interest	\$ 14,450.49

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
1	8/1/2014	\$ 342,443.93	\$ 14,870.60	\$ -	\$ 14,870.60	\$ 13,729.12	\$ 1,141.48	\$ 328,714.81
2	9/1/2014	328,714.81	14,870.60	-	14,870.60	13,774.88	1,095.72	314,939.92
3	10/1/2014	314,939.92	14,870.60	-	14,870.60	13,820.80	1,049.80	301,119.12
4	11/1/2014	301,119.12	14,870.60	-	14,870.60	13,866.87	1,003.73	287,252.25
5	12/1/2014	287,252.25	14,870.60	-	14,870.60	13,913.09	957.51	273,339.16
6	1/1/2015	273,339.16	14,870.60	-	14,870.60	13,959.47	911.13	259,379.69
7	2/1/2015	259,379.69	14,870.60	-	14,870.60	14,006.00	864.60	245,373.69
8	3/1/2015	245,373.69	14,870.60	-	14,870.60	14,052.69	817.91	231,321.00
9	4/1/2015	231,321.00	14,870.60	-	14,870.60	14,099.53	771.07	217,221.47
10	5/1/2015	217,221.47	14,870.60	-	14,870.60	14,146.53	724.07	203,074.94
11	6/1/2015	203,074.94	14,870.60	-	14,870.60	14,193.68	676.92	188,881.25
12	7/1/2015	188,881.25	14,870.60	-	14,870.60	14,241.00	629.60	174,640.26
13	8/1/2015	174,640.26	14,870.60	-	14,870.60	14,288.47	582.13	160,351.79
14	9/1/2015	160,351.79	14,870.60	-	14,870.60	14,336.10	534.51	146,015.69
15	10/1/2015	146,015.69	14,870.60	-	14,870.60	14,383.88	486.72	131,631.81
16	11/1/2015	131,631.81	14,870.60	-	14,870.60	14,431.83	438.77	117,199.98
17	12/1/2015	117,199.98	14,870.60	-	14,870.60	14,479.93	390.67	102,720.05
18	1/1/2016	102,720.05	14,870.60	-	14,870.60	14,528.20	342.40	88,191.85
19	2/1/2016	88,191.85	14,870.60	-	14,870.60	14,576.63	293.97	73,615.22
20	3/1/2016	73,615.22	14,870.60	-	14,870.60	14,625.22	245.38	58,990.00
21	4/1/2016	58,990.00	14,870.60	-	14,870.60	14,673.97	196.63	44,316.04
22	5/1/2016	44,316.04	14,870.60	-	14,870.60	14,722.88	147.72	29,593.15
23	6/1/2016	29,593.15	14,870.60	-	14,870.60	14,771.96	98.64	14,821.20
24	7/1/2016	14,821.20	14,870.60	-	14,821.20	14,771.79	49.40	0.00

EXHIBIT "C"

ITEM NO. F-3

NEIL ABELCHROMBIE
GOVERNOR
STATE OF HAWAII



JOBIE A. K. MASAGALANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG
DEPUTY TO THE CHAIRMAN

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS
P O BOX 1879
HONOLULU, HAWAII 96805

July 8, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED:
7012 3460 0001 6659 2688

Yamada & Sons, Inc.
c/o Mr. Brian Ikawa,
President
733 Kanoelehue Avenue
Hilo, Hawaii 96720

Dear Mr. Ikawa:

Subject: General Lease No. 110, Yamada & Sons, Inc., Panaewa,
Island of Hawaii

This is to acknowledge receipt of your letter dated March 11,
2014.

After careful review and modification, the Land Management Division is prepared to present a payment plan recommendation for approval by the Hawaiian Homes Commission (HHC). However, prior to seeking Commission approval, we need to reach an agreement on the terms and conditions for the payment plan as proposed to cure the outstanding back rent due and payable to the Department of Hawaiian Home Lands. In this regard, we propose the following:

1. After applying the portion of rent as remitted over the thirty-two (32) month period covering November 2011 - June 2014 in the amount of \$364,116.07 against the deficient rent of \$706,560.00 due and payable to the Department of Hawaiian Home Lands for said referenced period the final deficient balance equates to \$342,443.93 (see attached schedule Exhibit "A");
2. Based upon an amortized interest rate of four percent (4.0%) on the final deficient balance of \$342,443.93 a monthly installment of \$14,870.60 is established (see attached schedule Exhibit "B"). When this amount is combined with the current base monthly rental of \$22,080.00 as established, a total monthly rental of \$36,950.60 shall become due and payable on the first day of every month for the twenty-

EXHIBIT "D"

ITEM NO. F-3

Mr. Brian Ikawa
July 8, 2014
Page 2

four (24)-month period commencing on August 1, 2014 and expiring on July 1, 2016;

3. Should the terms and conditions as proposed be satisfied and the deficient rent balance be cured in full within the twenty-four (24)-month period, the payment plan shall cease immediately with the base monthly lease rental installment of \$22,080.00 remaining intact;

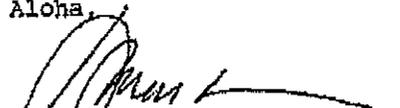
4. Should the desire to cure any outstanding balance before the expiration of the two (2)year term as described above, the payment plan shall cease immediately without any pre-payment penalty and the base monthly lease rental installment of \$22,080.00 shall remain intact; and

5. Failure to remit the payments as described above when due and payable will result in DHHL exercising its authority to immediately terminate the general lease agreement without recourse and initiate legal action to collect the outstanding deficient lease rent balance.

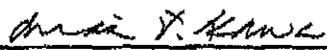
If you concur with the items contained herein, please sign, date and return a copy of this letter. Although this letter is not binding on either party, the tentative agreement contained herein will form the basis for submitting a request to the HHC for approval. It will also be incorporated into an amendment to General Lease No. 110 that will become binding when executed by all parties. Once approved by the HHC, it will take approximately one month to produce an amended document for your review and signature.

If you have questions or need further clarification, contact Peter "Kahana" Albinio, Jr., Property Development Manager, at 808.620.9454 or email peter.k.albinio.jr@hawaii.gov.

Aloha,


Linda Chinn, Administrator
Land Management Division

AGREED & ACCEPTED:


By: Brian J. Ikawa,
President

7/10/14
Date

Enc.

GL 110

Rents should have been:

Annual rent effective 11/1/11	264,960.00
Divided by 12 months	<u>12</u>
Monthly rent	22,080.00
No. of months, 11/2011 - 06/2014	<u>32</u>
Total rent shd have been, 11/1/11 - 6/30/14	706,560.00

Less: Rents orig. posted, 11/2011 - 6/2014:

Total	<u>(364,116.07)</u>
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Total Deficient Rent Due as of 6/30/14**342,443.93****EXHIBIT "A"**

**Payment Plan for Outstanding Rent Balance Due
General Lease No. 110 - Yamada and Sons Inc.
At 4% Interest
Printed: July 8, 2014**

Payment Plan Calculator

Enter Values	
Deficient Rent Due	\$ 342,443.93
Annual Interest Rate	4.00 %
Payment Plan Period	2
Number of Payments Per Year	12
Balance Start Date	7/1/2014
Optional Extra Payments	\$ -

Payment Plan Summary	
Scheduled Payment	\$ 14,870.60
Scheduled Number of Payments	24
Actual Number of Payments	24
Total Early Payments	\$ -
Total Interest	\$ 14,450.49

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
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2	9/1/2014	328,714.81	14,870.60	-	14,870.60	13,774.88	1,095.72	314,939.92
3	10/1/2014	314,939.92	14,870.60	-	14,870.60	13,820.80	1,049.80	301,119.12
4	11/1/2014	301,119.12	14,870.60	-	14,870.60	13,866.87	1,003.73	287,252.25
5	12/1/2014	287,252.25	14,870.60	-	14,870.60	13,913.09	957.51	273,339.16
6	1/1/2015	273,339.16	14,870.60	-	14,870.60	13,959.47	911.13	259,379.69
7	2/1/2015	259,379.69	14,870.60	-	14,870.60	14,006.00	864.60	245,373.69
8	3/1/2015	245,373.69	14,870.60	-	14,870.60	14,052.69	817.91	231,321.00
9	4/1/2015	231,321.00	14,870.60	-	14,870.60	14,099.53	771.07	217,221.47
10	5/1/2015	217,221.47	14,870.60	-	14,870.60	14,146.53	724.07	203,074.94
11	6/1/2015	203,074.94	14,870.60	-	14,870.60	14,193.68	676.92	188,881.25
12	7/1/2015	188,881.25	14,870.60	-	14,870.60	14,241.00	629.60	174,640.26
13	8/1/2015	174,640.26	14,870.60	-	14,870.60	14,288.47	582.13	160,351.79
14	9/1/2015	160,351.79	14,870.60	-	14,870.60	14,336.10	534.51	146,015.69
15	10/1/2015	146,015.69	14,870.60	-	14,870.60	14,383.88	486.72	131,631.81
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17	12/1/2015	117,199.98	14,870.60	-	14,870.60	14,479.93	390.67	102,720.05
18	1/1/2016	102,720.05	14,870.60	-	14,870.60	14,528.20	342.40	88,191.85
19	2/1/2016	88,191.85	14,870.60	-	14,870.60	14,576.63	293.97	73,615.22
20	3/1/2016	73,615.22	14,870.60	-	14,870.60	14,625.22	245.38	58,990.00
21	4/1/2016	58,990.00	14,870.60	-	14,870.60	14,673.97	196.63	44,316.04
22	5/1/2016	44,316.04	14,870.60	-	14,870.60	14,722.88	147.72	29,593.15
23	6/1/2016	29,593.15	14,870.60	-	14,870.60	14,771.96	98.64	14,821.20
24	7/1/2016	14,821.20	14,870.60	-	14,821.20	14,771.79	49.40	0.00

EXHIBIT "B"

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Administrator
Land Management Division 

From: Carolyn Darr, Land Agent
Land Management Division

Subject: Approval for Assignment and Amendment of Lease,
General Lease No. 293, Kalaeloa Solar One LLC,
Kalaeloa, Oahu

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission grant its approval to the following:

- A. Assignment of General Lease No. 293 (GL 293) from Kalaeloa Solar One LLC (KS1), as Assignor, to Huliamaahi Solar LLC, as Assignee, subject to the following conditions:
1. The standard terms of the Department of Hawaiian Homes Lands' Consent to Assignment of Lease document;
 2. The review and approval of the Consent document by the Department of the Attorney General;
 3. Assignee to furnish a Certificate of Insurance which verifies the issuance of a General Comprehensive Public Liability Insurance Policy in an amount acceptable to the Department and naming it as an additional insured;
 4. Assignee to furnish a Certificate of Insurance which verifies the issuance of a Multi-peril Insurance Policy, that includes coverage against loss or damage by fire, in an amount equal to the maximum insurable value of all buildings and improvements on the demised premises and naming the Department as an additional insured;

5. Assignee to acknowledge in writing on the acceptance of the amended terms and conditions of General Lease No. 293 as proposed below; and

6. Assignee to acknowledge in writing on the sublease agreement with Kalaeloa Solar Two LLC (KS2) and the direct payment of the sublease rent to the Department of Hawaiian Home Lands.

B. Amendment to the terms and conditions of General Lease No. 293, subject to the following:

1. Payment of the balance of penalty fees in the amount of \$210,000.00 due to the department as fees attributed to Assignor's delay in placing the facility into service;

2. Extension of the lease term for a period to equal to the lesser of (i) 25 years; or (ii) a period equal to the entire PPA term beginning at commercial operation date of the project, but not less than 20 years post-execution of the amended lease agreement;

3. Adjustment of the acreage under the lease from the current 78 acres to approximately 67 acres, with final acreage to be determined by the completed survey;

4. Annual lease rent payment under the sublease to KS2 shall remain the same; the annual lease rent payment under for the remaining leased area under KS1 shall be adjusted proportionately from \$455,695.14 to \$338,604.00 annually subject to final survey of amended acreage;

5. Annual lease rent payment shall be due from the commercial operation date or March 2, 2015, whichever is earlier;

6. In addition to the 1% of net annual profit due under the lease, Assignee agrees and acknowledges the responsibility to pay the \$324,000.00 community benefit due under KS2, starting from the commercial operation date, from revenue received from the annual production and excess energy, and shall be paid in full within twelve (12) years;

7. Except as amended, all of the terms, conditions, covenants, and provisions of GL No. 293 shall continue and remain in full force and effect;

8. The review and approval of all documents by the Department of the Attorney General; and

9. Any and all other terms and conditions deemed prudent and necessary by the Hawaiian Homes Commission.

DISCUSSION

Background

The Hawaiian Homes Commission (HHC) approved the issuance of General Lease No. 293 to Kalaeloa Solar One LLC (KS1) on May 18, 2010. The purpose of the lease was to develop, construct, operate and maintain a 5-MW solar power production facility on Hawaiian home lands at Kalaeloa, Oahu. The original lease was to be developed utilizing Concentrated Solar Power ("CPS") technology. The initial term of the lease was for twenty (20) years, effective September 3, 2010.

On December 14, 2010, the HHC granted approval to the First Amendment to GL 293, which added an additional 48 acres of land to the original site in order to expand the solar facility for a total of approximately 82 acres under the lease. The purpose is to allow for the development of another 5-MW solar project. The HHC also granted approval for the sublease of a portion of the leased premises to Kalaeloa Solar Two, LLC, (KS2) (SunPower Corporation) for the operation, management and maintenance of a solar power production facility utilizing photovoltaic ("PV") technology.

Pertinent information on General Lease No. 293 as follows:

General Lease No.: 293

Lessee: Kalaeloa Solar One, LLC (KS1)

Area: 78 acres

Location: Kalaeloa, island of Oahu

Tax Map Key No.: (1) 9-1-013:portion of 028 (See Exhibit "A")

Lease Term: September 3, 2010 - September 2, 2033

Annual Lease Rent: Commencing on the earlier of March 3, 2012 or the date the solar facility is in service

\$ 829,766.54 Yr 1 - yr 10
\$1,037,216.89 Yr 11 - Yr 15
\$1,166,850.11 yr 16 - Yr 20

Community Benefits: 1% of the System's net annual profit to fund a renewable energy program to benefit native Hawaiians on Oahu

Sublessee: Kalaeloa Solar Two, LLC (KS2)

Sublease Area: 35 acres

Sublease Term: 20 Years from service date or December 31, 2012, whichever is sooner

Sublease Rent: \$374,071.40 Yr 1 - Yr 10
\$467,593.17 Yr 11 - Yr 15
\$526,033.81 Yr 16 - Yr 20

Community Benefits: One time cash payment of \$324,000.00 as community benefits

KS2 (SunPower) completed the project and has been in service since December 2012. DHHL has been receiving the lease rent directly from KS2 and it is in good standing with the department. KS2 paid the community benefit payment to KS1 in October 2012.

Extension of time for KS1

Per the terms of the lease, the original rent commencement date was scheduled for March 3, 2012, or the earlier date that the solar system was placed into service. The Assignor, KS1, was not able to develop the solar facility as planned.

On April 25, 2012, KS1 requested an extension of time for the commencement of ground lease rent payments. The Hawaiian Homes Commission granted the extension and a one-time fee of \$130,000.00 was paid to the department on June 13, 2012, as a penalty fee for delaying the commencement date of the lease.

On April 22, 2014, the HHC approved an amendment to GL 293 to further extend the lease rent payment commencement date to March 2, 2015 or when the solar facility goes into service, whichever is earlier, subject to the payment of penalty fee of \$130,000.00 for the period March 2, 2013-2014, and March 2,

2014-2015. KS1 paid \$50,000.00 as a good faith effort for the extension. The balance due from KS1 or the proposed Assignee is \$210,000.00.

Request for Assignment of Lease

KS1 is requesting an assignment of the lease to Huliamaahi Solar LLC, a joint venture consisting of BVR Consulting LLC, and Unisun Energy America LLC (the "Consortium") (See Exhibit "B"). This Consortium is a fully owned subsidiary of Unisun Energy Ltd, headquartered in Wuxi, China. The Consortiums development of the site will be using Photovoltaic ("PV") technology to produce 5MW of solar power.

Since it requires less land to produce 5MW of power using photovoltaic technology, and the Power Purchase Agreement negotiated with Hawaiian Electric Company is less than what originally anticipated, the Proposed Assignee is asking that the remaining land area under the general lease be reduced from the original 78 acres to 67 acres of land (See Exhibit "C"). The lease rent will be adjusted according to the final land required and the project will be financed using a combination of debt equity, and tax equity. In the interim, bridge financing will be provided by Unisun.

The Consortium has agreed to honor the community benefit package paid by KS2 to KS1 in the amount of \$324,000.00. Payments will be paid over 6.5 years once commercial operation has started. This benefit will enhance the community by funding a renewable energy educational program on Oahu in a vocational school curriculum, job creation, Hawaiian language classes, and developing an educational facility selected by the department.

Staff has reviewed the Consortium's profile provided and determined that BVR and Unisun have the experience and financial capability to complete the project as envisioned. They have remitted a payment of \$50,000.00 as a good faith payment toward the \$260,000.00 penalty fee owed for the extension of time to commence ground rent payments. They have also provided a Letter of Agreement that they will pay the balance due in the amount of \$210,000.00 within 15 business days upon meeting certain milestones such as the PPA negotiation process with HECO, and the approval of the Hawaiian Homes Commission.

HRS Chapter 343 Compliance

At the September 19, 2011 regular monthly meeting, the Hawaiian Homes Commission approved the determination of Findings of No Significant Impact (FONSI) for the Final Environmental Assessment submitted for both projects, KS1 and the subleased KS2 on the leased premises.

AUTHORITY

Hawaii Revised Statutes 171-36(a)(5) states, in part, that:

"No lease shall be transferable or assignable, except by devise, bequest, or intestate succession; provided that with the approval of the board of land and natural resources[Hawaiian Homes Commission], the assignment and transfer of a lease or unit thereof may be made in accordance with industry standards, as determined by the board..."

RECOMMENDATION

Land Management Division recommends approval of the requested motion/action as stated.

FILE: Y:\2010\10-105.6\SURVEY\ALTA\DWG\10-105.6_ALTA.DWG
 JOB NO.: 0-10-105.6

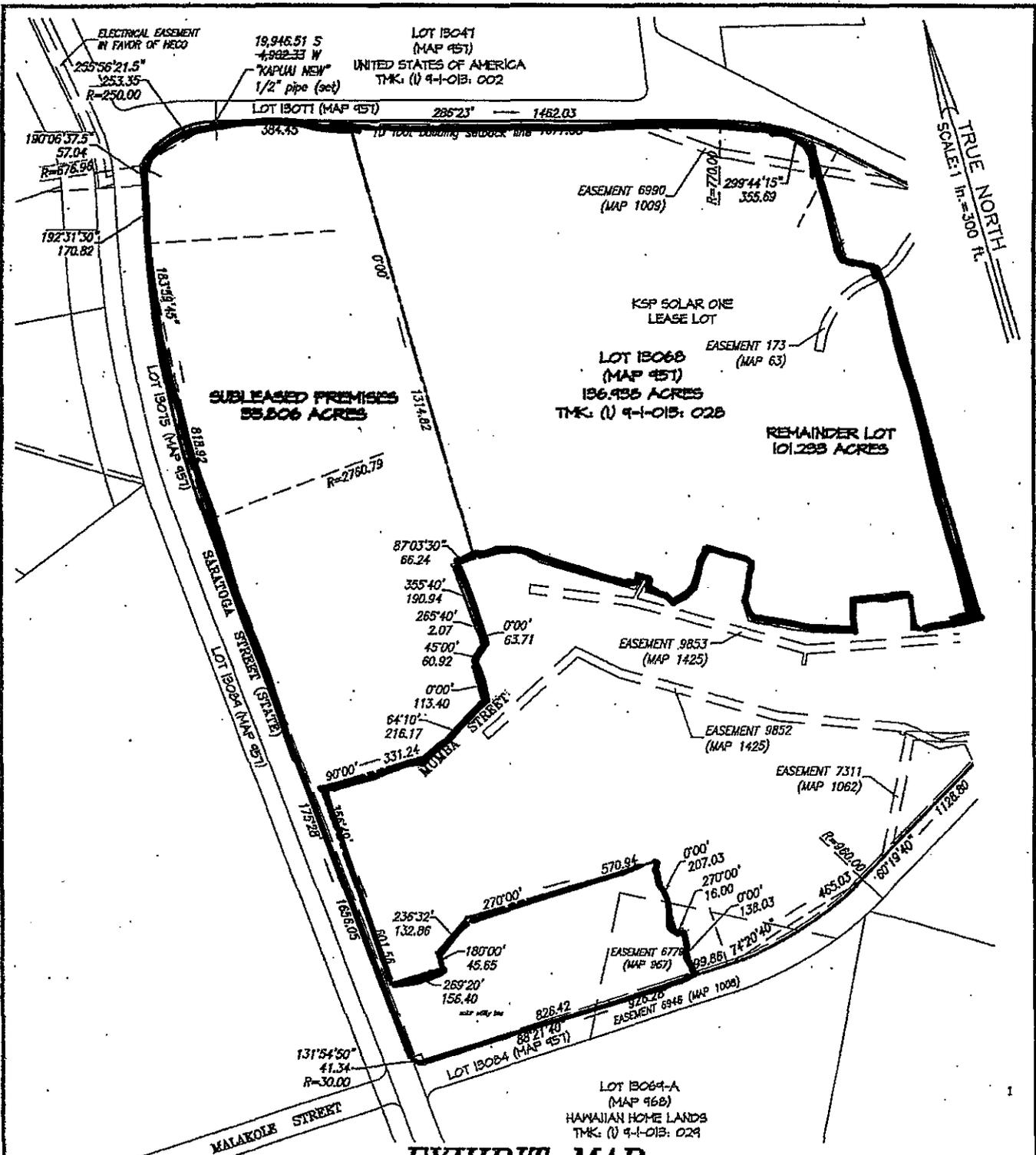


EXHIBIT MAP
OF THE SUBLEASED PREMISES
BEING A PORTION OF LOT 13068 (MAP 957)
OF LAND COURT APPLICATION 1069
AT HONOLULU, EWA, OAHU, HAWAII
TAX MAP KEY: (1) 9-1-013: PORTION 028

JULY 30, 2012

ATA AUSTIN, TSUTSUMI & ASSOCIATES, INC.
 ENGINEERS, SURVEYORS • HONOLULU, WAILUKU, HAWAII

8.5" X 11" = 0.65 SQ. FT.

ITEM NO. F-4

EXHIBIT "A"



July 9, 2014

Linda L. Chinn
Administrator
Land Management Division
Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, Hawaii 96707

Subject: Request for Lease Amendment and Assignment from Kalaeloa Solar One, LLC to Huliāmahī Solar LLC

Dear Ms. Chinn:

For DHHL's review and approval, the following details of the request for amendment and assignment can be found below:

- 1. Transaction Status and Overview:** Contingent on the PPA negotiation process with HECO, the project consortium's goal is to have its 5 MW_{ac} photovoltaic solar project (the "Project") to be located on the former KS1 site operational by no later than the third quarter of 2015. BVR Consulting LLC ("BVR"), which is a member of the Buenavista Renewables group of companies, made a good faith payment of US\$50,000 to DHHL on April 1 of this year in order to extend the lease so that BVR and its partners could complete their detailed due diligence process on the KS1 project and the site.
- 2. Project Consortium:** The Project is being developed by a joint venture consisting of (i) BVR and (ii) Unisun Energy America LLC ("Unisun" and together with BVR the "Consortium"). Unisun is a fully owned subsidiary of Unisun Energy Ltd., headquartered in Wuxi, China. The Consortium has formed a new project company named Huliāmahī Solar LLC (the "SPV") to develop the Project. The SPV is a Delaware-domiciled limited liability company duly licensed to do business in the State of Hawaii.
- 3. Project Financing:** The Project will be financed using a combination of debt, equity, and tax equity. The structure of the financing is highly contingent upon certain key clauses being negotiated in the PPA with HECO. However, since Unisun is majority owned by a large, state-owned enterprise in China, standalone construction or bridge financing, if necessary, can be arranged independent of term financing, which gives the Consortium additional flexibility with regards to project construction and implementation. The equity to be required for the Project will be fully supplied by the Consortium.

ITEM NO. F-4

A handwritten signature in black ink, appearing to be "Jeth", is written over the text "ITEM NO. F-4".

EXHIBIT "B"



4. **Lease Term:** The Consortium is requesting a lease term equal to the lesser of: (i) 25 years; or (ii) a period equal to the entire PPA term beginning at commercial operation date of the Project, but not less than 20 years post-execution of the amended lease agreement with DHHL. The Consortium is currently in discussions with HECO on the PPA and expects to have completed these negotiations and executed a new PPA with the utility by no later than the first quarter of 2015.
5. **Lease Land Size:** Having recently completed its technology mix selection for the Project, the Consortium has determined that it will require 28-32 acres of the current KS1 site. A new single-axis tracking technology has allowed the Consortium to reduce the size of the parcel needed to install 5 MW_{AC} of nameplate photovoltaic solar capacity.
6. **Gross Lease Payment:** We have calculated our new ongoing proposed gross lease payment based on the premise that the Project could reduce the amount of land to be leased but continue to pay the same agreed upon per-acre lease payment to DHHL. Therefore, the requested annual gross lease payment is based upon a new Project footprint of 28-32 acres, as opposed to the larger footprint assumed in past discussions. In sum, we therefore propose an annual gross payment to DHHL of between US\$296,279 (28 acres) and US\$338,604 (32 acres). These values were determined using the following assumptions:
 1. The original ground lease was for 34 acres.
 2. The first amendment to the ground lease added 48 acres to the site, which increased the total leased area to 82 acres.
 3. The second amendment to ground lease adjusted the acreage down to 78 acres and the total rent to be paid to DHHL to US\$829,000 per year.
 4. The original sublease to the KS2 project was for a total of 40 acres.
 5. The first amendment to the sublease adjusted the KS2 footprint to 35 acres and adjusted the pricing in accordance with the second amendment to the ground lease with DHL, e.g. US\$829,000 for the entire 78 acre site per year.
 6. This in turn left 43 acres of remaining area (78 acres - 35 acres = 43 acres) to be leased. The gross payment to DHHL for the KS1 project was thus similarly reduced to US\$455,000/year for 43 acres (US\$829,000 from second amendment - US\$374,000 from first amendment to sublease = US\$455,000 for the remaining 43 acres).
 7. Finally, since the Project will now need 28-32 acres, the gross payment to DHHL is similarly adjusted to one of the following amounts: (i) $[28 \text{ acres}/43 \text{ acres}] * [US\$455,000] = US\$296,279$ or (ii) $[32 \text{ acres}/43 \text{ acres}] * [US\$455,000] = US\$338,605$. We intend to finalize the exact gross payment to DHHL before the Commission meeting, but for now, we provide these figures as indicators of the gross payment band DHHL can expect from leasing the land to the

DGH



Project.

Thank you for your consideration of our request and please let us know if you require any additional information.

Sincerely,

Dean G. Hull
Chief Financial Officer
Buenavista Renewables

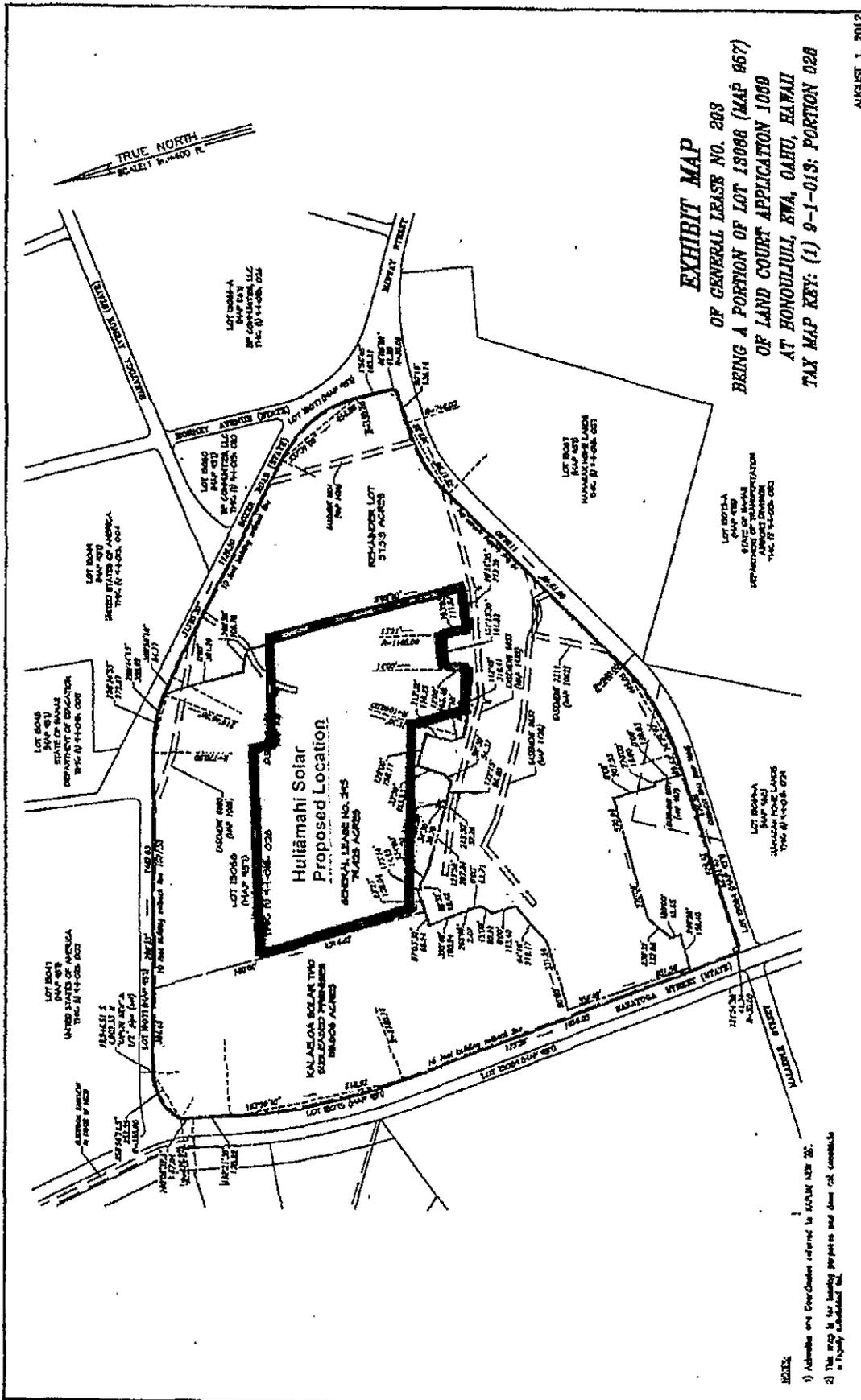


EXHIBIT MAP
 OF GENERAL LEASE NO. 289
 BEING A PORTION OF LOT 13088 (MAP 957)
 OF LAND COURT APPLICATION 1089
 AT HONOLULU, EWA, OAHU, HAWAII
 TAX MAP KEY: (1) 9-1-013; PORTION 028

AUGUST 1, 2012
 11" X 17" = 1.30 SQ. FT.

ATA
 AUSTIN, ISHIZUKA & ASSOCIATES, INC.
 (GENERAL SERVICES - SURVEYING, ENGINEERING, PLANNING)

- NOTES:
- 1) Addresses are coordinates referred to ACORN 83N 20.
 - 2) The map is for meeting purposes and does not constitute a legally established map.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members of Hawaiian Homes Commission

From: Linda Chinn, Administrator
Land Management Division 

Subject: Approval for Assignment of Option to Lease from Hawaii
DeBartolo, LLC to Kapolei Hawaii Property Company, LLC,
East Kapolei, Oahu

RECOMMENDED MOTION

TO BE DISTRIBUTED AT THE MEETING

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

Through: Linda Chinn, Administrator
Land Management Division 

From: Kahana Albinio, Property Development Manager
Land Management Division 

Subject: Ratification of Defaults and Revocation, Statewide

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission ratify the Notices of Default/Revocation issued to the parties highlighted in gray on Exhibit "A".

General Leases was provided with a 60-day cure period. Termination action will be taken against those who fail to cure within the prescribed period.

NOTICES OF DEFAULT & REVOCATION
Report July 21-22, 2014 HHC Meeting

Notices of default/revocation requiring HHC ratification

General Leases

None

Licenses

None

Right-of-Entry

Island	ROE No.	Permittee	Monthly Rent	Total Due
Oahu	636	Panui, Inc.	\$1,600.00	\$9,600.00
Oahu	631	J. Jeremiah Trucking, Co.	\$900.00	\$15,251.00
Oahu	632	Xtreme Trucking	\$975.00	\$13,341.00
Oahu	607	Kahu Trucking	\$700.00	\$8,786.29
Oahu	595	R & KA Equipment	\$1,797.50	\$8,343.99
Oahu	624	Myrtle Kaahaaina	\$250.00	\$3,579.27
Oahu	602	Paling & Sons Trucking	\$686.00	\$2,286.00
Oahu	520	Island Wide Towing	\$7,200.00	\$59,000.00

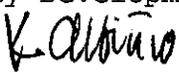
Exhibit "A"

Item No. F-6

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission
Thru: Linda Chinn, Administrator
Land Management Division 
From: Kahana Albinio, Property Development Manager
Income Property Branch 
Subject: Ratification of Actions taken by Chairman, Hawaiian Homes
Commission, Statewide

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission ratify the consents and approvals granted by the Chairman, Hawaiian Homes Commission.

DISCUSSION

Since the last Commission meeting, the Chairman of the Hawaiian Homes Commission has granted his consent to the following:

CONSENT TO ASSIGNMENT(S)

NONE

CONSENT TO SUBLEASE(S)

General Lease No. 202
Prince Kuhio Plaza LLC

General Growth Properties, Inc., the management agent for the Prince Kuhio Plaza, transmitted the following sublease agreement for DHHL's review and consent:

Sublessee:	PIER 1 IMPORTS (U.S.), INC., a Delaware corporation
Space No./Sq.ft.	0655/13,754 square feet
Term:	12 yrs; 06/30/2014 - 06/29/2026
Annual Minimum Rent:	\$288,834.00 06/30/2014 - 06/29/2020 \$316,342.00 06/30/2020 - 06/29/2026
Option to Extend:	Three (3) successive periods of five (5) year extension after initial term expires

Annual Minimum Rent: \$343,850.00 - 1st extension period
\$371,358.00 - 2nd extension period
\$398,866.00 - 3rd extension period
Percentage Rent: 5.0%
Permitted Use: operation of display and retail sale of
merchandise items as described in Section
7.4 of its Sublease Agreement and for no
other purpose.

Article Two, Section 15, of the subject lease, titled Subletting, states in part "That the Lessee shall not rent or sublet the whole or any portion of the demised premises, without the prior review and written approval of the Lessor. Lessor will not withhold consent unreasonably. Upon the approval of any sublease by Lessor, the provisions of Article Two, Section 28, shall apply..."

Article Two, Section 28, also of the subject lease, titled Percentage Rent, states that "...Lessee shall pay as additional rent...(a) sum equivalent to the amount by which nine percent of the gross annual occupancy rent collected...exceeds the net annual rental for such lease year...Percentage rent, if any, for any lease year shall be due and payable no later than 90 days after the end of the lease year for which such rent is computed."

The current annual base rent is \$292,792.44. HO Retail is required to pay the difference between 9% of all gross receipts and the base rent within 90 days from the end of the lease year (9/30). For the lease year ended September 30, 2013, the additional percentage rent remitted by HO Retail was \$338,263.02, bringing the total lease rent for the period 10/1/2012 to 9/30/2013 to **\$631,055.46**.

General Lease No. 276
Hawaii Debartolo, LLC

Through a letter dated July 1, 2014, Mr. Rich Hartline, Vice President, Hawaii Debartolo, requested for DHHL's review and approval of two (2) sublease agreements.

In accordance with and pursuant to the fully executed Amendment to and Restatement of Option to Lease Agreement dated January 12, 2012, specifically Section 5.9 - Subleases; Nondisturbance and Attornment Agreements, the department has twenty (20) days after receipt of a written request to approve or disapprove of any letter of intent, terms sheet for a sublease, or a executed tenant lease agreement.

The department also has a Confidentiality and Nondisclosure Agreement, agreeing to keeping certain information confidential, including letters of intent, subleases, tenant leases, and any and all

agreements regarding the letting of space in the shopping center complex.

Based on the information provided by its broker the rent set forth in the LOI is consistent with, or higher than the prevailing fair market rent in the Kapolei area for comparable shopping center tenants. The two (2) tenant leases at the Ka Makana Alii Center are with the following entities:

1. Macy's West Stores, Inc.
2. H & M Hennes & Marwitz L.P.

CONSENT TO MORTGAGE(S)

NONE

CONSENT TO IMPROVEMENT PLANS

NONE

RECOMMENDATION

Land Management Division requests approval of the motion as stated.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21-22, 2014

To: Chairman and Members of Hawaiian Homes Commission

From: Linda Chinn, Administrator
Land Management Division 

Subject: Approval for Assignment of Lease from Big Island Carbon LLC
to an entity to be approved by the Bankruptcy Trustee,
General Lease No. 275, Kawaihae, Hawaii

RECOMMENDED MOTION

TO BE DISTRIBUTED AT THE MEETING

State of Hawaii
Department of Hawaiian Home Lands

July 21, 2014

To: Chairman and Members, Hawaiian Homes Commission

Through: Kaleo Manuel, Acting Planning Program Manager 

From: Nancy M. McPherson, Planner 

Subject: Adoption of Final O'ahu Island Plan

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission:

1. Adopt the O'ahu Island Plan (2014) and recommended land use designations identified by area on the attached Exhibit F; and
2. Authorize dissemination of the O'ahu Island Plan.

DISCUSSION

Purpose Of The O'ahu Island Plan

The O'ahu Island Plan studies and plans for the overall growth and development potential of Hawaiian home lands on O'ahu from an island and regional perspective. It looks at major infrastructure needs and opportunities and aims to designate land uses for both homesteading and non-homesteading uses, as well as identifying priority areas for homestead development.

The O'ahu Island Plan provides baseline physical and demographic information; establishes land use designations to encourage orderly social, physical, and economic development; identifies priority areas for homestead development; and estimates the costs for both on-site and off-site infrastructure improvements for the priority areas.

Information provided in the O'ahu Island Plan will enable the Department of Hawaiian Home Lands to better coordinate its developments with other State and County, as well as private sector, projects, plans and activities. Benefits include providing opportunities to better coordinate major off-site

infrastructure needs such as roads and highways, sewage treatment and water development and use. The plan defines the DHHL's "foreseeable water needs" for use by the Commission on Water Resource Management and the City and County of Honolulu, pursuant to the State Water Code.

Context Of the O'ahu Island Plan Within DHHL Program Activities

The O'ahu Island Plan is located on the second tier of a three tiered planning system developed by the DHHL to guide the development and use of Hawaiian home lands statewide. In May of 2002, the HHC authorized DHHL to promulgate administrative rules for a planning system. The system that has been developed consists of a General Plan, Island Plans, Strategic Program Plans, Development Plans and Regional Plans that have direct links to the budget process, legislation, water needs, and land use. See Exhibit A, "DHHL Planning System."

Drafting of rules is currently underway. Regional Plans for all five regions of O'ahu as well as regions on the other islands, and Island Plans for Hawai'i, Maui, Moloka'i and Kaua'i have been adopted by the Commission over the last ten to twelve years. There is a Regional Plan for Lāna'i's lands but the relatively small amount of acreage (50 acres) does not warrant development of a Lāna'i Island Plan. The O'ahu Island Plan is the last of the island plans to be formulated. It is important to note that O'ahu is the only island where the Regional Plans were completed prior to having an Island Plan with land use designations in place, therefore beneficiaries who participated in the Regional Plan process may perceive the Island Plan's role as an implementation tool of the Regional Plans, rather than the reverse. In some instances, additional master planning and analysis will be required to implement Regional Plan Priority Projects, which may result in amendments to land use designations in the future.

DHHL's comprehensive, long range planning system supports the Hawaiian Homes Commission (HHC) and DHHL staff in identifying critical issues, determining priorities, coordinating development and management of projects, and allocating resources for plan implementation. The intended outcomes of the planning system are to establish an effective decision-making framework, provide for reasonable expectations, establish a continuum of policy, provide for meaningful community participation, and increase overall department performance and productivity. The island plan is the primary policy document and regional planning tool that guides land uses for Hawaiian home lands, and provides

island-specific implementation of DHHL General Plan goals and objectives related to land use and orderly development. The island plans is scheduled to be updated every ten years.

Land Use Designations Within the O'ahu Island Plan

Land use classification and regulatory tools within the planning system are identified by "land use designations" (LUDs) within island plans. In the O'ahu Island Plan, each LUD separates the lands into use districts, each having its own set of generally permitted uses and development standards. Taken together, LUDs provide a general pattern for the location and distribution of future land uses, thereby fostering the orderly use and development of Hawaiian home lands. This is particularly important in the areas of infrastructure planning and coordination with other entities and jurisdictions, such as other large landowners, the Board of Water Supply and the City and County of Honolulu. Land Use Designations are defined in DHHL's Planning System and are described in Exhibit B, "DHHL Land Use Designations."

Implementation of the O'ahu Island Plan

Regional plans are intended to apply General Plan and Island Plan goals, policies, and land use designations to specific homestead communities and regions as well as to identify and address issues, opportunities, and priorities relative to those communities. Regional Plans are primarily focused on the needs and desires of existing lessee households living on homestead land, some of whom may be applicants.

Island Plans are primarily focused on meeting the needs and desires of applicants on the wait lists as directed by the DHHL General Plan. As island plans are developed and approved, priority areas identified in the plan are proposed for the development budget. Once monies are allocated, the DHHL then formulates development or subdivision plans for each priority area. These "specific plans" provide information that enables the tract or area to move into design and construction. Information provided in the development plans are area-specific and presented in much greater detail than in the island plans.

Land use designations for the O'ahu Island Plan were developed using a rigorous multi-stage land use analysis methodology approved by the Hawaiian Homes Commission, as were the LUDs for the other Island Plans, and are intended to stay in place until the 10-year update. There is a mechanism for amending LUDs

outside the update cycle, subject to Commission review and approval of such changes. A land use amendment may be initiated by the Commission or by beneficiaries, must undergo rigorous land use analysis following the same methodology as was used in the island plan, and is only indicated when conditions have changed, new information on lands and/or beneficiary needs becomes available, or lands are transferred into the DHHL inventory.

Residential Goals for the O'ahu Island Plan

Guidance for goals in the O'ahu Island Plan was established by the General Plan for DHHL. On February 26, 2002 the Hawaiian Homes Commission adopted a General Plan consisting of a revised mission statement, goals, and objectives to provide comprehensive direction and guidance to DHHL in the areas of land use planning, residential uses, agricultural uses, water resources, land resource management, economic development, and building healthy communities. A key objective identified in the General Plan states:

"Deliver an average of 500 new residential housing opportunities per year in proportion to the number of applicants on the residential waiting list for each island."

As of February 2013, there were 21,306 residential applications statewide. The O'ahu residential waitlist accounted for 9,639 applications, or 45% of the overall list. A minimum of 3,400 lots needs to be developed on O'ahu over the next 20 years in order to meet the General Plan goal of an average of 170 homestead awards per year.

Hawaiian Home Lands On O'ahu

Hawaiian home lands on the island of O'ahu account for approximately 8,154 acres situated in eleven (11) ahupua'a (regions), which have been grouped into four (4) moku (districts). The region refers to the ahupua'a where the lands are located, with some exceptions. For example, both the Wai'anae and Nānākuli areas include lands located within the Lualualei ahupua'a. In the Wai'anae moku, the Wai'anae ahupua'a (Kauuni, Wai'anae, Wai'anae Kai, Mā'ili and Lualualei) contains over 2,472 acres, and the Nānākuli ahupua'a (Nānākuli and Princess Kahanu Estates) has over 2,311 acres; in the 'Ewa moku, the Honouliuli and Waiawa ahupua'a (Kapolei, East Kapolei, Kalaeloa and Waiawa) have over 1,118 acres; in the Kona moku, the ahupua'a of Honolulu, Moanalua, Kapālama and Mō'ili'ili

(Papakōlea, Kewalo, Kalāwahine, and Shafter Flats) have 197 acres, and in the Ko'olaupoko moku, the ahupua'a of Waimānalo, He'eia and Waiāhole (Waimānalo, Kumuhau, Kaka'ina, Ha'ikū and Waiāhole) have over 2,079 acres. See Exhibit C, "DHHL Land Holdings on O'ahu." In order to minimize acreage errors due to mapping discrepancies, land use areas greater than 5 acres have been rounded in 5 acre increments, therefore not all totals will match.

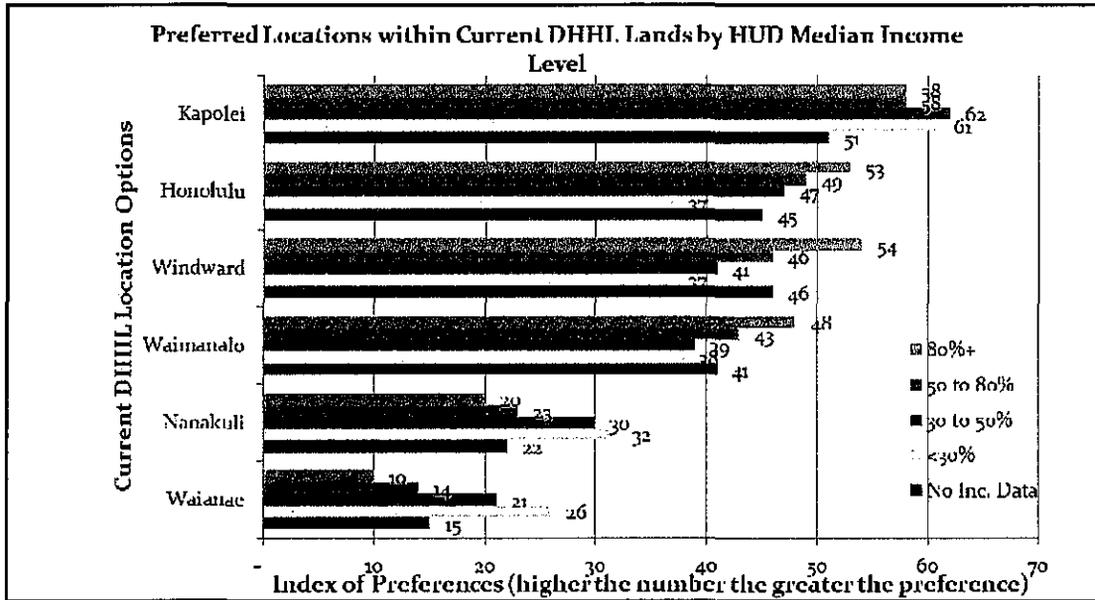
In addition, for consistency purposes, the O'ahu Island Plan analyzes regions grouped by "planning area", which more closely follows the areas as analyzed during the formulation of the Regional Plans. The Regional Plan areas of Wai'anae and Nānākuli were not divided based on ahupua'a, so were handled as planning areas under Section 4.0, Wai'anae Moku. See Exhibit D, "DHHL Landholdings on O'ahu," and Exhibit E, "Land Use Acres Proposed by Area."

Planning Process

Planning Studies

To accomplish the goals set forth in the DHHL General Plan, the department needed to identify suitable locations for residential homestead development on O'ahu. In July of 2010, notice to proceed was given to PBR Hawaii, Inc., to assist DHHL in conducting a series of planning studies that would assess existing land inventories and define what resources will be needed to meet DHHL's program objectives. These studies formed the basis of the O'ahu Island Plan.

In September of 2011 SMS Research conducted focus groups with O'ahu beneficiaries and in February of 2013 SMS conducted a survey of current O'ahu Island applicants to better understand the needs and desires of future homestead lessees. Focus group discussion comments were received and those comments as well as survey response tabulations were considered in the formulation of the O'ahu Island Plan. A major finding of the survey was a ranking of area preferences that defined demand for residential homesteads by regional area. The index of preference rankings, by region, is shown below:



Mitsunaga and Associates, Inc. was contracted to provide development cost estimates for infrastructure improvements needed to support priority development projects. While listed as low priorities, cost estimates for development of twenty three (23) lots on the Moreira Dairy site in Papakōlea, Honolulu Ahupua'a (\$90,104 per lot, \$2,072,400 total), and eight hundred ten (810) lots in Upper Nānākuli Valley, Nānākuli ahupua'a (\$131,536 per lot, \$105,892,654 total) were calculated for planning and comparison purposes.

Participation Process

A key task of the O'ahu Island Plan process was to establish relationships and coordinate activities related to the development and use of land on O'ahu, particularly with the City and County of Honolulu. This was first initiated through a series of meetings between the O'ahu Island Plan team and City and County of Honolulu staff. Three (3) meetings were conducted on March 29, April 7, and May 5, 2011. The meetings resulted in a clearer understanding of the issues for both agencies such as land use planning, infrastructure maintenance, subdivision standards, building codes etc. and has prepared both parties for further discussions, which are now ongoing.

Briefings for Commissioners and beneficiaries have been ongoing. Informational presentations on the progress of the O'ahu Island Plan were made at five (5) HHC meetings between February and August of 2013. Staff fielded questions and gathered comments from Commissioners and beneficiaries. Two informational

newsletters were also produced and mailed out to all O'ahu applicants and lessees in April and July of 2013.

Beneficiary outreach kicked into high gear in 2013 with two rounds of community meetings, geared to beneficiaries but open to the general public. Two rounds of meetings were conducted to better provide information regarding proposed land use opportunities and to receive maximum input relating to the development and use of Hawaiian home lands.

The first round of three island wide community open houses was held in April and May 2013 with an average attendance of 79 people. The open house format emphasized interactive stations on five major topics, and combined education and outreach with gathering of beneficiary mana'o. A second round of three island wide Beneficiary Consultation meetings was held in July of 2013 with an average attendance of about 28 people, and an average of 75 comments per meeting. Both sets of meetings averaged close to 50% attendance by applicants, with a higher percentage of applicants attending the Open Houses. All comments from the events were tabulated and presented to the HHC in a Beneficiary Consultation report at the October 28, 2013 meeting.

The Draft O'ahu Island Plan was submitted to the HHC and the beneficiaries via posting on the DHHL website on October 29, 2013. Comments on the Draft Plan were received through November 18, 2013. Several comments were received and the analysis and responses were presented to the Commission in the submittal requesting adoption of the O'ahu Island Plan in December 2013. At the December HHC meeting, several beneficiaries testified to the Commission that they felt there had not been enough time to review the Final Draft of the O'ahu Island Plan, and that they had not received specific responses to comments and concerns that had been expressed during the opportunities to provide comments offered in 2013. The Commission chose to defer adoption of the O'ahu Island Plan Final Draft until such time as additional outreach meetings could be held and beneficiary comments and concerns directly responded to by Planning Office staff. Additional updates were provided to the Commission at its January 2014 and June 2014 meetings.

As outlined in Informational Item G-2 presented to the HHC at the June 17, 2014 meeting, additional outreach sessions were conducted by Planning Office staff February 10-13, 2014 and all comments were collected and analyzed. Attendance at the meetings was predominantly made up of lessees (54%), and there was a strong outcry at the Stevenson Middle School meeting regarding

any additional development of homestead lots on the former site of the Moreira Dairy in the Papakōlea area. Concerns included drainage and slope stability problems, inadequate and aging infrastructure, traffic and parking challenges, need for more kupuna housing on level ground, and cultural sensitivity issues. All applicable comments from previous beneficiary outreach efforts were listed in the presentation and responded to during the meetings, and comments from the additional outreach meetings were responded to in the June submittal, with recommended edits to the Final Draft listed. If no edits were recommended, reason was given.

As an outcome of the additional outreach, one change to a land use map was recommended. The area proposed for residential homesteading in Papakōlea was reduced from ten (10) acres to five (5) acres based on a revised feasibility analysis, reducing the total number of developable acres on O'ahu from 725 to 720 acres, or about ten percent (10%) of the total available acreage. Using the methodology for island plan land use analysis, five (5) of the original ten (10) acres in Papakōlea were still deemed feasible for homesteading, although significant constraints to development such as limited access and the need for substantial investments in drainage improvements and infrastructure upgrades were identified. Additional residential homestead development in Papakōlea was therefore listed as a low priority in the O'ahu Island Plan. See Exhibit G, "Homestead Development Priority and Phasing."

In response to beneficiary comments, language regarding cultural sensitivity issues in Papakōlea and Waimānalo (Pu'u o Molokai) was added, and a discussion of the significance of solar energy resources as an opportunity in the Wai'anae and Nānākuli areas was included. In addition, updates to the project timeline and community outreach documentation, as well as minor corrections of a typographic nature, were made to the document.

Summary of Findings and Proposed Land Use Recommendations
(See Exhibit F, Land Use Designation Maps)

WAI'ANAE MOKU (4,783 acres)

- Comprised of two planning areas, Wai'anae and Nānākuli.
- Wai'anae ahupua'a lands (over 360 acres), have a mix of existing residential, agricultural and community uses.
- Lualualei and Mā'ili lands total 640 acres (excluding 1,520 acres of land under federal control).

- Nānākuli ahupua`a land area is 2,340 acres, for a total of over 4,340 acres designated in the moku.
- Lands located within Wai`anae and Lualualei range in elevation from 10 feet to 1,040 feet above sea level.
- In Mā`ili, the coastal area of Lualualei, DHHL's lands are relatively flat, rising in elevation from 10 feet to approximately 20 feet above sea level.
- Nānākuli lands stretch from mauka to makai and cover 90% of the ahupua`a.

Wai`anae Planning Area (2,472 acres)

See Exhibit F, P. 1

- Close to towns of Wai`anae and Mā`ili.
- Total of 632 homestead lots have been awarded, 42 of which are for Subsistence Agriculture.
- Lands located along Pu`upāhe`e`e Ridge subject to rockfall hazards, mostly too steep to build homesteads economically and safely.
- 29.6 acres are identified by the U.S. Fish and Wildlife service as wetlands.
- 177 acres are identified as unconstrained.
- New homesteads are proposed adjacent to existing Wai`anae homesteads, and in three locations within Lualualei Valley.
- 5 additional agricultural lots and 115 residential infill lots are proposed in Wai`anae.

Mā`ili parcel (89 acres)

- Relatively level, except for steep embankment along the north-eastern perimeter.
- Former Voice of America site.
- Portion is located within a floodway and/or Tsunami Evacuation zone.
- Located in close proximity to existing utilities -- less than a quarter mile from Farrington Highway along existing roadways with transmission lines in place.
- Kamehameha Schools developing Ka Pua program on 40 acres - potential co-location of educational services adjacent to new homestead community.

Undesignated Lualualei lands (1,520 acres)

- Technically still within the inventory, but DHHL has no jurisdiction.

- No land use designations were given due to status as lands to be exchanged subject to negotiation per the Hawaiian Home Lands Recovery Act (HHLRA).
- Once negotiations are finalized and the Trust made whole (including full compensation for value of the land and lost income from past use), titles to those lands will be transferred to the federal government.

Table 1. Recommended land use designations for Wai'anae Planning Area

LUD	Wai'anae	Lualualei & Mā'ili
Residential	130 acres	125 acres
Subsistence Agriculture	50 acres	140 acres
Industrial	---	3 acres
General Agriculture	---	95 acres
Community Use	10 acres	75 acres
Special District	95 acres	10 acres
Conservation	75 acres	190 acres

Nānākuli Planning Area (2,340 acres)

See Exhibit F, P. 2

- Lands are in two non-contiguous areas: 2,287 acres in Nānākuli Valley, and 53 acres in Princess Kahanu Estates.
- Encompasses nearly all of Nānākuli Valley, from the ridgeline to the beaches makai of Farrington Highway.
- Lands extend from sea level to approximately 1,600 feet above sea level.
- 1,322 existing residential homestead lots - the largest concentration in the state.
- 1,647 acres are in short and long term dispositions.
- Majority of encumbered lands (1,564 acres) are constrained by two short-term dispositions.
- City and County's Board of Water Supply (BWS) has storage and transmission facilities in Nānākuli Valley.
- Long-term improvements to both transmission and storage may be necessary to meet the water needs of the Wai'anae Coast.
- Environmental constraints include steep slopes in excess of 25 percent, areas within forest reserves and flood plains, critical habitat designations, wetlands or cultural resources.
- 400 acres in Nānākuli Valley have been found to be unconstrained and suitable for homestead development.

- Additional master planning for community uses, including assessment of community use needs and land use analysis, may result in future land use amendments for specific areas in Nānākuli.

Table 2. Recommended land use designations for Nānākuli Planning Area

LUD	Nānākuli
Residential	745 acres
Commercial	10 acres
General Agriculture	705 acres
Community Use	55 acres
Conservation	825 acres

'EWA MOKU (1,085 acres)

- Hono'uli'ili ahupua'a includes Kapolei, East Kapolei, Kalaeloa and Waiawa.
- Lands are mostly located in rapidly growing "second city" of Kapolei and within Kalaeloa, the former Barber's Point military installation undergoing redevelopment.

Kapolei and East Kapolei Planning Area (460 acres)

See Exhibit F, P. 3

- Area has been the focus of DHHL's development of new residential homesteads on O'ahu for the last 13 years.
- Since 2000, two new homestead communities completed -- Malu'ohai and Kaupe'a.
- New homes still being built in a third community, Kānehili.
- Infrastructure going in for a fourth community in East Kapolei II.
- Over 1,000 additional homesteads are planned for East Kapolei II at buildout.
- Total of 866 residential homesteads constructed and awarded in Hono'uli'uli since 2000.
- 14 beneficiaries awaiting occupancy of Kānehili.
- 306 "Undivided Interest" Leases awarded in East Kapolei II.
- Development constraints include expansive soils, plantation-era historic properties, cultural remnants such as old trail alignments, a brown field, and an endangered plant, the ko'oloa'ula (*Abutilon menziesii*).

- Presence of good soils in a few areas offers potential for community agricultural activities within future homesteads.
- Proximity to infrastructure, future rail transit, employment, education and recreation makes this area ideal for homestead development.

Table 3. Recommended land use designations for Kapolei and East Kapolei

LUD	Kapolei and East Kapolei
Residential	345 acres
Commercial	80 acres
Community Use	35 acres

Kalaeloa (550 acres)

See Exhibit F, P. 4

- 110 acres currently being used for renewable energy generation.
- Kalaeloa lands were part of the Hawaiian Home Lands Recovery Act settlement based on a valuation as potential areas for development of industrial uses.
- Historic preservation and other covenants and conditions affect portions of the properties, therefore no ground disturbance or other alterations or construction should occur without consultation with the State Historic Preservation Officer (SHPO) during the development planning process.
- Further archaeological and geological survey work will be needed in consultation with beneficiaries, cultural experts and practitioners, and other consultants prior to development.

Waiawa (75 acres)

See Exhibit F, P. 5

- Slope and access constraints limit usage of the 15 acre mauka parcel located on the perimeter of Manana military housing.
- Up to nine 7,500 square foot industrial lots could be created on mauka parcel once water and sewer services are brought in, possibly during construction of Koa Ridge project.
- 60 acre makai parcel currently licensed to Honolulu City and County for use as HART (Honolulu Area Rapid Transit) base yard -- will eventually be exchanged for comparably valued lands.

Table 4. Recommended land use designations for Kalaeloa and Waiawa

LUD	Kalaeloa	Waiawa
Industrial	550 acres	70 acres

KONA MOKU (197 acres)

- Consists of lands in Honolulu, Moanalua, Kapālama, and Waikīkī ahupua`a.
- Within Honolulu’s Primary Urban Core with excellent proximity to transportation, infrastructure, and employment.

Papakōlea, Kewalo, and Kalāwahine (165 acres)

See Exhibit F, P.6

- 80 acres is in existing homesteads in foothills of Ko’olau mountains.
- Extends from 115 feet to 745 feet above sea level.
- 407 residential leases.
- 2 acres in existing community use - Papakōlea Community Center, located on Tantalus Drive, operated by Papakōlea Community Development Corporation (PCDC); homestead entrance sign and a streamside park in Kalāwahine.
- Prime location in Honolulu’s Primary Urban Core, close to jobs, schools, shopping and culture.
- Significant challenges due to aging infrastructure, steep and/or unstable slopes, and drainage and flooding issues.
- Aging (70-plus years) sewer system in Papakōlea and Kewalo is a major issue - collection system doesn’t meet current standards and pipe failures occur frequently.
- Any new development will require significant improvements to the existing sewer system.
- Kanāha Stream runs between the Kalāwahine and Papakōlea homesteads and drainage will be an issue for any new development.
- 70 acres of steep slopes and stream setbacks have been designated as Conservation.
- 5 acres of undeveloped land has been identified as unconstrained and potentially suitable for development of between 20 and 23 lots.
- Preference of applicants for homesteads in this area is high.
- Obtaining access and mitigating slope and drainage issues will be critical.

- Significant community resistance to an infill development in an already congested and relatively dense location on a hillside.
- Despite a desirable location, development of new homesteads is listed as a low priority due to development constraints.

Pū o Waina lands (15 acres)

- Located along eastern flank of Pū o Waina (aka Punchbowl).
- Crater is significant in pre-and post-contact history. Presence of cultural and historic resources on the site, and possible view plane issues, warrants Special District designation.
- In-depth master planning for a multi-use project is currently underway. Proposed uses include kupuna housing and a cultural and educational center.

Table 5. Recommended land use designations for Papakōlea, Kewalo, and Kalāwahine

LUD	Papakōlea, Kewalo, and Kalāwahine
Residential	95 acres
Community Use	2 acres
Special District	15 acres
Conservation	65 acres

Moanalua and Kapālama (20 acres)

See Exhibit F, P.7 and P.8

- Moanalua (Shafter Flats) and Kapālama lands currently used for revenue generation for the Trust.
- Moanalua has twenty parcels on fifteen acres that are all generating market rent.
- Sixteen leases expire in 2025 -- opportunity for redevelopment in the future.
- All parcels located within the floodplain -- issues with flooding, drainage; sea level rise must be planned for.
- Five acres in Kapālama currently in industrial and commercial use, with earliest expiration of lease or license in 2029.
- Significant redevelopment is planned in a radius around the proposed HART station at Dillingham Boulevard and Kokea Street, as part of City and County's Transit Oriented Development (TOD) effort.

- Long term property values will be increasing in the area due to HART and TOD, and opportunities for redevelopment should be investigated.

Table 6. Recommended land use designations for Moanalua and Kapālama

LUD	Moanalua	Kapālama
Commercial	---	3 acres
Industrial	15 acres	2 acres

Waikiki (2 acres)

See Exhibit F, P.9

- Site of the former Bowl-o-Drome, includes two separate parcels: a former bowling alley and parking lot
- Mō'ili'ili area, 10 feet above sea level, developed with infrastructure.
- Aging infrastructure is a constraint for redevelopment on this site until wastewater system improvements are completed by Honolulu City and County.
- Other issues include removal of hazardous building materials, and historic value of the Bowl-o-Drome.
- Centrally located near employment centers and the UH Mānoa campus.
- HHCA as amended authorizes multifamily housing and mixed use development.
- DHHL can maximize redevelopment opportunities to meet both the housing and revenue generation needs of the department by adopting policies and rules.

Table 7. Recommended land use designation for Waikiki

LUD	Waikiki
Commercial	2 acres

KO'OLAUPOKO MOKU (2,079 acres)

- Comprised of Waimānalo, He'eia, and Waiāhole ahupua'a
- Windward side of O'ahu, receives significant rainfall
- Presence of productive agricultural lands

Waimānalo (1,914 acres)
See Exhibit F, P.10

- Over 90% of lands in this moku are located in Waimānalo.
- Considered desirable due to location and climate -- receives an average of 33 to 48 inches of rain annually.
- 799 Residential Homesteads and 2 Subsistence Agriculture leases have been awarded within Waimānalo and Kumuhau homestead communities.
- Additional 45 undivided interest leases have been awarded in anticipation of completion of Kaka'ina homestead community.
- Most of Waimānalo lands are constrained by existing uses or physical conditions.
- 75% of DHHL landholdings within Waimānalo are located along steep pali and subject to rock falls so may pose hazards to down slope DHHL and non-DHHL properties.
- Several small level areas adjacent to existing residential homesteads may have potential for homesteading once land acquisitions already in progress are finalized (Wong Farm).
- Development of more level areas should include evaluation of drainage and geology.
- Four areas meet the ALISH rating criteria of "Other Important Agricultural Lands": between the existing homesteads and the Ko'olau Mountains; west of the former coral quarry; along the stream on the eastern perimeter of Kumuhau; and a small parcel southwest of Kumuhau.
- Eastern perimeter of Kumuhau also received a soil productivity rating of "Good" by the LSB.
- Community uses include beach parks; a Community Center complex which includes a hālau, offices, commercial kitchen and a soon-to-be-completed Technology Center; children's center; church and preschool.
- Conservation designation applies to 1,430 acres, primarily steep pali lands, streams and drainage channels that cannot be developed for homesteading or revenue generating uses.

Pu'u o Molokai (35 acres)

The area of the former coral quarry has been designated for industrial use, such as a light industrial/business park. Based on beneficiary mana'o, the cultural significance of the area known as Pu'u o Molokai has been noted, and language has been added to the O'ahu Island Plan stating that no additional quarrying of coral will be recommended.

Table 8. Recommended land use designations for Waimānalo

LUD	Waimānalo
Residential	210 acres
Subsistence Agriculture	15 acres
Industrial	35 acres
General Agriculture	100 acres
Community Use	120 acres
Conservation	1,430 acres

Ha'ikū (145 acres)

See Exhibit F, P.11

- Lands are within three separate areas in the 'ili of Ha'ikū within He'eia ahupua'a.
- Two small parcels are located on ridge tops, and 140 acres are located on the valley floor between 280 and 680 feet above sea level.
- Lands are surrounded by conservation and residential uses.
- Ha'ikū Valley was operated by the military as an OMEGA Navigation System Station.
- Lands are currently not being used for revenue generation or homesteading. There are two dispositions on a total of 26 acres for educational and public purposes.
- Traditional agriculture and agro-forestry may be successful due to: high rainfall (88 to 135 inches annually), multiple streams running through the valley, and historic evidence of cultivation in the valley by native Hawaiians.
- Pre-contact, the area was occupied by Hawaiian healers.
- In the early 1940's, Hawaiian families still living in the valley were relocated when the military began its occupation.
- Several heiau restoration projects are underway and there may still be more sites within the valley.
- Military's use of the valley (and ridgelines) is also a part of the historic fabric of World War II. "Stairway to Heaven," on adjacent State land, was part of massive infrastructure supporting radio navigation system decommissioned in 1997 and leads to one of DHHL's two ridge top parcels.
- 90 percent of the valley designated as Special District based on unique history of the area, interest in evaluating agricultural and cultural resources, and the need for further master planning.

- 15 acres have been designated for Community Use (10 acres for Ke Kula 'o Samuel M. Kamakau) and Conservation (two parcels located along the ridgelines).
- Given DHHL's limited land on Oahu for agricultural uses, the potential for future agriculture in Ha'ikū should be explored under a variety of land dispositions based upon further study and analysis.

Waiāhole (20 acres)
See Exhibit F, P.12

- Existing parcels scattered throughout Waiāhole Ahupua'a, a rural valley located along northern portion of Ko'olaupoko Moku.
- All but one parcel can be accessed via Waiāhole Valley Road.
- Lands extend from approximately 10 feet above sea level to an elevation of 270 feet.
- 17 Agriculture Homesteads have been awarded.
- All but two parcels criteria to be considered "Important Agricultural Lands" based on the ALISH map.
- Parcels receive an average of 48 to 66 inches of rain per year.
- Combination of quality soil and higher rainfall makes this area ideal for agricultural pursuits.
- Designated for Subsistence Agriculture Homestead use -- anticipate seven (7) homesteads.
- One approximately five acre parcel has been designated General Agriculture due to rugged terrain and steep slope.

Table 9. Recommended land use designations for Ha'ikū and Waiāhole

LUD	Ha'ikū	Waiāhole
Subsistence Agriculture	---	15 acres
General Agriculture	---	5 acres
Community Use	10 acres	---
Special District	130 acres	---
Conservation	5 acres	---

PRIORITIES & RECOMMENDATIONS

Homestead development is the highest priority of the O'ahu Island Plan. Based on the DHHL General Plan development goal of 500 homesteads awarded per year and length of the wait list, O'ahu's share of that goal is 170 awards per year. DHHL will prioritize homestead development in areas where offsite infrastructure 1) is already in place 2) is under development or 3) requires limited resources to connect to existing infrastructure. See Exhibit G, "Homestead Priority and Phasing."

PRIORITY DEVELOPMENTS

- Complete communities currently under construction in Waimānalo (Kaka'ina) and Kapolei (Kānehili).
- Continue to install infrastructure and complete buildout of East Kapolei II.
- Develop and award Subsistence Agriculture lots in Wai'anae and Waiāhole.

RECOMMENDATIONS

The following recommendations are suggested to maximize DHHL's ability to serve beneficiaries with the limited resources available on O'ahu.

Program Evaluation

- Evaluate all existing leases and dispositions (homestead and revenue-generating) to ensure conditions are being met. If compliance is not possible, then re-award the lease to a qualified applicant.
- Evaluate types of financial and housing programs and products being offered. Improve match between match applicants' product/location preferences and financial capacity in order to minimize award deferrals.
- At the current absorption rate, only 10% of O'ahu applicants will be served during the next 20 years. Continue to analyze and develop housing alternatives such as rentals, higher density residential, 'ohana units and multi-family/mixed use offerings. Revise and develop rules to allow a variety of housing products to be developed and offered.
- Explore alternative agricultural opportunities, such as urban agriculture, community gardens, partnerships with large farms, hydroponics and backyard aquaculture to expand beneficiaries' ability to grow their own food and sell any surplus.

Under-Performing Assets

- 35% of the total lands on O'ahu -- 2,865 acres of Conservation/Special District lands -- were identified as under-performing with respect to the primary objective of the Act.
- The O'ahu Island Plan recommends opening a dialogue with beneficiaries and other stakeholders regarding under-performing lands to determine how they can be best utilized to meet the directives of the Act while addressing the concerns of the beneficiaries.

New Land Acquisition

- Only 730 acres or 10% of DHHL's landholdings on O'ahu were found to be suitable for homestead development.
- A shortfall of 1,390 acres for residential homesteads and 1,970 acres for subsistence agriculture over the 20 year planning horizon is projected. Significant acquisitions will be required to meet applicant needs.
- Existing infill sites may be problematic due to environmental, cultural and/or socio-economic constraints, therefore acquisition of lands more suitable for residential homesteads must be a high priority.
- Develop criteria and follow a review process that allows for lands to be rejected if certain types of conditions cannot be met, except under extenuating circumstances.

RECOMMENDATION

Based on the foregoing, staff recommends that the Hawaiian Homes Commission approves the action as recommended.

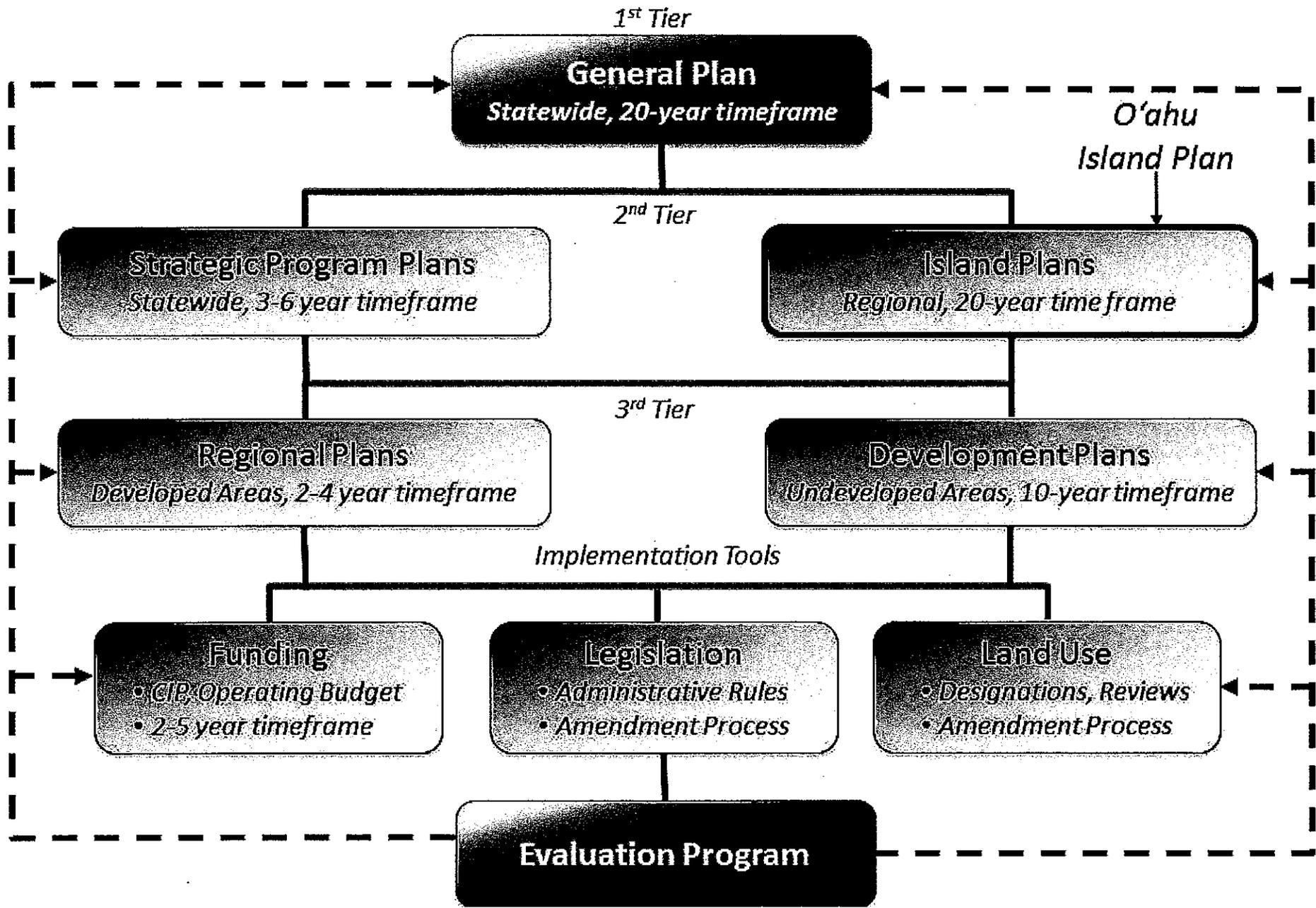


Figure 1-1 DHHL Planning System

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

Table 3-5: DHHL Land Use Designations

Land Use Designation	Setting, Intent, Purpose†	Lot Size	Minimum Infrastructure
HOMESTEADING USES			
Residential	Residential lot subdivisions built to County standards in areas close to existing infrastructure. Residential waiting list. <i>Higher densities allowed on O'ahu.</i>	1 acre or less	Water (potable), all utilities, road access (paved), County standards
Subsistence Agriculture	Small lot agriculture. Close proximity to existing infrastructure. Lifestyle areas intended to allow for home consumption of agricultural products.	5 acres or less (<i>min. 10,000 sq. ft.</i>)	Water (catchment, potable or surface); road access (unpaved)
Supplemental Agriculture	Large lot agriculture. Intended to provide opportunities for agricultural production for supplemental income and home use. Agriculture waiting list. <i>Supplemental Agriculture lots not available on O'ahu.</i>	40 acres or less	Water (catchment or surface); road access (unpaved) Not Available on O'ahu
Pastoral	Large lot agriculture specifically for pastoral uses. Ranch plan and fencing required. Pastoral waiting list. <i>No Pastoral homesteads or Pastoral waiting list on O'ahu.</i>	1,000 acres or less	Water (for livestock) and road access (unpaved) Not Available on O'ahu
NON-HOMESTEADING USES			
General Agriculture	Intensive or extensive farming or ranching allowed. May serve as an interim use until opportunities for higher and better uses become available.	To be determined	N/A
Special District	Areas requiring special attention because of unusual opportunities and/or constraints, e.g. natural hazard areas, open spaces, cultural resources, raw lands far from infrastructure, mixed use areas, and greenways.	To be determined	To be determined
Community Use	Common areas for community uses and public facilities. Includes space for parks and recreation, cultural activities, community based economic development, utilities, and other public facilities and amenities.	To be determined	County Standards
Conservation	Environmentally sensitive areas. Lands with watersheds, endangered species, critical habitats, sensitive historic and cultural sites, other environmental factors. Very limited uses.	To be determined	N/A
Commercial	Lands suitable for retail, business, and commercial activities.	To be determined	County Standards
Industrial	Lands suitable for processing, construction, manufacturing, transportation, wholesale, warehousing, and other industrial activities.	To be determined	County Standards

† Land Use Designations are utilized Statewide. County refers to the City and County of Honolulu

O‘AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

Table 1-1: DHHL Land Holdings on O‘ahu

Moku	Type of Unit Located Within Existing Homesteads	Region°	Homestead in Region (Associated Regional Plan where developed)	Other Areas†	Acres*
Wai‘anae	<u>Construction</u> Owner builder Self-help Turn-key <u>Product</u> Single family	Wai‘anae	Kaupuni Wai‘anae Wai‘anae Kai Lualualei <i>(Wai‘anae and Lualualei Regional Plan-2010)</i>	Mā‘ili	2,472
		Nānākuli	Nānākuli Princess Kahanu Estates <i>(The Regional Plan for the Traditional Native Trust Lands of the Ahupua‘a of Nānākuli-2009)</i>	N/A	2,311
‘Ewa	<u>Construction</u> Owner builder Self-help Turn-key <u>Product</u> Single family Option-to-Purchase	Honouliuli	N/A	Kalaeloa	555
			Malu‘ōhai Kaupe‘a Kānehili East Kapolei II <i>(Kapolei Regional Plan-2010)</i>		487
		Waiawa	N/A	Waiawa	76
Kona	<u>Construction</u> Owner builder Self-help Turn-key <u>Product</u> Single family Zero-lot line	Honolulu	Papakōlea Kewalo Kalāwahine <i>(Papakōlea Regional Plan-2009)</i>	NA	177
		Moanalua Kapālama Mō‘ili‘ili	N/A	Shafter Flats Kapālama Mō‘ili‘ili	20
Ko‘olaupoko	<u>Construction</u> Owner builder Self-help Turn-key <u>Product</u> Single family Kūpuna	Waimānalo	Waimānalo Kumuhau Kaka‘ina <i>(Waimānalo Regional Plan-2011)</i>		1,914
		He‘eia	N/A	Ha‘ikū	147
		Waiāhole	Waiāhole	N/A	18
Ko‘olauloa		Ko‘olauloa	N/A	N/A	0
Waialua		Waialua	N/A	N/A	0
Total Acres					8,154‡

† Lands located within the region but not adjacent to or associated with a homestead community

°With the exception of Wai‘anae and Nānākuli, the region refers to the ahupua‘a where DHHL’s lands are located. Both the regions of Wai‘anae and Nānākuli include lands located within the adjacent Lualualei Ahupua‘a

* The acres shown represent all acres held by DHHL in the region, both those utilized for homesteading or by the homestead communities identified above as well as lands not used for homesteading purposes.

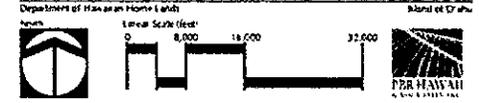
‡Due to rounding, acreage will not add up to the total provided as 8,154.

ITEM G-1

EXHIBIT C

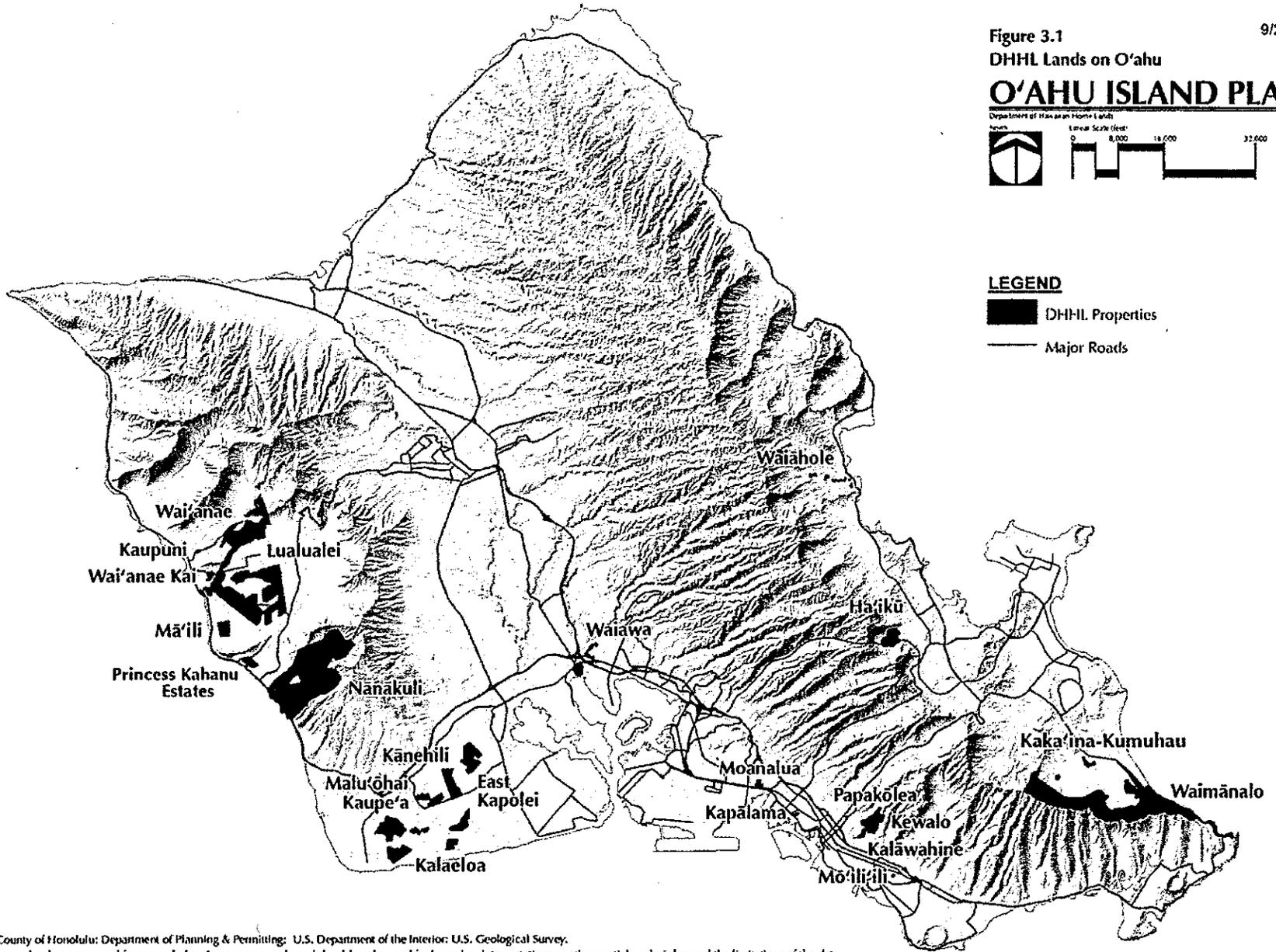
Figure 3.1
DHHL Lands on O'ahu

O'AHU ISLAND PLAN



LEGEND

- DHHL Properties
- Major Roads



Source: City & County of Honolulu; Department of Planning & Permitting; U.S. Department of the Interior; U.S. Geological Survey.
 Disclaimer: This map has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis beyond the limitations of the data.

ITEM G-1
EXHIBIT D

Figure 3-1 DHHL landholdings on O'ahu

O‘AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

Table 3-6: Land Use Acres Proposed By Area

Area	<i>Wai‘anae</i>	<i>Lualualei, & Mā‘ili</i> ^o	<i>Nānākuli</i>	<i>Kapolei, East Kapolei & Kalaeloa</i>	<i>Waiawa</i>	<i>Moanalua</i>	<i>Kapālama</i>	<i>Papakōlea, Kewalo & Kalāwahine</i>	<i>Mō‘īlīlī</i>	<i>Waimānalo</i>	<i>Ha‘ikū</i>	<i>Waiāhole</i>	Total By Land Use
Homestead Land Use Designations													
Residential Total Acres <i>(# of New Homesteads Proposed)</i>	130 <i>(115)</i>	125 <i>(210)</i>	745 <i>(1,835)</i>	345 <i>(1,190)</i>	0	0	0	90 <i>(20)</i>	0	210 <i>(0)</i>	0	0	1,645
Subsistence Agricultural Total Acres <i>(# of New Homesteads Proposed)</i>	50 <i>(5)</i>	140 <i>(130)</i>	0	0	0	0	0	0	0	15 <i>(15)</i>	0	15 <i>(5)</i>	220
Supplemental Agricultural Acres	0	0	0	0	0	0	0	0	0	0	0	0	0
Pastoral Acres	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue Generation Land Use Designations													
Commercial Acres	0	0	10	80	0	0	3	0	2	0	0	0	95
Industrial Acres	0	3	0	550	75	15	2	0	0	35	0	0	680
General Agriculture Acres	0	95	705	0	0	0	0	0	0	100	0	5	905
Other Land Use Designations													
Community Use Acres	10	75	55	35	0	0	0	2	0	120	10	0	310
Special District Acres	95	10	0	0	0	0	0	15	0	0	130	0	250
Conservation Acres	75	190	825	0	0	0	0	70	0	1,430	5	0	2,610
Total By Area	360	640	2,340	1,010	75	15	5	180	2	1,910	145	20	

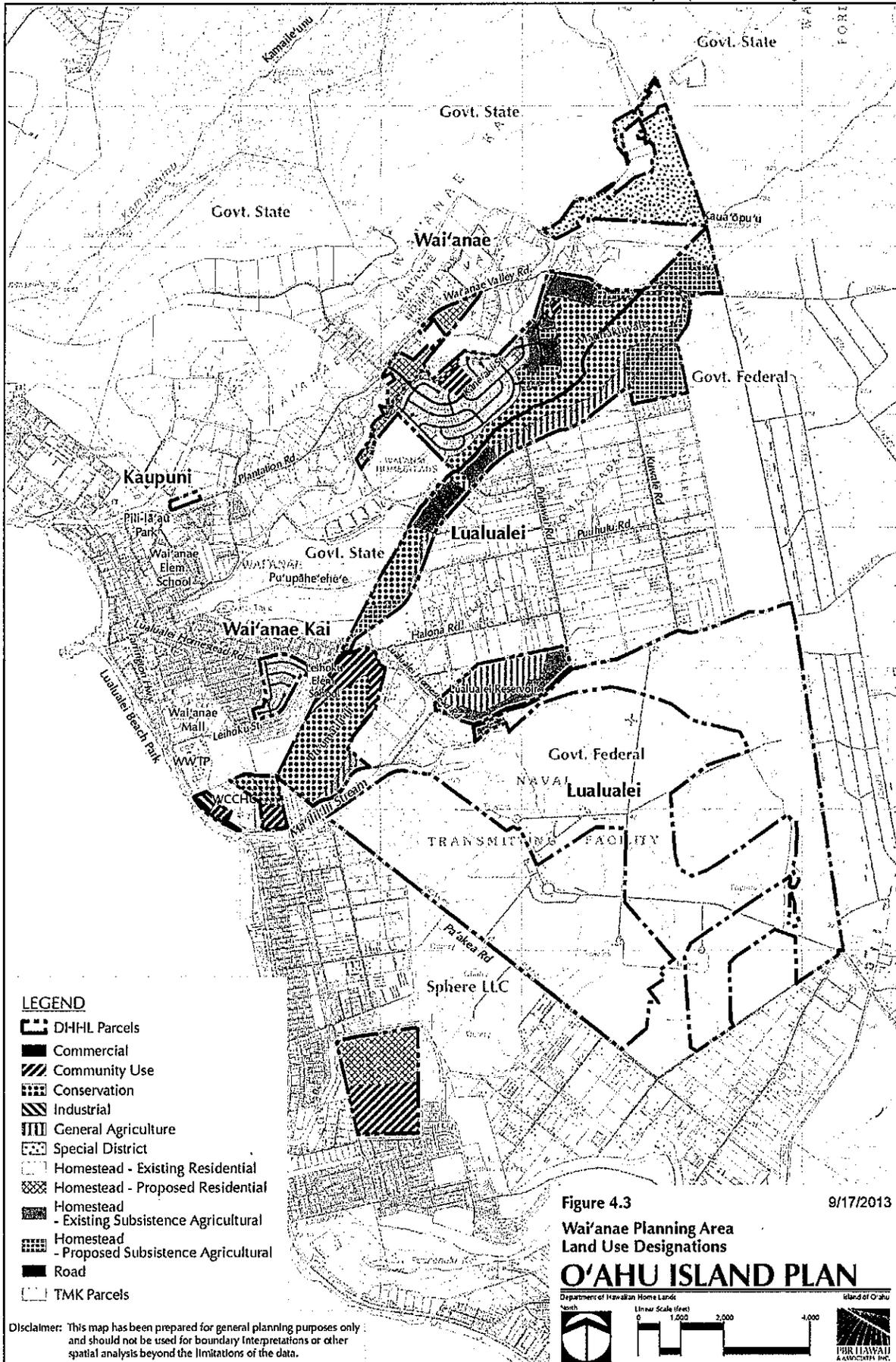
^o No land use designations have been made for the Lualualei lands utilized by the military, therefore approximately 1,520 acres are not included on this table.

∞ Land uses acreages greater than 5 acres have been rounded in 5-acre increments and do not match total acres on O‘ahu

* Lands within the Lualualei Ahupua‘a include all lands within the valley including Wai‘anae Kai, and Princess Kahanu Estates. Nānākuli Ahupua‘a only includes lands within the Nānākuli Valley. The discussions in Section 4.0 of this document divides the Waianae Moku into two planning areas to match up with the Regional Planning Process Areas which are not divided based on Ahupua‘a.

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

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- LEGEND**
- DHHL Parcels
 - Commercial
 - Community Use
 - Conservation
 - Industrial
 - General Agriculture
 - Special District
 - Homestead - Existing Residential
 - Homestead - Proposed Residential
 - Homestead - Existing Subsistence Agricultural
 - Homestead - Proposed Subsistence Agricultural
 - Road
 - TMK Parcels

Figure 4.3
Wai'anae Planning Area
Land Use Designations
O'AHU ISLAND PLAN
Department of Hawaiian Home Lands
9/17/2013

Disclaimer: This map has been prepared for general planning purposes only and should not be used for boundary interpretations or other spatial analysis beyond the limitations of the data.

Figure 4-3 Wai'anae Planning Area Land Use Designations

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

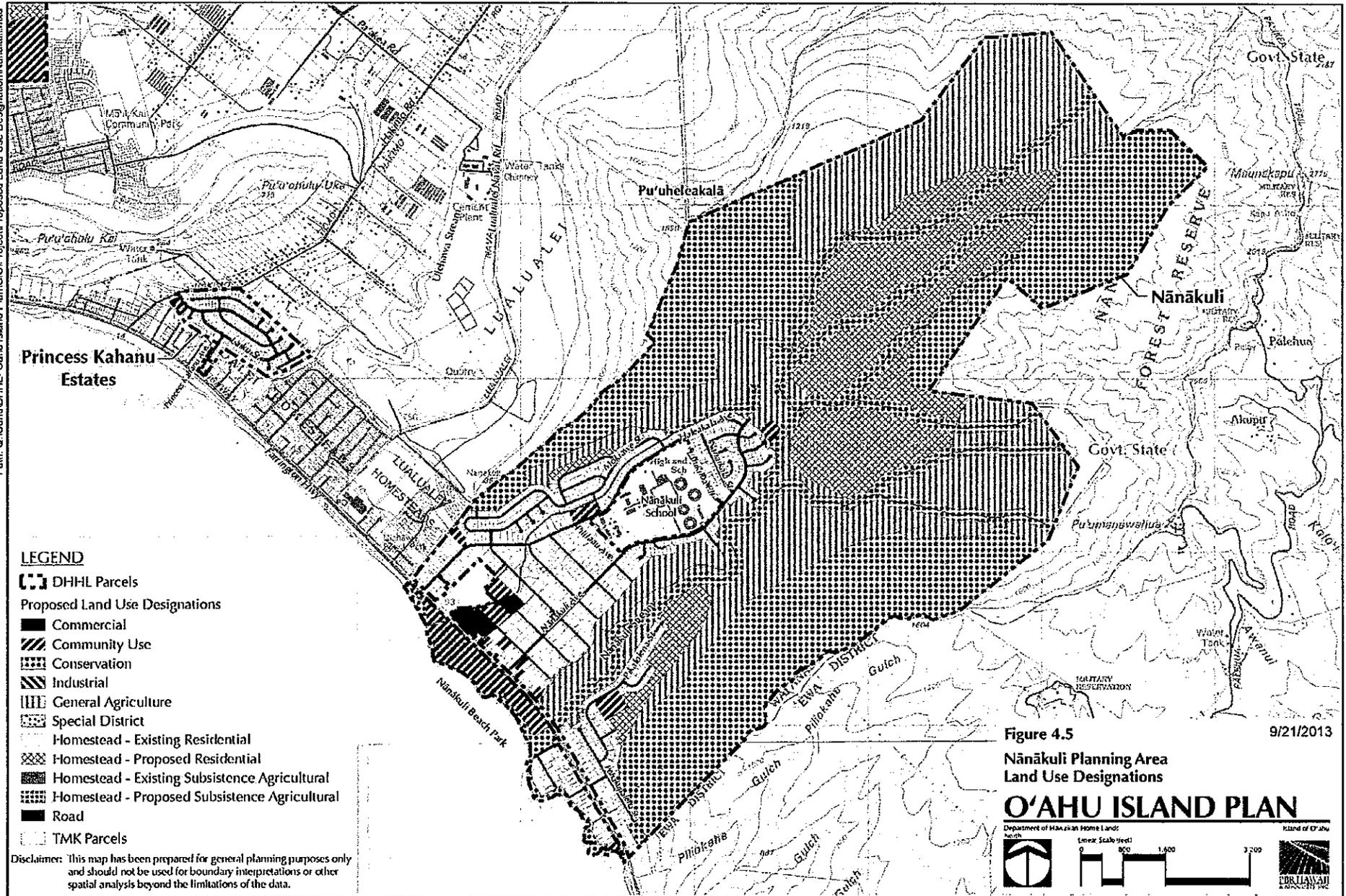


Figure 4-5 Nānākuli Planning Area Land Use Designations

ITEM G-1
EXHIBIT F P.2

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

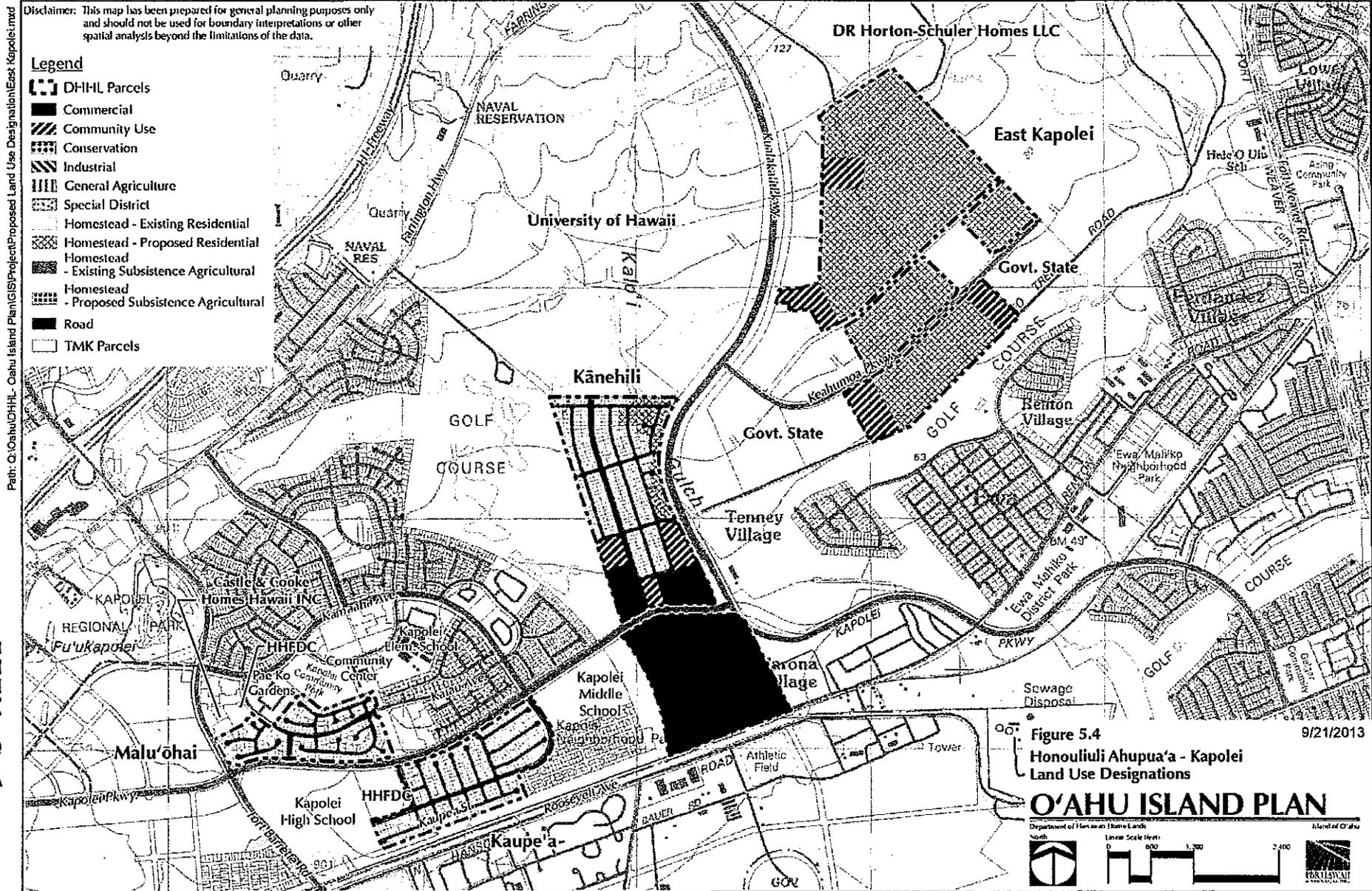


Figure 5-4 Honouliuli Ahupua'a - Kapolei Land Use Designations

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O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

ITEM G-1
EXHIBIT F P.4

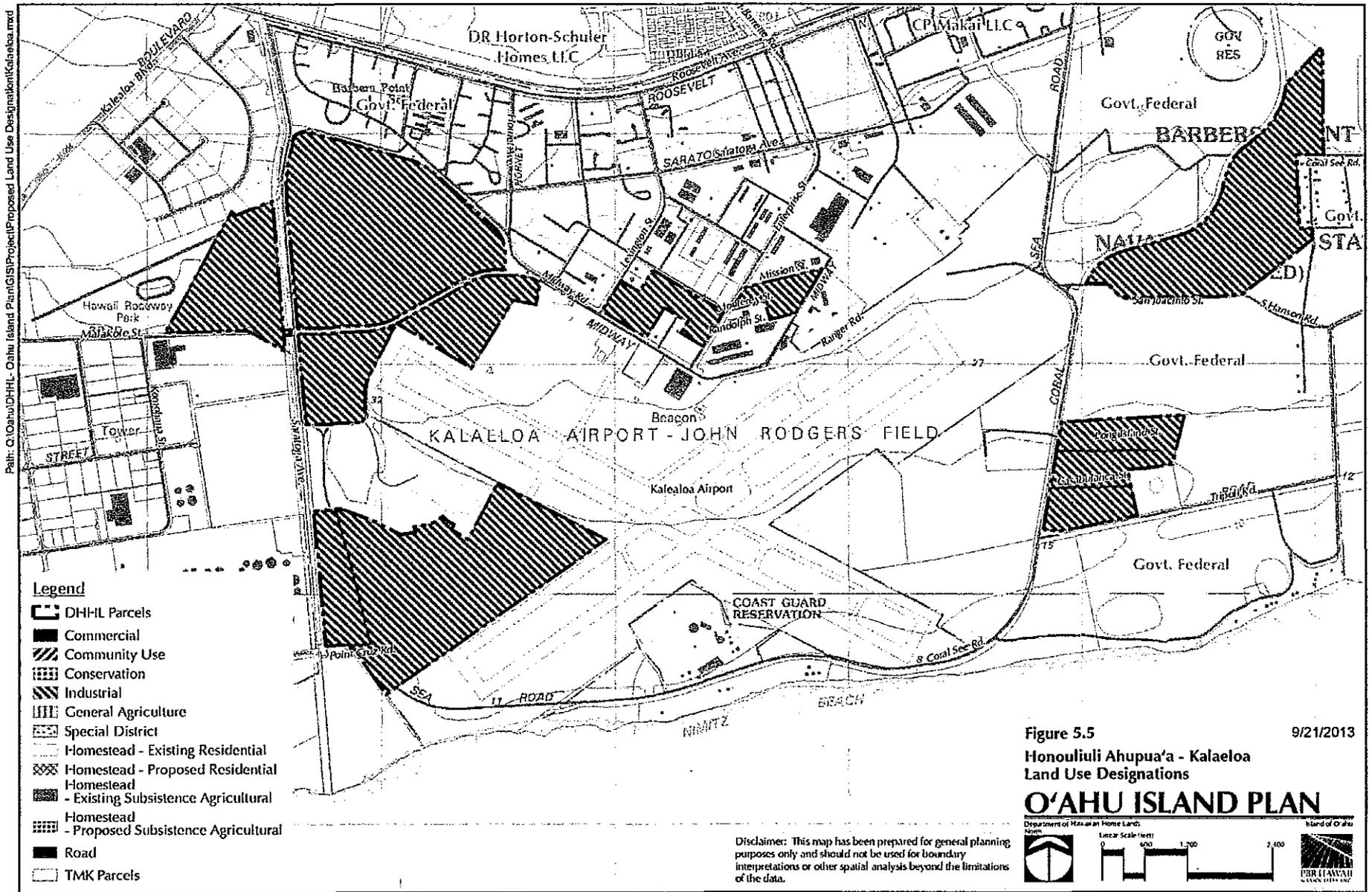


Figure 5-5 Honouliuli Ahupua'a- Kalaeloa Land Use Designations

**O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS**

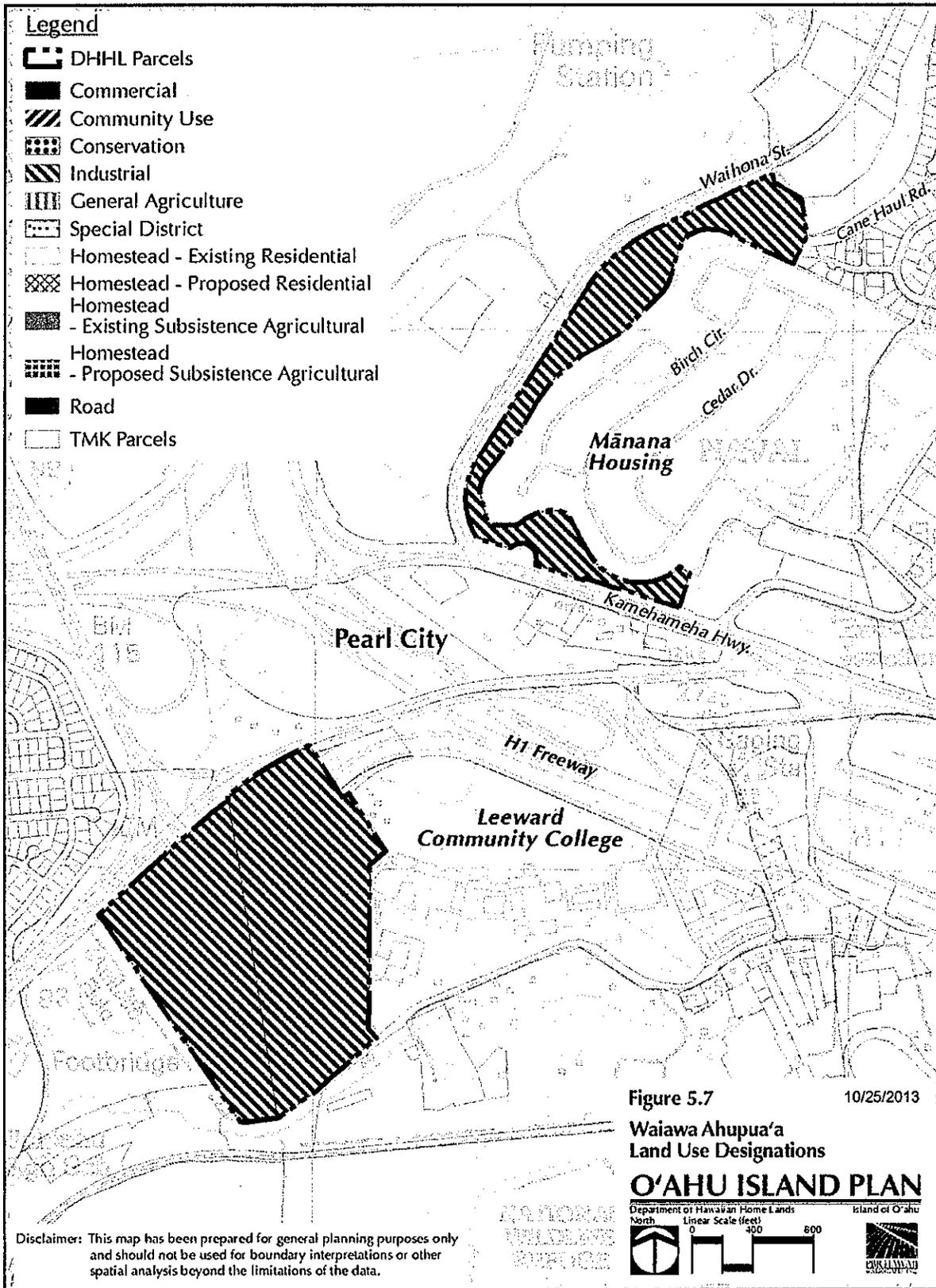


Figure 5-7 Waiawa Ahupua'a Land Use Designations

ITEM G-1

 EXHIBIT F P.5

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

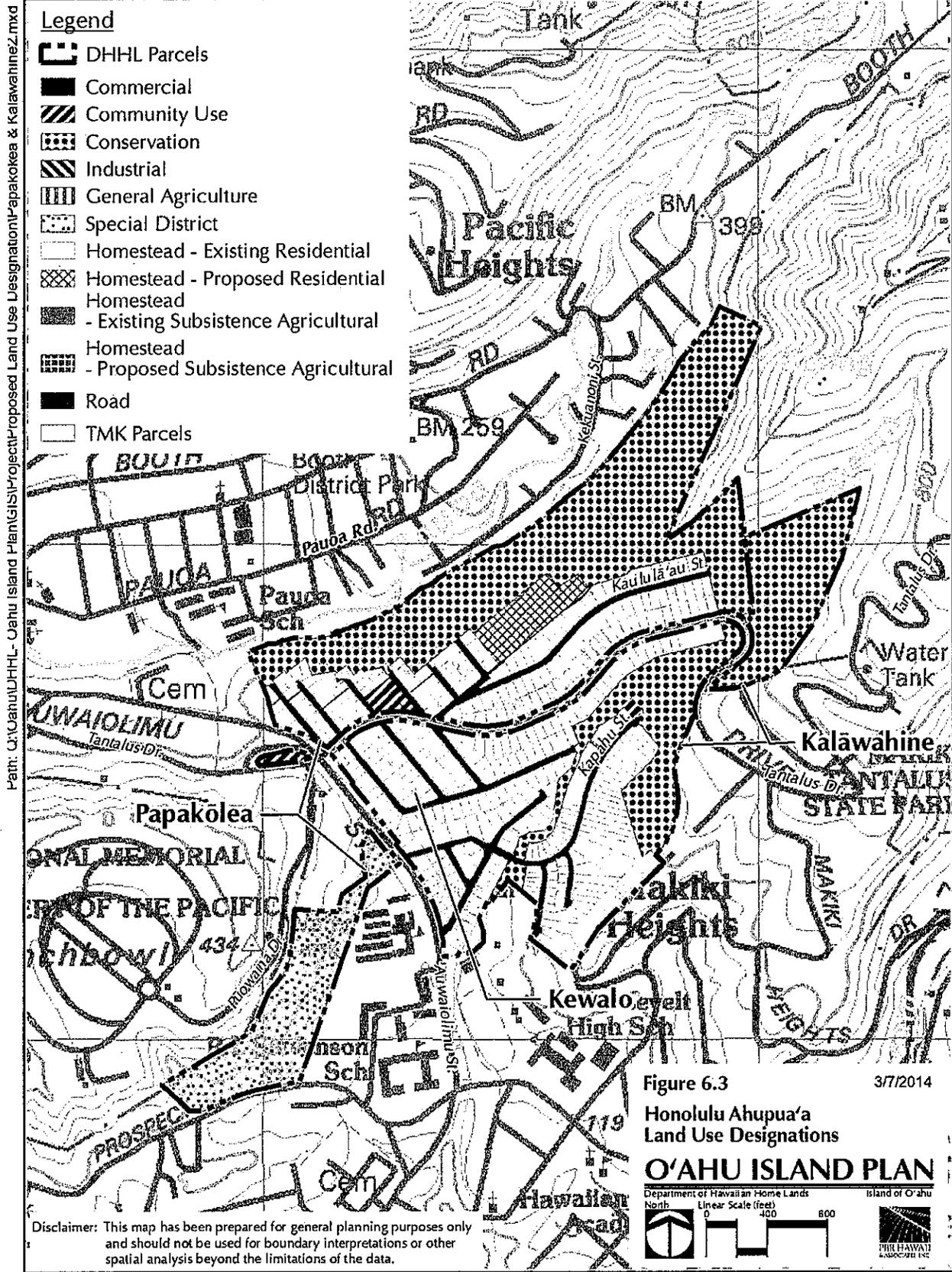


Figure 6-3 Honolulu Ahupua'a Land Use Designations

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

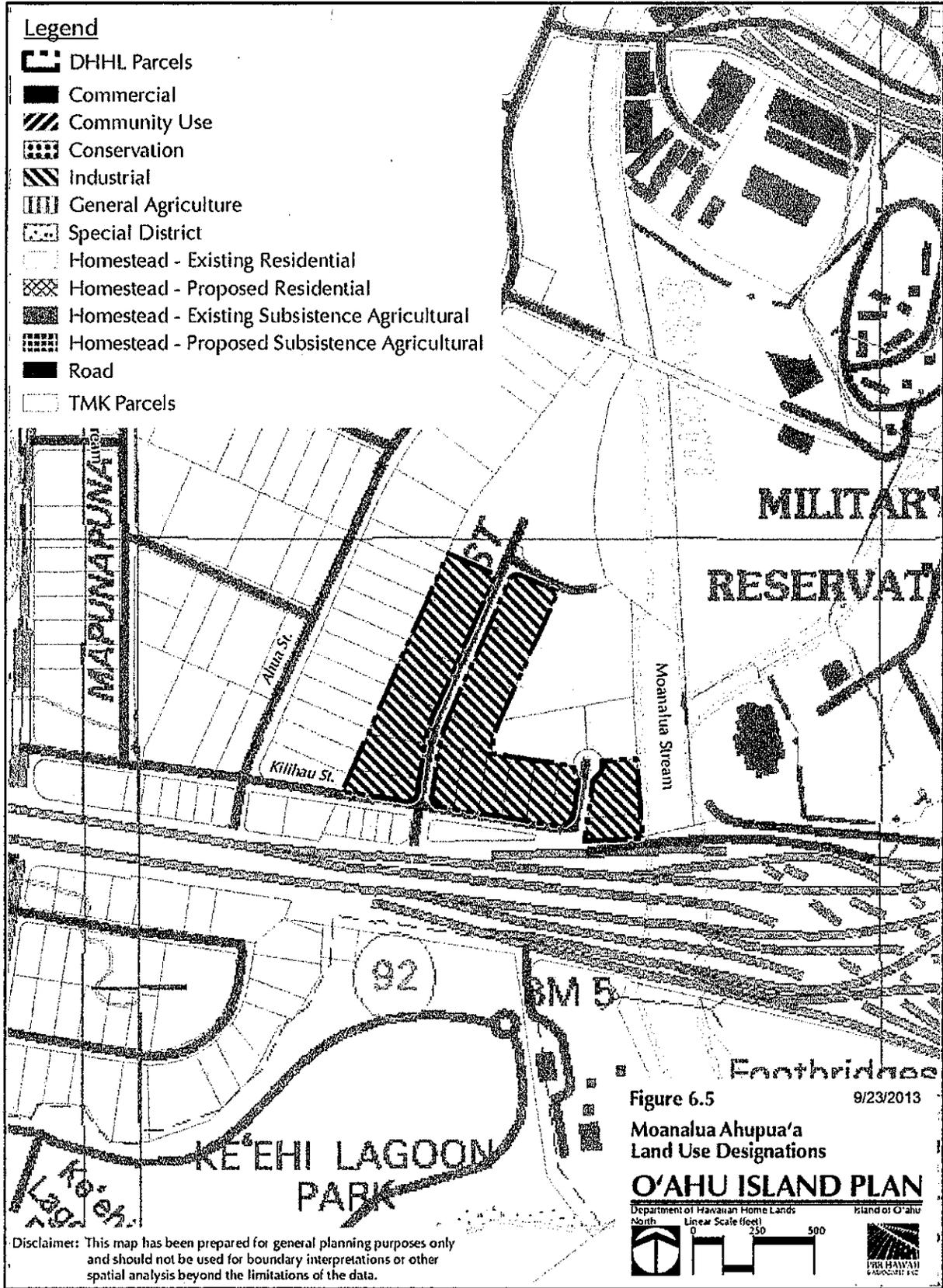


Figure 6-5 Moanalua Ahupua'a Land Use Designations

ITEM G-1

 EXHIBIT F P.7

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

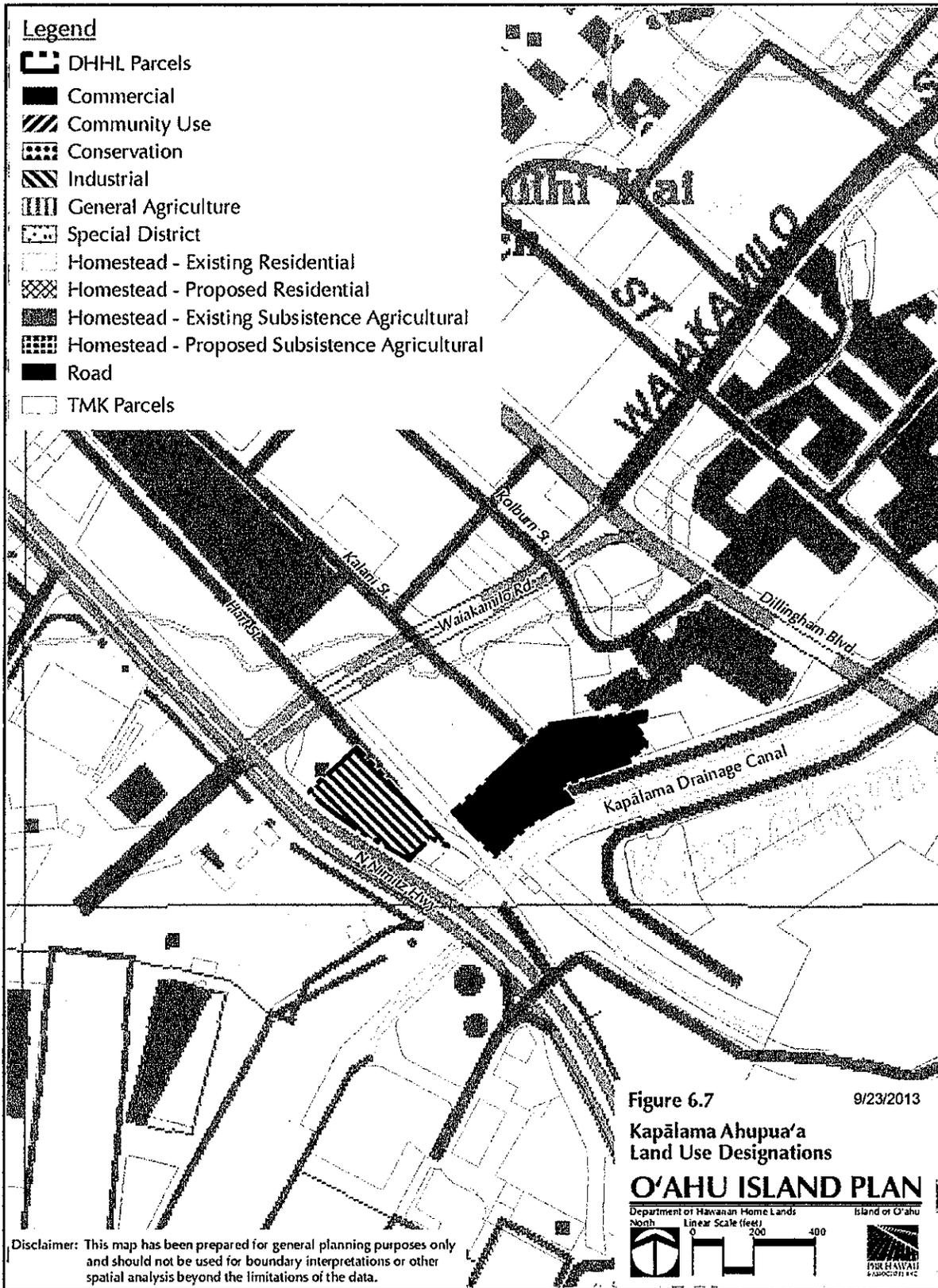


Figure 6-7 Kapālama Ahupua'a Land Use Designations

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 EXHIBIT F P.8

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

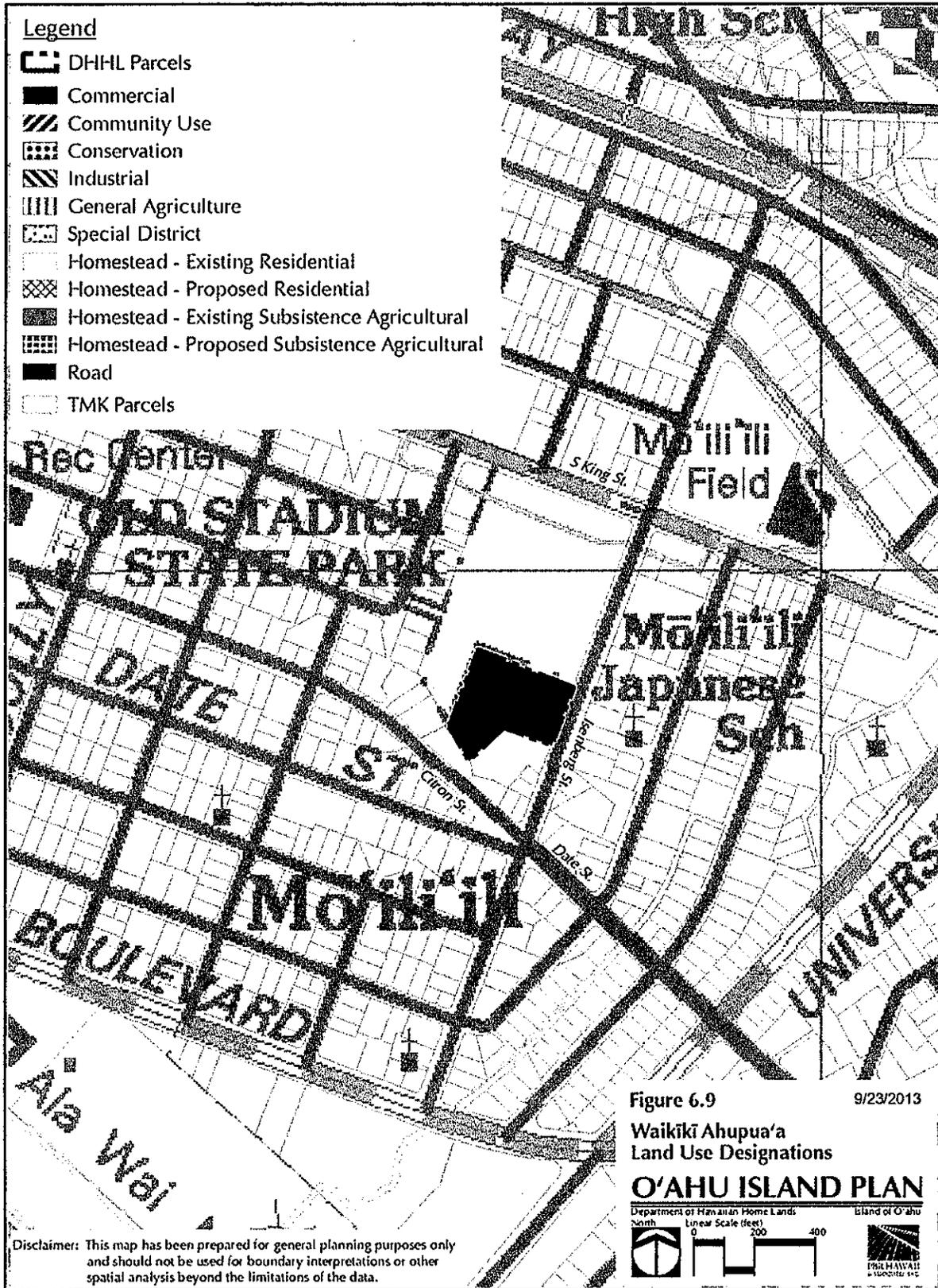
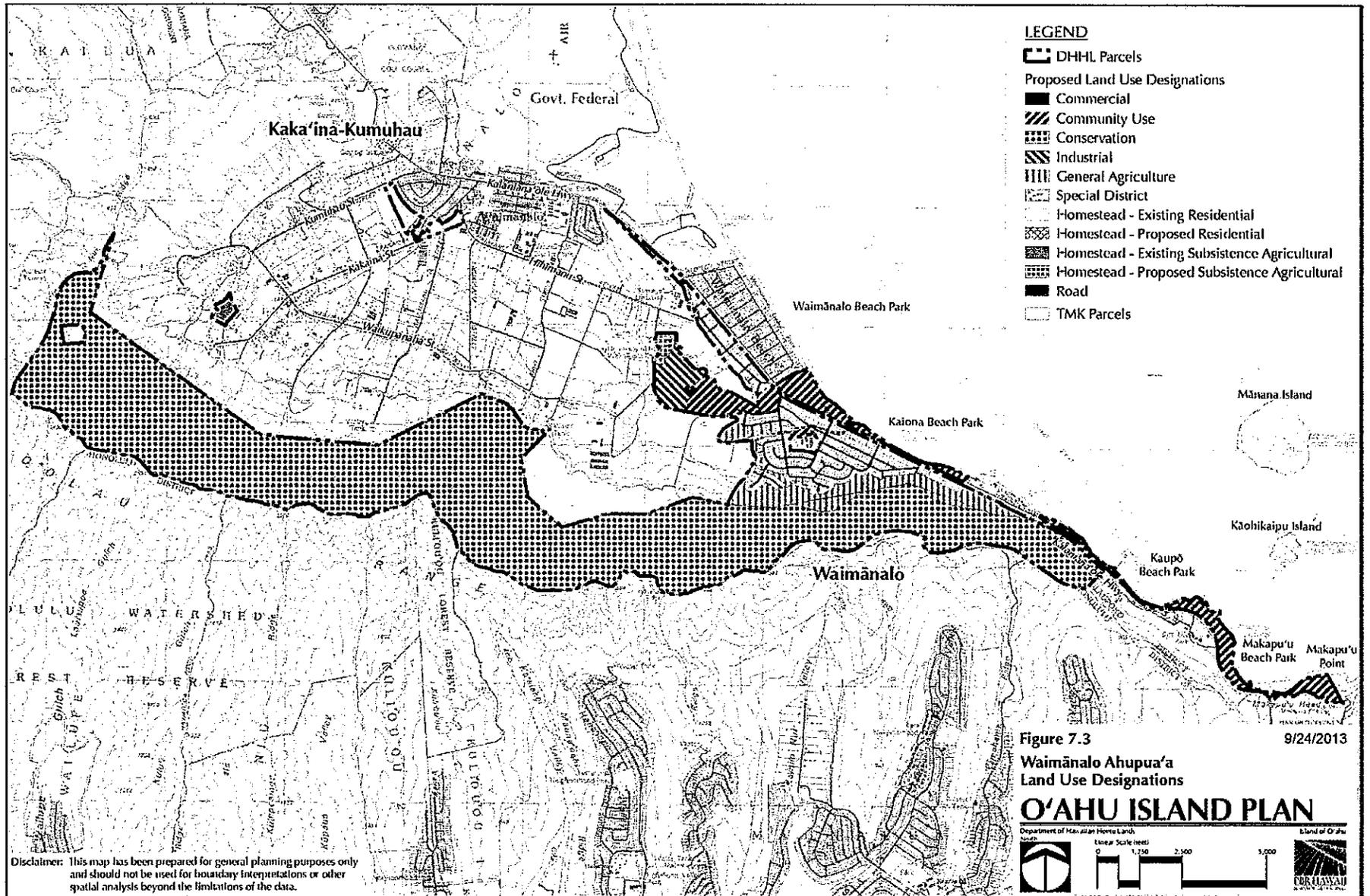


Figure 6-9 Waikiki Ahupua'a Land Use Designations

ITEM G-1

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS



ITEM G-1
EXHIBIT F P.10

Figure 7-3 Waimānalo Ahupua'a Land Use Designations

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

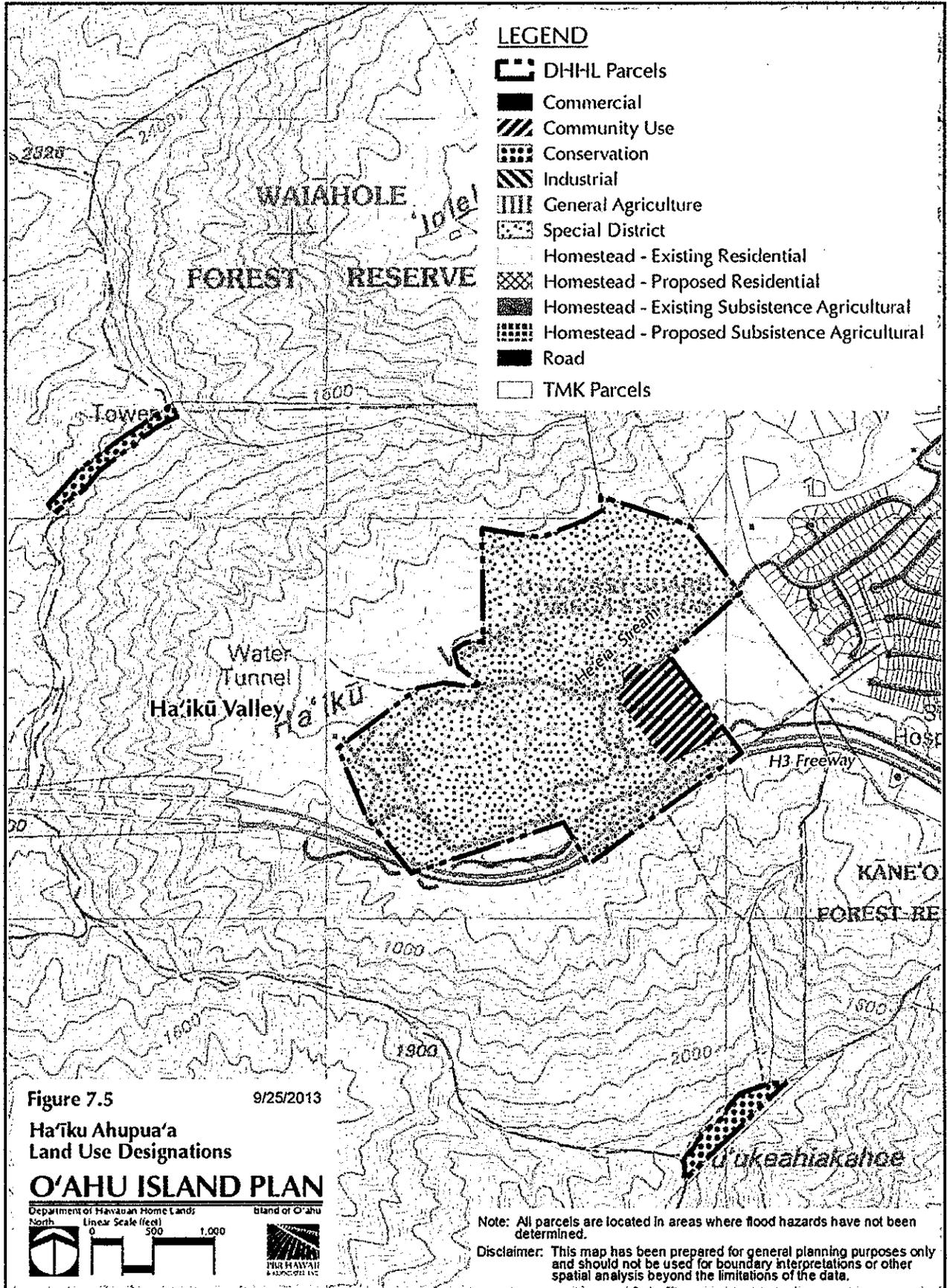


Figure 7-5 He'eia Ahupua'a Land Use Designations

ITEM G-1

EXHIBIT F P.11

O'AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

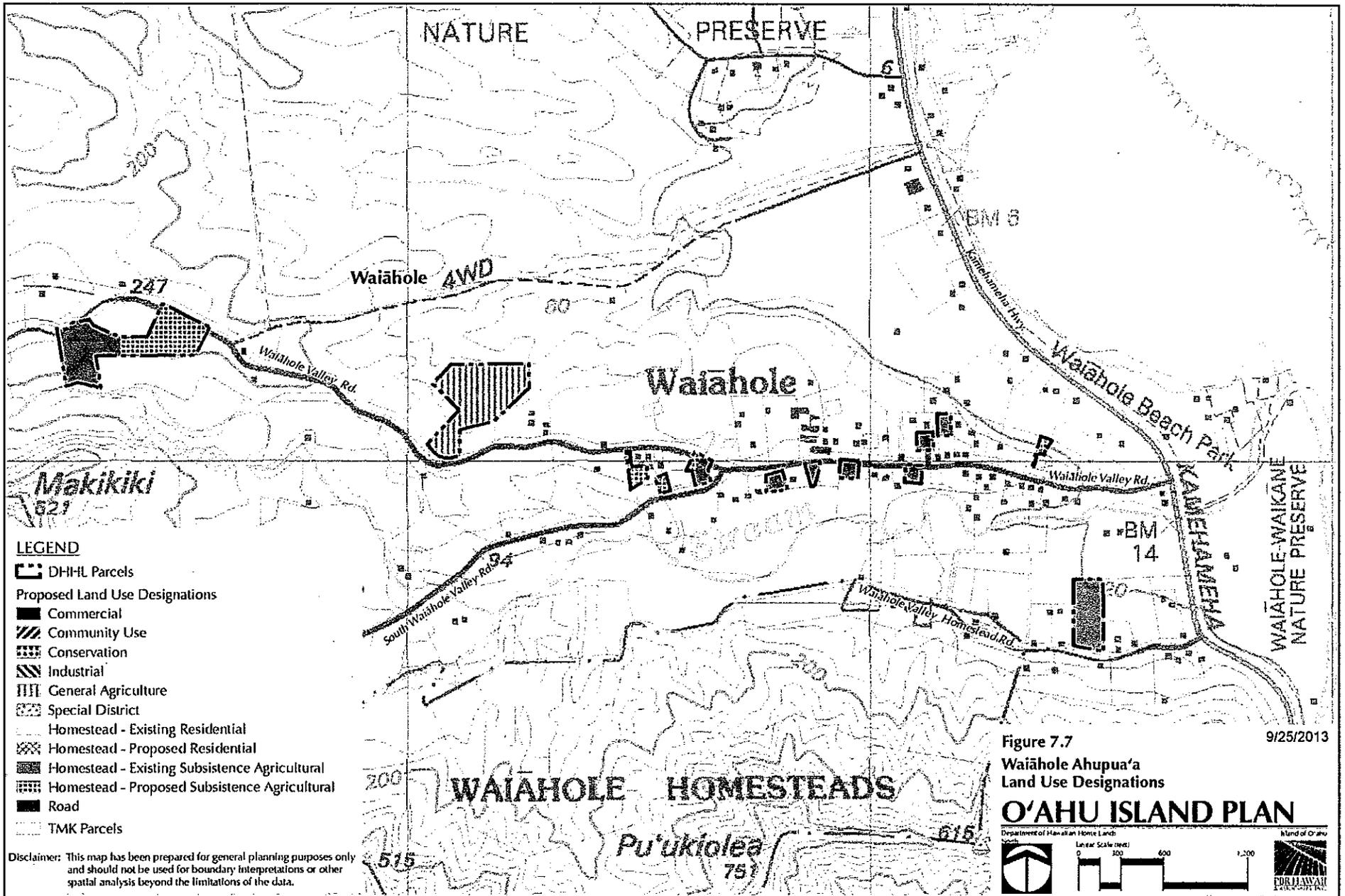


Figure 7.7
Waiāhole Ahupua'a
Land Use Designations
O'AHU ISLAND PLAN
Department of Hawaiian Home Lands
Linear Scale (feet)
0 300 600 1,200
9/25/2013

ITEM G-1
EXHIBIT F P.12

Figure 7-7 Waiāhole Ahupua'a Land Use Designations

O‘AHU ISLAND PLAN
DEPARTMENT OF HAWAIIAN HOME LANDS

Table 8-1: Homestead Development Priority and Phasing

Community	Type of Homestead	Ahupua‘a/ Planning Area	Units Proposed	Priority	Phase (years)
Kaka‘ina Construction	Residential	Waimānalo	45 [†]	High	Phase I (1-5 year)
Kānehili Construction	Residential	Honouliuli	14 [†]	High	Phase I (1-5 year)
Kānehili	Residential	Honouliuli	63	High	Phase I (1-5 year)
Wai‘anae Farm Lots	Subsistence Agriculture	Wai‘anae Planning Area	5	High	Phase I (1-5 year)
Waiāhole	Subsistence Agriculture	Waiāhole	<5	High	Phase I (1-5 year)
East Kapolei II	Residential	Honouliuli	1,120	High	Phase I (1-10 year)
Mā‘ili	Residential	Wai‘anae Planning Area	270	Medium	Phase II (10-20 year)
Wai‘anae Infill	Residential	Wai‘anae Planning Area	10	Medium	Phase II (10-20 year)
Wai‘anae Expansion	Residential	Wai‘anae Planning Area	105	Medium	Phase II (10-20 year)
Nānākuli Ulei Loop Infill	Residential	Nānākuli Planning Area	15	Medium	Phase II (10-20 year)
Pili‘ōkahe Expansion	Residential	Nānākuli Planning Area	125	Medium	Phase II (10-20 year)
Lualualei	Subsistence Agriculture	Wai‘anae Planning Area	130	Medium	Phase II (10-20 year)
Waimānalo	Subsistence Agriculture	Waimānalo	15	Medium	Phase II (10-20 year)
Waiāhole Large Lot Subdivision	Subsistence Agriculture	Waiāhole	<5	Medium 10-20	Phase II (10-20 year)
Upper Nānākuli Valley	Residential	Nānākuli Planning Area	1,690	Low	Phase II (15-20+ year)
Papakōlea Expansion	Residential	Papakōlea	20	Low	Phase II (15-20+ year)
Total Agriculture Units		160*	Total Residential Units		3,370*

**Proposed units have been rounded and do not add up to the total provided.
†The 59 units being developed at Kaka‘ina and Kānehili are not included in the proposed residential total because homesteads have been awarded and construction is in progress. They are shown here as part of the implementation plan.*

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

JULY 21-22, 2014

To: Chairman and Members, Hawaiian Homes Commission

From: Kaleo Manuel, Acting Planning Program Manager


Subject: Adoption of Final Water Policy Plan

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission:

1. Adopt the Final Water Policy Plan (2014) (Exhibit A); and
2. Authorize dissemination of the Water Policy Plan (2014).

DISCUSSION

Background and Purpose

The necessity of water to the well-being of Hawaiians has been understood since ancient times. Pūku'i famously recorded the 'ōlelo no'eau:

Mōhala i ka wai ka maka o ka pua
Unfolded by the water are the faces of the flowers
Flowers thrive where there is water, as thriving people are found where living conditions are good.

The significance of water to the success of the Hawaiian Homes Commission Act (HHCA) has also been recognized since the passage of the Act. The Federal and State Governments have given and increased the rights to water for the Trust since its inception. The original Act contains a section on Water (§221)

that provides considerable rights to water to the Trust that exist, with amendments, till this day. Moreover, after many years of difficulty in accessing water, in 1991 the state Legislature passed what became Act 325. The Legislature then recognized that, "Since the passage of the Hawaiian Homes Commission Act in 1921, the shortage of available water has been one of the primary reasons for the failure of Administrators to settle native Hawaiians on Hawaiian homesteads..." As a result, Act 325 modified other state laws regarding water, further increasing the rights of water to the Trust.

However, as has been well documented elsewhere, and even the most significant critics of the Act relate, funding for implementation of all aspects of the Act has been a significant limiting factor in successfully helping beneficiaries. In a situation of constantly limited resources compared to its legal mandate, there has also been consistently multiple and complex competing water related issues facing the Trust. Some of these issues have been outstanding for years and decades, such as providing water to remote home lands ranging from West Kaua'i to South Hawai'i Island. Operations of different water systems have also consistently remained a challenge, and in recent years new water challenges have emerged, especially in areas where water is becoming scarce and other users are competing for water.

In part because of this context, management of investments, interests, and assertion of its rights in water appear to have been historically focused on immediate issues, and lacked consistency across time and geographic areas. Occasionally resolution of immediate concerns has created longer-term problems related to water. Certain critical actions have also not been consistently taken. Some of these omissions, such as the failure to secure reservations of water under the state Water Code have been characterized as a potential breach of fiduciary duty by the state towards native Hawaiian beneficiaries of the trust.

Absent a long-term strategy and clear organizational policies, case-by-case decision making is likely to continue. For this primary reason, the HHC through the DHHL have been working on the development of a Water Policy Plan (WPP) for the

past three years. The purpose of the WPP is to provide strategic, proactive, comprehensive and consistent guidance and direction to the Hawaiian Homes Commission, DHHL staff, and beneficiaries on water related issues, actions, and decisions so that water is treated as a key trust asset, rather than a problem to overcome.

Process

The WPP was developed over the course of three years and involved various tasks and activities identified in Table I below. The outcome of this work is the proposed Final Water Policy Plan.

TABLE I. COMPLETED ACTIVITIES IN DEVELOPING THE WPP

TASK	ACTIVITIES
Data Gathering & Analysis	Review of Department and Commission on Water Resource Management (CWRM) water records
	Synthesis of existing water rights in the Hawaiian Homes Commission Act (HHCA) and other sources, and presentation to HHC on the same
	Individual and small group interviews on Kaua'i, O'ahu, Moloka'i Maui, and Hawai'i Interviewees included diverse viewpoints Commissioners, DHHL Staff and consultants, Homestead leaders, County Water Purveyors, Farmers & Ranchers, trusts, CWRM staff, and water law experts & advocates
	Analyzing water issues and strategy development for priority areas and projects (e.g. Anahola and Waimea, Kaua'i; Pūlehunui, Maui)
	Participating in State Planning Processes - Estimating DHHL water needs and reservations for the State Water Projects Plan and Water Resources Protection Plan
	Assisting in Water Conservation interagency initiative
	Tracking actions potentially affecting DHHL water rights before the CWRM and state Legislature and drafting testimony on the same
Issue identification with beneficiaries	Developing educational materials for outreach including synthesis of DHHL water rights and educational presentation
	Held nine (9) beneficiary water outreach and education meetings on six islands, and one stakeholder meeting in Kona - approximately 250 participants
	Delivery of same presentation to HHC (January 2014)
	Compilation of meeting notes and conversation maps
Draft of WPP	Consolidation of data and comments into "Summary of Findings"
	Synthesis of "Summary of Findings" to draft vision, mission, values, policies, and goals of WPP
	Approval of Draft WPP for Beneficiary Consultation (February 2014)
Formal Beneficiary Consultation	Conducted a series of nine (9) statewide Beneficiary Consultation meetings on six (6) islands, and one stakeholder meeting in Kona - approximately 200 participants (March - April 2013)
	Compilation of meeting notes
	Edited Draft WPP to address comments and concerns from meetings, to extent applicable

Final Water Policy Plan

The Final Water Policy Plan contains the following components:

1. A statement of a Vision and Mission for water;
2. Values related to water;
3. Policies;
4. Goals;
5. Delegation of Authorities and Reporting; and
6. Identification of Legal Authorities, Related Plans and Policies, References, and Definitions.

The vision statement reiterates the original intent and vision of the HHCA as it relates to water, and is composed of direct quotes from the HHCA. The mission statement contains language directly from, and is consistent with, the Act and the General Plan goals and objectives related to water resources approved by the HHC in 2002.

Values support the vision and mission, in providing "contextual lenses" for application of and compliance with policy statements. The values of the WPP are also common themes of beneficiary, Department staff, and HHC input and discussions that arose in the development of the policy.

Consistent with and driven by the values mentioned above, the policy statements of the WPP seek to achieve the mission and the vision related to water. These policy statements also comprehensively reference the kuleana and authorities of the Department and HHC related to water.

In the WPP, goals identify particular objectives, which need to be completed and implemented in order to achieve the vision, execute the mission, and comply with the policies. These goals were developed by consolidating data and findings throughout the planning process and from across the islands.

Also included in the WPP is a specific section on delegated authority. The HHCA specifies that "The commission may delegate to the chairman such duties, powers, and authority or so much thereof, as may be lawful or proper for the performance of the functions vested in the commission" (HHCA §202(a)(part)). The WPP

specifies that the only duty delegated to the Chairman is to develop an Implementation Program to be reported annually to the HHC.

Finally, the WPP identifies the legal authorities, related plans and policies, references, and definitions that correlate to the vision, mission, values, policies, and goals related to water.

Next Steps

If adopted by the HHC, the DHHL will develop an implementation program geared towards implementing the four (4) priority goals that are to:

1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.
2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.
3. Develop and manage a Water Assets Inventory (WAI).
4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

RECOMMENDATION

Based on the forgoing, staff respectfully recommends that the HHC approve the action as recommended.

HAWAIIAN HOMES COMMISSION WATER POLICY PLAN

PROPOSED FINAL DRAFT BASED ON BENEFICIARY CONSULTATION

June 17, 2014

Vision

Our vision is that there will be adequate amounts of water and supporting infrastructure so that homestead lands will always be usable and accessible, to enable us to return to our lands to fully support our self-sufficiency and self-determination in the administration of the Hawaiian Homes Commission Act (HHCA), and the preservation of our values, traditions, and culture.

Mission

In a manner consistent with our values, the Hawaiian Homes Commission (HHC) and Department of Hawaiian Home Lands (DHHL) shall strive to ensure the availability of adequate, quality water by working cooperatively to:

- Understand our trust water assets;
- Plan for our water needs;
- Aggressively understand, exercise and assert our kuleana as stewards of water;
- Develop and protect water sources; and
- Manage water systems.

Values

1. **Waiwai:** Mōhala i ka wai ka maka o ka pua. *Unfolded by the water are the faces of the flowers.* The availability of water to our lands and people is integral to the trust and our mission.
2. **Waihona:** ʻUa lehulehu a manomano ka ʻikena a ka Hawaiʻi. *Great and numerous is the knowledge of the Hawaiians.* Honoring and documenting our knowledge about water is essential to managing it.
3. **Mālama:** He aliʻi ka ʻāina; he kauwā ke kānaka. *The land is a chief; man is its servant.* We consider water to be part of our genealogy and so we manage it in a manner that cares for its long-term sustainability for all things, as we also use it productively for our mission.
4. **Laulima:** E lauhoe mai na waʻa; i ke kā, i ka hoe; i ka hoe, i ke kā; pae aku i ka ʻāina. *Everybody paddle the canoes together; bail and paddle, paddle and bail, and the shore is reached.* We are one people who now share Hawaiʻi with others. DHHL is only one of many Hawaiian serving institutions. We will assert our rights while considering our larger lāhui ʻōiwi and the larger world in which we live.

Policies

The water policies of the HHC and the DHHL are to:

1. Expressly determine and plan for future water needs and actively participate in broader water management, use and protection efforts in Hawai'i in order to secure water.
2. Educate beneficiaries, the DHHL, HHC, and other stakeholders continually on our water kuleana.
3. Aggressively, proactively, consistently and comprehensively exercise our water kuleana.
4. Foster self-sufficiency of beneficiaries by promoting the adequate supply of water for homesteading when developing or managing water.
5. Foster the self-determination of beneficiaries by seeking ways for beneficiaries to participate in the management of water by delegating authority related to water subject to the discretion of the HHC as described in the HHCA.
6. Develop, manage, and steward water in a manner that balances cost, efficiency measures, and Public Trust uses in the short and long term.
7. Make water decisions that incorporate traditional and place-based knowledge of our people and are clear and methodical in their reasoning.
8. Make efforts to understand, maintain, and improve the quality of water as it moves into and through our lands and is used by beneficiaries.
9. Affirmatively communicate our decisions, our reasoning, and our performance in managing, stewarding, and using water before and after making major water decisions.
10. Affirmatively consider the development and use of alternative sources of water and efficiency measures in water decision-making.
11. Ensure that water decisions are consistent with other Departmental policies, programs, and plans including but not limited to the Energy Policy and Agricultural Program.
12. Explicitly consider water availability and the costs to provide adequate water when developing new homestead areas, designating land uses, issuing land dispositions, or exchanging properties.

Goals

To make progress on achieving our Mission and complying with our Policies, the Priority Goals of the HHC and the DHHL are to:

1. Affirmatively communicate with beneficiaries regarding water decisions, performance, and water rights on a regional and annual basis.
2. Aggressively, proactively, consistently and comprehensively advocate for the kuleana of the beneficiaries, the DHHL, and the HHC to water before all relevant agencies and entities.
3. Develop and manage a Water Assets Inventory (WAI).
4. Support watershed protection and restoration on DHHL lands and source areas for DHHL water.

Additional goals that DHHL and the HHC shall seek to achieve, based on the availability of resources, organized by mission activities, are:

Part I. Understand our trust water assets

1. Revise the DHHL submittal template to the HHC for water related decisions.
2. Revise budgets to show the total costs of a) water system management b) all spending on water issues.
3. Staff and organize the DHHL consistent with importance of water to the trust.

Part II. Plan for our water needs

4. Determine current and foreseeable future needs based upon periodic reviews of water availability projections that incorporate climate change, projected beneficiary demand, alternative sources and efficiency measures.
5. Design homesteads and manage lands to create and enhance water availability, optimizing costs, use of alternative sources and efficiency measures.

Part III. Aggressively understand, exercise and assert our water rights

6. Secure adequate and enforceable reservations of water for current and foreseeable future needs for all of its lands across the islands.
7. Partner with trust beneficiaries in water advocacy efforts.
8. Engage in updates to all Hawai'i Water Plan elements to ensure DHHL water needs and rights are addressed.
9. Advocate that all Water Use Permit Applications properly address the water rights of DHHL and other Hawaiian water rights.
10. Advocate that County Boards of Water Supply and other County agencies that affect water have the spirit of the HHCA faithfully carried out to protect DHHL water uses as a Public Trust use of water and manage rates so they are affordable by beneficiaries.
11. Ensure that all legal provisions for the licensing of state water are followed.

Part IV. Develop and protect water sources

12. Carefully weigh alternatives regarding the dedication or DHHL management of new water systems.
13. Methodically and consistently manage and allocate water credits.
14. Support the drilling of wells by beneficiaries for their own use on lots where appropriate.
15. Partner with Department of Health and others on water quality education and outreach.
16. Continue to pursue development of agricultural water systems.

Part V. Manage water systems

17. Secure revenue and reduce operation costs so DHHL water systems break even financially over the long term.
18. Increase security and reliability for DHHL water users.
19. Pursue resolution by the Department of Agriculture of prior audit findings in the management of the Moloka'i Irrigation System and full repair of the System.

Delegation of Authorities and Reporting

1. Delegation
 - a. The Hawaiian Homes Commission delegates authority to the Chairperson to prepare an Implementation Program for this Water Policy Plan. The Program shall identify tasks to implement each goal, and shall specify tasks that apply statewide as well as tasks that apply to different islands or regions under each goal.
2. Reporting
 - a. The Chairperson shall submit the proposed Implementation Program to the Hawaiian Homes Commission annually in conjunction with the Department's budget request.
 - b. The Chairperson shall annually report on progress on execution of the approved Implementation Program and overall progress towards achieving the goals of and maintaining compliance with the Water Policy Plan.

Legal Authorities

1. Hawai'i State Constitution
2. Hawaiian Homes Commission Act of 1921, as amended
3. Hawai'i State Water Code, HRS 174C
4. In the Matter of Water Use Permit Applications (Waiāhole I case)
5. Wai'ola o Moloka'i
6. Kauai Springs, Inc. v. Planning Commission of the County of Kauai

Related Plans and Policies

1. DHHL General Plan
2. DHHL Energy Policy
3. Hawaiian Homes Commission Beneficiary Consultation Policy

References

1. 1983. Puku'i, Mary Kawena. 'Ōlelo No'eau: Hawaiian Proverbs & Poetical Sayings. Honolulu: Bernice Pauahi Bishop Museum.
2. Aia i hea ka wai a Kāne? (Traditional chant, "Where is the water of Kāne?")

Definitions

Alternative sources: Alternative sources include but are not limited to the water developed through reuse and recycling technologies and best practices, capture of flood waters, desalinated waters, and other sources as may be appropriate for proposed uses.

Hawai'i Water Plan: The Hawai'i Water Plan and its parts, as detailed in Part III of the Hawai'i State Water Code (HRS 174C), is the state's "program of comprehensive water resources planning to address the problems of supply and conservation of water" (HRS 174C-2(b)).

Efficiency Measures: Efficiency measures include optimal design and development, alternative energy utilization, changing in behavioral practices and technologies that support onsite distributed wastewater systems.

Kuleana: Kuleana encompasses both rights and responsibilities. DHHL's water kuleana includes its responsibilities under its mission and the legal rights to water enshrined in the HHCA and state Constitutional and statutory provisions. Kuleana exists within the genealogical and spiritual relationship between water and the lāhui `ōiwi.

Public Trust: As delineated in the Hawai'i Supreme Court Waiāhole I and Wai`ola O Moloka`i cases, public trust uses of water include domestic uses, traditional and customary Hawaiian rights, the protection and procreation of fish and wildlife, the maintenance of proper ecological balance and scenic beauty, and reservations of water for the DHHL.

Water: In this policy, water includes mists, fog, rain, and other precipitation; water as it flows above or below ground, and into the ocean; water used for homesteading; alternative sources including waste, brackish, and salt water; water used in the exercise of traditional and customary practices; infrastructure used to produce, store and transmit water; and water we use as well as water to which we have rights.

Water Assets Inventory (WAI): A comprehensive geographically referenced database of the water assets of the DHHL, including traditional knowledge related to water, DHHL owned water infrastructure, current and future water demand, water agreements, water credits, and potential water sources.

Approval Date

Policy approved by the Hawaiian Homes Commission on _____.

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 21 - 22, 2014

To: Chairman and Members, Hawaiian Homes Commission
Thru: Kaleo Manuel, Acting Planning Program Manager
From: Gigi Cairel, Grants Specialist *Manuel* *Gigi Cairel*
Subject: Extend the Implementation Period of the Native Hawaiian Development Program Plan

RECOMMENDED MOTION/ACTION

The Hawaiian Homes Commission (HHC) extends the implementation period of the Native Hawaiian Development Program Plan (NHDPP) for two (2) years through June 30, 2016.

DISCUSSION & BACKGROUND

Purpose

The Native Hawaiian Development Program Plan (NHDPP) was approved by the HHC in January 2012 for the time period of Fiscal Year (FY) 2012-2014 (Exhibit A). During this time, the Department of Hawaiian Home Lands (DHHL) has been implementing the NHDPP in the areas of individual development (ie, scholarships, homeownership assistance, and agricultural lessee assistance) and community development (ie, community liaison and leadership conference).

Recently, DHHL hired a Grants Specialist which increases the department's capacity to implement other NHDPP components, specifically the following:

- a) Homesteading Opportunities Assistance Program or "HOAP"
 - o Pilot agricultural program for individual peer-to-peer learning
- b) Hawaiian Home Lands Trust Grants for beneficiary organizations
- c) Training and Technical Assistance for beneficiary organizations

It is DHHL's intent to implement the above mentioned tasks in the first year of the implementation period. During the second year, DHHL will assess and evaluate the NHDPP and submit a new NHDPP for FY 2016-2018 as required by rules. The future submittal will feature the entire NHDPP program and request funds, as appropriate, at that time.

The department conducts a full beneficiary consultation process for the NHDPP biennial update. This process includes conducting a total of 8 on-island beneficiary consultations; providing for a 30-day public comment period; compiling and analyzing beneficiary comments and prepare responses; and, finally, preparing final recommendations to HHC and submitting a draft NHDPP with a record of comments received. In addition, the department will assess and evaluate the current NHDPP, which includes both individual development assistance and community development assistance.

Estimated budget: \$30,000

Includes staff time to prepare materials, compile and analyze comments, prepare recommendations and draft the NHDPP; staff travel; printing and postage; and meeting room rental.

Authority

Pursuant to Chapter 6.1 of Title 10 Hawaii Administrative Rules, DHHL prepares the NHDPP every two years for HHC review and approval. The goal of the NHDPP is to "increase the self-sufficiency and self-determination of native Hawaiian individuals and native Hawaiian communities." This is accomplished through the NHDPP by "improve(ing) the general welfare and conditions of native Hawaiians through educational, economic, political, social, cultural, and other programs."

Funding

The NHDPP is funded directly by the Native Hawaiian Rehabilitation Fund (NHRF) which was created by the 1978 Constitutional Convention to finance various activities intended to exclusively benefit native Hawaiians. This includes, but is not limited to, educational, economic, political, social, and cultural processes by which the general welfare and conditions of native Hawaiians are improved and perpetuated. The source of revenue for this fund is primarily derived from thirty percent of state receipts, derived from lands previously cultivated and cultivated as sugarcane lands and from water licenses.

The HHC at its June 16-17, 2014 meeting approved a budget of \$1,000,000 for the implementation of the NHDPP.

RECOMMENDATION

Based on the foregoing, staff recommends that the HHC approve as recommended.

RECOMMENDATION

That the commission: 1) Approve the Native Hawaiian Development Program Plan for the period from January 1, 2012 to June 30, 2014; 2) Amend the department's Operating Budget for the period from January 1, 2012 to June 30, 2012, noted Planner Kaleo Manuel.

MOTION

Moved by Commissioner I. Aiu, seconded by Commissioner L. DaMate.

DISCUSSION

Commissioner I. Aiu said the Comments on Training and Technical Assistance seemed to be the most desired and positively commented on by beneficiaries. He would recommend redirecting more funds to this piece because of its value to the beneficiary. The original request came in at \$300,000, and there is matching funds still being sought. Any negotiations would need to be handled with the federal government, added Planning Administrator Darrell Yagodich. The \$1.3 million budget is a realistic budget that fits into the Native Hawaiian Development Program Plan.

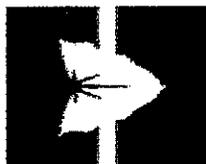
According to Deputy M. Ka`uhane, the department will 1) need to run a balanced budget. 2) need to make known how critical the funding is. The amount projected based on the action taken on the 15% is reflected in there. There is approximately \$3.8 million reserved in NHRF funds and \$250,000 is being generated from the 30% monies and \$100,000 on interest on a formula. So, there's approximately \$450,000 coming in annually, claimed D. Yagodich.

Chief of Staff W. Sarsona stated she has no problem adjusting the budget for more technical assistance if the commission feels there is a need. Several contractors are available to the homesteaders. They can apply to the department for the contract to obtain this service. There were several outstanding contracts to deliver these services. It was costly. With this motion, if you receive a grant, you deliver, added Chair Nahale-a. There are some providers where this is their only contract. There needs to be better leveraging and this model doesn't appear to be the right fit.

Planner Kaleo Manuel explained the purpose of the Native Hawaiian Rehabilitation Fund (NHRF) is to provide rehabilitation that address education, economic and political opportunities. Chair added that there needs to be more streamline approach to funding and the administration is attempting to address this.

ACTION

Motion carried unanimously.



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

CONTENTS

Native Hawaiian Development Program Plan	4
Goal 1 - Individual Development	
1.1 Education	6
1.2 Homestead Opportunities Assistance Program	8
Goal 2 - Community Development	
2.1 Hawaiian Home Land Trust Grants	10
2.2 Training and Technical Assistance	11
Proposed Budget	13
Title 10. HAR, Chapter 6.1 Native Hawaiian Development Program	
Resolution 257 Budget Policy on General Lease Revenue	

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).

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

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*

STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS

July 21, 2014

To: Chairman and Members, Hawaiian Homes Commission

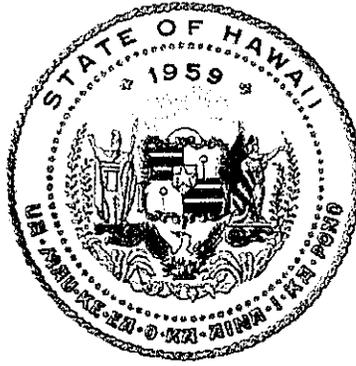
Through: Kaleo Manuel, Acting Planning Program Manager *Kaleo Manuel*

From: Julie-Ann Cachola, Planner *Julie Ann Cachola*
Gigi O. Cairel, Grants Specialist *Gigi Cairel*
Andrew H. Choy, Planner *Andrew H. Choy*
Bob C. Freitas, Planner *Bob C. Freitas*
Norgaard "Ulu" Lota, Legislative Analyst *Norgaard "Ulu" Lota*
Nancy M. McPherson, Planner *Nancy McPherson*

Subject: Resolution of Appreciation No. 278 - Darrell C. Yagodich

RECOMMENDED MOTION/ACTION

That the Hawaiian Homes Commission adopt the attached Resolution of Appreciation No. 278.



HAWAIIAN HOMES COMMISSION RESOLUTION NO. 278

**Honoring Darrell C. Yagodich,
In appreciation of his many contributions to the Department of Hawaiian Home
Lands and for his years of Service to the Hawaiian Home Lands Trust**

WHEREAS, Darrell C. Yagodich is a native Hawaiian, born and raised on Maui, who received his High School Diploma from St. Anthony High School, his Bachelor's Degree from the University of Hawai'i, Mānoa in 1972, and his Master's Degree in Urban Planning from the University of California at Los Angeles in 1974; and

WHEREAS, Darrell C. Yagodich began his planning career in 1974 in the State Plan Branch of the State of Hawai'i's Department of Planning and Economic Development and in 1979 became a Planner for the Department of Hawaiian Home Lands, serving under the administration of Georgiana Padeken, newly appointed Chairman of the Hawaiian Homes Commission; and

WHEREAS, Darrell C. Yagodich was responsible for establishing a planning framework for the Hawaiian Home Lands Trust which established a General Plan that identified long-range goals and objectives; Island Plans that designated land uses as is consistent with the Commission's exclusive land use authority; Programmatic Plans as a means to handle policies and development priorities that are of concern statewide; and Regional Plans that offer maximum opportunities for beneficiary participation in the planning process; and

WHEREAS, Darrell C. Yagodich directed and managed staff in creating the DHHL Kūlia I Ka Nu'u Program which provided tools for recognized homestead associations to learn and demonstrate their organizational capacities through training, technical assistance, and land and grant awards; and

WHEREAS, Darrell C. Yagodich while managing the income-producing division from 1985-1990, prepared Development Plans for Kawaihae and Pana'ewa which looked comprehensively at the island's economic development trends in order to position these areas as centers of economic development and growth; and

WHEREAS, Darrell C. Yagodich directed department efforts to engage in policy reviews by the Federal-State Task Force, U.S. Civil Rights Commission, and U.S. Senate and House Committees which led to federal legislation recognizing Hawaiian Home lands as “federal native trust lands,” opening up various federal native programs for these purposes; and

WHEREAS, Darrell C. Yagodich directed and managed staff regarding federal initiatives and federal policy that forged a better understanding of the Department of Interior’s role and relationship to the Department and which sought new federal funding sources, including \$400 million in HUD-FHA loans, \$100 million in HUD-NAHASDA funding, and USDA-RD loans, self-help housing grants, and water and wastewater grants and loans; and

WHEREAS, Darrell C. Yagodich headed a special team created in 1990 to define and assert Department claims against the federal and state governments which in 1995 resulted in the transfer of 16,518 acres of state land and 975 acres of federal land to the Trust and over \$600 million dollars of cash payments to the Trust; and

WHEREAS, Darrell C. Yagodich has mentored many planners through a special managerial style, characterized as being: a facilitator, a patient manager, an excellent listener who really cares for his staff, and a manager with a gentle touch that empowers his staff to greater levels of achievement; and

WHEREAS, Darrell C. Yagodich has a deep love for the Hawaiian people and our homestead communities and has left a wealth of knowledge and literature and a planning legacy that will serve as the foundation for all future planning of the Hawaiian Home Lands Trust; and

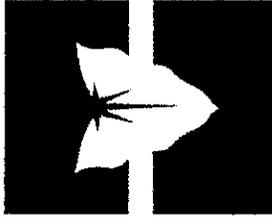
WHEREAS, Darrell C. Yagodich has served the State of Hawai‘i for forty years, and for thirty-five of those years he has served the Department of Hawaiian Home Lands with great wisdom, insight, dedication, and aloha, and he is revered by his colleagues, members of the Hawaiian Homes Commission, members of the Planning Office, and the trust’s beneficiaries.

NOW, THEREFORE, BE IT RESOLVED, by Hawaiian Homes Commission on this 21st day of July, 2014, honoring Darrell C. Yagodich, in appreciation of his many contributions to the Department of Hawaiian Home Lands and for his years of Service to the Hawaiian Home Lands Trust; and

BE IT FURTHER RESOLVED, that this Commission commend and acclaim Darrell C. Yagodich for his lifetime of outstanding service and achievement as it has significantly advanced the mission and mandate of the Hawaiian Homes Commission Act and the vision and legacy of our Prince Jonah Kūhiō Kalaniana‘ole; and

BE IT FURTHER RESOLVED, that a signed copy of this resolution be transmitted to Darrell C. Yagodich.

ADOPTED this 21st day of July, 2014, in Kapolei on the Island of O‘ahu, State of Hawai‘i, by the Hawaiian Homes Commission in Regular Meeting assembled.



HAWAIIAN HOMES COMMISSION

Offered by:

Jobie M. K. Masagatani, Chairman

Gene Ross Davis, Member

Doreen Napua Gomes, Member

Wallace A. Ishibashi, Member

David Kaapu, Member

Michael P. Kahikina, Member

William Richardson, Member

Renwick V. I. Tassill, Member

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

JULY 22, 2014

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Approval of Fiscal Year 2015 Development and Trust
Fund Budget for the Department of Hawaiian Home Lands



RECOMMENDED MOTION/ACTION

That the Commission approve Fiscal Year 2015 Development and Trust Fund Budget for the Department of Hawaiian Home Lands and authorize the Chairman to shift funding of expenditures between cost elements and funds as warranted but not to exceed the total budget.

DISCUSSION

Attachment A provides the means of financing for the projects recommended to fund the Development and Trust Fund Budget for fiscal year 2015.

The Development and Trust Fund Budget responds to issues and priorities expressed by the Commission. In addition, the following principles guided the preparation of the list of projects:

- The department's commitment to providing improvements for the Undivided Interest Lots that have been awarded, and to completing other projects that have been initiated;
- The development of new homesteads for award, with particular emphasis on providing improved residential lots;
- The need to repair and upgrade aging infrastructure on Hawaiian Home Lands;

- The need to initiate the planning and design of new homestead projects to provide an inventory for future development; and
- Design and construct projects that are awarded USDA Rural Development loan/grant funds through Na Kupa'a O Kuhio. These projects leverage federal funding resources to reduce the amount of funds needed from DHHL trust funds for its projects.

Because the Development and Trust Fund Budget is based on estimated costs, the department, with Chairman's approval, may need to shift funding of expenditures between cost elements and funds as warranted but in no event will any expenditure be funded if the total budget is exceeded.

Attachment B provides a listing of grant-in-aid projects appropriated by Act 122 that were passed in the 2014 Legislative Session. These projects were financed by general obligation bonds.

Approval of this budget submittal will result in the corresponding amendment to the Native Hawaiian Housing Plan 2014 to the United States Department of Housing and Urban Development.

The Commission's approval of the recommended motion is respectfully requested.

Development Budget (FY 2014-2015)
 Department of Hawaiian Home Lands
 (000's omitted)

	Project / Description	Non-Infrastructure	Infrastructure	HHL Trust Fund T-902-I	NAHASDA Fed Funds 270	Leg / Fed Funds / NKK	TOTAL BUDGET
PART A (New Projects)							
	LAND DEVELOPMENT DIVISION (Homestead Projects)						
	OAHU						
1	East Kapolei I (Kanehill)		2,075	2,075			2,075
2	East Kapolei IIB	0	1,485	1,485			1,485
3	Kakaina Site Construction	0	775	775			775
4	Kakaina House Construction	1	168	169			169
5	Voice of America	1	0	1			1
	MAUI						
6	Keokea-Waiohuli	0	0	0	9,000		9,000
7	Lower Kula Bypass Waterline	50	0	50			50
8	Maui Scattered Lots (Relocations)	11	620	631			631
	LANAI						
9	Lanai Scattered Lots Rehabilitation (16 Lots)	150	0	150			150
	MOLOKAI						
10	Remodel for Care Facility	500	0	500			500
	BIG ISLAND						
11	Makuu Production Well	610	0	610		10,639	11,249
12	Laiohua Village 1	0	1	1			1
13	Laiohua Village 2	0	1	1			1
14	Laiohua Village 4	101	1,323	1,424			1,424
15	Laiohua Village 4 School Zone Improvements (Keanalehu Dr.)	0	1	1			1
16	Laiohua Village 4 & 5 Mass-Grading	0	1	1			1
17	Lalamilo Phase 2A, Increment I	301	1,501	1,802		1,500	3,302
18	Puukapu Pastoral Lot Electrical Facilities Design	0	300	300			300
	KAUAI						
19	Piilani Mai Ke Kai Home Construction Phase 1	100	0	100			100
20	Piilani Mai Ke Kai Phase 2	101	500	601			601
21	Wailua Well Development	0	500	500			500
	STATEWIDE PROJECTS						
22	Scattered Lots program (Statewide)	0	1,000	1,000			1,000
23	UH Model Home Project	200	0	200			200
24	HHFDC Payments	5	0	5			5
25	Federal Funds Reimbursements	5,100	0	5,100			5,100
26	Legal Services - General	1	0	1			1
PART A (New Projects) SUBTOTAL				17,583	9,000	12,139	38,622

	Project / Description	Non-Infrastructure	Infrastructure	HHL Trust Fund T-902-I	NAHASDA Fed Funds 270	Leg / Fed Funds / NKK	TOTAL BUDGET
PART B (Existing Projects)							
	OAHU						
27	Luaualei Subdivision	1	0	1			1
28	Kumuhau Site Construction	0	12	12			12
	MOLOKAI						
29	Molokai Water System Improvements	300	0	300		750	1,050
	BIG ISLAND						
30	Honokaia Water System	0	1,165	1,165			1,165
31	Kawaihae Subdivision	400	0	400			400
32	Kawaihae Water System	650	0	650		5,000	5,650
33	Kaumana Scattered Lots	1	0	1			1
34	Laiohua Village 5	0	500	500			500
35	Lalamilo Phase 1	251	1	252			252
36	Puukapu Hybrid Water System	1	1	2			2
37	Kahilu Road Improvements	0	101	101			
38	Puukapu Traffic Safety & Other Infrastructure Improvements	0	500	500			500
39	Kau Water System	500	0	500			500
	KAUAI						
40	Anahola Farm Lots	150	1	151			151
41	Anahola Water System	0	500	500			500
42	Kekaha Environmental Remediation	500	0	500			500
43	Kauai Dam and Reservoir Remediations (Anahola)	0	0	0		3,000	3,000
	STATEWIDE PROJECTS						
44	Maintenance of DHHL Common Areas (Public Works)	2,345	212	2,557			2,557
45	Maintenance of Common Areas Pending County Conveyance	1,060	700	1,760			1,760
46	Infrastructure & Structural Remediation for Existing Homesteads	600	6,201	6,801		1,000	7,801
47	Common Areas Utilities (Statewide)	1	0	1			1
48	Rock Fall Mitigation (Statewide)	0	1	1			1
49	HHFDC Payments	1,733	0	1,733			1,733
	PART B (EXISTING PROJECTS) SUBTOTAL			18,388	0	9,750	28,037
	LDD DEVELOPMENT BUDGET TOTAL			35,971	9,000	21,889	66,860
	OFFICE OF THE CHAIRMAN						
50	USF&WS MOU North Kona Critical Habitat	3,229	0	3,229			3,229
	OFFICE OF THE CHAIRMAN SUBTOTAL			3,229	0	0	3,229

	Project / Description	Non-Infrastructure	Infrastructure	HHL Trust Fund T-902-I	NAHASDA Fed Funds 270	Leg / Fed Funds / NKK	TOTAL BUDGET
	PLANNING OFFICE						
51	Planning System Update and Rules	250	0	250			250
	PLANNING OFFICE SUBTOTAL			250	0	0	250
	HOMESTEAD SERVICES DIVISION (HSD)						
52	Kanakaloloa Cemetery Survey and Road Pavement	0	1	1			1
53	Kapaakea Flood Retaining Wall	0	1	1			1
	HOMESTEAD SERVICES DIVISION SUBTOTAL			2	0	0	2
	LAND MANAGEMENT DIVISION						
54	Pulehunui Mixed Use Development (Maui)	0	0	0		4,000	4,000
55	Papakolea Facility Improvement Project	0	0	0		250	250
	LAND MANAGEMENT DIVISION SUBTOTAL			0	0	4,250	4,250
	TOTAL DEVELOPMENT BUDGET			39,452	9,000	26,139	74,591

**Department of Hawaiian Home Lands
Grant-In-Aid Development Budget (FY 2014-2015)**

	Project / Description	Non-Infrastructure	Infrastructure	(GIA) General Obligations Bonds
	LAND MANAGEMENT DIVISION			
1	Waiohuli Community Center (Maui) Park Masterplan/Construction		1,500	1,500
2	Molokai Homestead Farmers Alliance (Molokai) Design/Construction/Equipment		1,750	1,750
3	Kailapa Community Resource Center (Hawaii) Plans/Design	60		60
4	Laiopua 2020 (Road & Parking Lot Construction) (Hawaii)		950	950
	LAND MANAGEMENT DIVISION SUBTOTAL			4,260
TOTAL GRANT-IN-AID DEVELOPMENT BUDGET				4,260

STATE OF HAWAI`I
DEPARTMENT OF HAWAIIAN HOME LANDS

July 22, 2014

TO: Chairman and Members, Hawaiian Homes Commission
SUBJECT: Request to Address the Commission - **Desmund Manaba,
Hoolehua, Molokai**

RECOMMENDED MOTION/ACTION

None. For Information Only.

DISCUSSION

Desmund Manaba wishes to address the commission regarding his request for a water meter connection to his Right-of-Entry permit No. 503 located in Hoolehua, Molokai. See Exhibit "A."



Request to be added to the July 22nd commission meeting agenda

Desmund Manaba

to:

elaine.g.searle@hawaii.gov

07/07/2014 01:23 PM

Hide Details

From: ?

To: "elaine.g.searle@hawaii.gov" <elaine.g.searle@hawaii.gov>,

Please respond to Desmond Manaba <desmundmanaba@yahoo.com>

Hawaiian Homes Commission

PO Box 1879

Honolulu, HI 96805

Desmund & Christy Manaba

dba Molokai Wildlife Management, LLC

PO Box 1856

Kaunakakai, HI 96748

Aloha Elaine,

Since 2007 we have been a lessee of DHHL under the previous RP lease program, and now currently under the RE lease program. Our lease number is RE0503, TMK: 5-2-001-004 and 5-2-001-030.

I am requesting to be added to your July 22nd Hawaiian Homes Commission meeting in Kapolei, to request permission to pull a commercial water meter to follow USDA Federal, State and County sanitation requirements for our Axis deer business. We have spent many years working through the different requirements and regulations with the USDA, and in late 2012 was successful in completing a USDA certified Axis deer harvest through the Molokai Livestock Cooperation. Since then, our company has been harvesting 40 to 60 carcasses per month. Currently, we are the only company in Hawaii that is certified under the USDA to request ante mortem inspections for wild exotic game.

Granting us permission to install a commercial water meter for our business, will greatly support our endeavors to expand our business. We humbly ask for your support in this new industry.

Mahalo,

Desmund Manaba

President & COO

Molokai Wildlife Management, LLC

(808) 646-0853

HHC Item No. J-1
 Exhibit "A"
 Date 7-22-14

STATE OF HAWAI`I

DEPARTMENT OF HAWAIIAN HOME LANDS

July 22, 2014

TO: Chairman and Members, Hawaiian Homes Commission

SUBJECT: Request to Address the Commission - **Jeff Gilbreath,**
Hawaiian Community Assets

RECOMMENDED MOTION/ACTION

None. For Information Only.

DISCUSSION

Executive Director Jeff Gilbreath wishes to address the commission in clarifying Hawaiian Community Assets financial assessment program on delinquent loan processing and its workout options. See Exhibit "A."



200 North Vineyard Boulevard, A300
 Honolulu, HI 96817
 Ph: 808-587-7886
 Toll Free: 1-866-400-1116
 www.hawaiiancommunity.net

June 3, 2014

RE: Request to Conduct Presentation – July Commission Meeting

DEPT. OF HAWAIIAN
 HOME LANDS
 2014 JUN - 6 A 11:05

Aloha e Chairperson Masagatani,

I am writing on behalf of Hawaiian Community Assets staff and Board to request time during the July Hawaiian Homes Commission meeting agenda to make a presentation to the Hawaiian Homes Commission on our Delinquent Loan Assessment Form and process.

Our request is a result of Hawaiian Homes Commissioners requesting clarification on our financial assessment process and information contained in our Delinquent Loan Assessment Form used to determine potential workout options for Lessees past due on their mortgage payments. The goal of our presentation is to enhance the knowledge of Hawaiian Homes Commissioners to assess potential workout plans for said Lessees via our Delinquent Loan Assessment and as part of their fiduciary responsibility of managing the Hawaiian Homelands Trust.

Please let me know if you need any additional information from me in order to process our request.

Mahalo for your consideration and continued leadership.

Sincerely

Jeff Gilbreath
 Executive Director

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

July 22, 2014

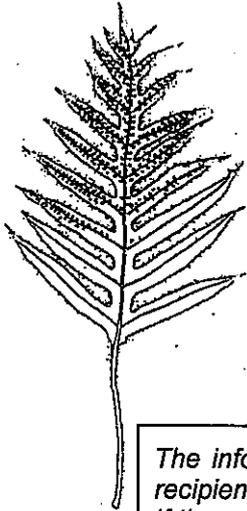
TO: Chairman and Members, Hawaiian Homes Commission
SUBJECT: Request to Address the Commission - **Yuklin Aluli,**
Attorney for Nowlin Corea and Weston Correa

RECOMMENDED MOTION/ACTION

None. For Information Only.

DISCUSSION:

Attorney Yuklin Aluli represents Nowlin Correa and Weston Correa who were issued Revocable Permit No. 205, situate in Waimanalo, Oahu, in 1989. He wishes to present testimony and appeal for a Right-of-Entry permit for the above-mentioned parties. SEE EXHIBIT "A"



YUKLIN ALULI
ATTORNEY AT LAW
415 C Uluniu Street
Kailua, Hawaii 96734
tel 262-5900 • fax 262-5610
email: ~~yuklinaluli@hawaii.com~~
Yuklin@kailualaw.com

HAWAIIAN HOMES
COMMISSION

2014 JUL -1 A 11: 25

Filed 1 Received

By J. Beale

Secretary
Napali Farden Souza
Associate

The information in and attached to this correspondence is intended only for the use of the intended recipient(s) and may be an attorney-client communication and, as such, is privileged and confidential. If the reader of this message is not the intended recipient(s), then you are hereby notified that you have received this communication in error, and that any reuse, review, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original to us at the above address by mail. Thank you.

June 30, 2014

Jobie Masagatani, Chair
Hawaiian Homes Commission
Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, HI 96707

Aloha e Members of the Hawaiian Homes Commission:

Re: DHHL v Correa et al., Civ. No. 1RC13-1-7813

I represent Nowlin Correa and Weston Correa in the above-entitled summary possession action. I would like to request on their behalf the opportunity to present written and oral testimony to the Commission at its regular monthly meeting on July 22, 2014, by placing them on your agenda. My clients have held a general lease and revocable permit for DHHL land situate in Waimanalo, Oahu since 1989.

In 2009 their revocable permit was revoked by then Chair Micah Kane. My clients at the time were working with the City to obtain permits and reduce the fines arising out of their grading of the subject property so as to prevent large boulders from rolling onto Kalaniana'ole Highway. The grading permit was obtained on March 11, 2009 and closed on August 15, 2011. On April 13, 2011, Corporation Counsel received and acknowledged that final payment on civil fines had been paid in full. My clients would like to provide to the Commission the paperwork from the City in support of the above.

Further, my clients have continued to pay their monthly rental from 2009 to March 2014, for a total of circa \$134,000. The Department has kept the postal money orders and cashier's checks without negotiation and it was only when this fact became made known to my clients that they stopped. My clients would like to provide to the Commission the Department's own records concerning the rent payments above described.

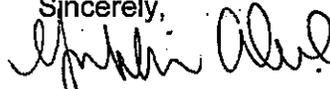
HHC Item No. J-3
Exhibit "A"
Date 7-22-14

Jobie Masagatani, Chair
Hawaiian Homes Commission
June 30, 2014
Page 2

My clients would like to ask that the Commission authorize the department to give them the right of entry for this Waimanalo land, subject to the same rent and insurance requirements as were in effect under their revocable permit. They are aware that unlike the other 181 revocable permits which were given a right of entry, an eviction action was initiated against them.

My clients would like to address any concerns of the commission regarding their continuing stewardship of these lands in Waimanalo.

Sincerely,



Yuklin Aluli

YA:nfs:lsf

Enclosures

cc: Weston K. Correa
Nowlin P. Correa
Edward L. Correa

STATE OF HAWAII DISTRICT COURT OF THE FIRST CIRCUIT KO'OLAUPOKO DIVISION	EXHIBIT LIST DO NOT FILE WITH COURT	CIVIL NUMBER 1RC-13-1-7813
---	--	--------------------------------------

Plaintiff(s) DEPARTMENT OF HAWAIIAN HOME LANDS, STATE OF HAWAII,	Plaintiff(s)/Plaintiff(s)' Attorney (Name, Attorney Number, Firm Name (if applicable), Address, Telephone and Facsimile Numbers) Diane K. Taira 3761 / Matthew S. Dvonch 9000 425 Queen Street Honolulu, HI 96813 TE: 587-2978
---	--

Defendant(s) NOWLIN CORREA and WESTON CORREA,	Defendant(s)/Defendant(s)' Attorney (Name, Attorney Number, Firm Name (if applicable), Address, Telephone and Facsimile Numbers) Law Offices of Yuklin Aluli Yuklin Aluli 1428 / Napali Farden Souza 9251 415-C Uluniu Street Kailua, HI 96734 TE: 262-5900
--	--

Date of Trial or Hearing: June 27, 2014

*DESIGNATION OF IDENTIFICATION CODES — PLAINTIFF <input checked="" type="checkbox"/> DEFENDANT	OFFERED FOR IDENTIFICATION	RECEIVED IN EVIDENCE	WITHDRAWN	DESCRIPTION OF EXHIBIT	DATE R = RETURNED D = DESTROYED OTHER COMMENTS
A				Proof of rent payments by Nowlin Correa and Westin Correa (DHHL record)	
B				Yuklin Aluli's letter, dated 12/3/14, re: compliance with assessed fines for grading violation and closing of City's file on 8/15/11	

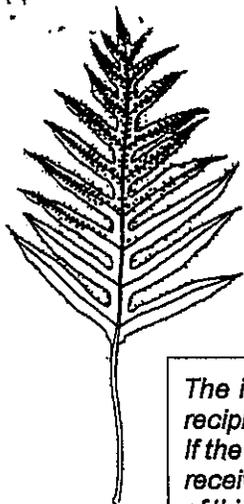
In accordance with the **Americans with Disabilities Act** if you require an accommodation for your disability, please contact the District Court Administration Office at PHONE NO. 538-5121, FAX 538-5233, or TTY 539-4853 at least ten (10) working days in advance of your hearing or appointment date. For Civil related matters, please call 538-5151.

* Plaintiff(s) to label exhibits in numerical order Example: Plaintiff(s) — 1, 2, 3, etc.
 Defendant(s) to label exhibits in alphabetical order Example: Defendant(s) — A, B, C, etc.
 A completed list and all exhibit(s) shall be presented to the Court at the time of trial or hearing.

Terminated Revocable Permit No. 205							
Checks held by DHHL							
NOWLIN CORREA				WESTIN CORREA			
Date of Check	Check No.	Amount	Issuance Bank/Account	Date of Check	Check No.	Amount	Issuance Bank
3/6/2014	0001154618	1,284.50	Wells Fargo Bank check				
2/5/2014	96261753	1,284.50	Wells Fargo Bank check	1/3/2014	20706270197	280.00	US Postal Money Order
1/7/2014	91435740	1,284.50	Wells Fargo Bank check	1/3/2014	20706270186	1,000.00	US Postal Money Order
		<u>3,853.50</u>				<u>1,280.00</u>	
2013				2013			
12/4/2013	1204445335	1,284.50	Wells Fargo Bank check	12/2/2013	-20706269714	280.00	US Postal Money Order
11/5/2013	1201521095	1,284.50	Wells Fargo Bank check	12/2/2013	20706269703	1,000.00	US Postal Money Order
10/4/2013	1198277103	1,284.50	Wells Fargo Bank check	11/1/2013	20166833035	280.00	US Postal Money Order
9/3/2013	1194733628	1,284.50	Wells Fargo Bank check	11/1/2013	20166833024	1,000.00	US Postal Money Order
8/2/2013	1191802791	1,284.50	Wells Fargo Bank check	10/2/2013	21281995045	280.00	US Postal Money Order
7/3/2013	1188824328	1,284.50	Wells Fargo Bank check	10/2/2013	21281995034	1,000.00	US Postal Money Order
6/3/2013	1185377666	1,284.50	Wells Fargo Bank check	8/2/2013	20718888783	280.00	US Postal Money Order
5/3/2013	1182527978	1,284.50	Wells Fargo Bank check	8/2/2013	20718888772	1,000.00	US Postal Money Order
4/4/2013	1179486637	1,284.50	Wells Fargo Bank check	7/2/2013	20166822090	280.00	US Postal Money Order
3/5/2013	1176370980	1,284.50	Wells Fargo Bank check	7/2/2013	20166822101	1,000.00	US Postal Money Order
2/5/2013	1173416915	1,284.50	Wells Fargo Bank check	6/4/2013	20166817184	280.00	US Postal Money Order
1/2/2013	1169851202	1,284.50	Wells Fargo Bank check	6/4/2013	20166817173	1,000.00	US Postal Money Order
		<u>15,414.00</u>		5/2/2013	20706286285	280.00	US Postal Money Order
				5/2/2013	20706286274	1,000.00	US Postal Money Order
				4/1/2013	19897922992	280.00	US Postal Money Order
				4/1/2013	19897922981	1,000.00	US Postal Money Order
				3/4/2013	20166806081	280.00	US Postal Money Order
				3/4/2013	20166806070	1,000.00	US Postal Money Order
				2/4/2013	20706275766	280.00	US Postal Money Order
				2/4/2013	20706275755	1,000.00	US Postal Money Order
				1/3/2013	20344212900	280.00	US Postal Money Order
				1/3/2013	20344212911	1,000.00	US Postal Money Order
						<u>14,080.00</u>	

2012				2012			
12/3/2012	1166501056	1,284.50	Wells Fargo Bank check	12/3/2012	19897902696	280.00	US Postal Money Order
11/5/2012	1163943596	1,284.50	Wells Fargo Bank check	12/3/2012	19897902674	1,000.00	US Postal Money Order
10/11/2012	1161424250	1,284.50	Wells Fargo Bank check	11/2/2012	19817471935	280.00	US Postal Money Order
9/4/2012	1157431505	1,284.50	Wells Fargo Bank check	11/2/2012	19817471924	1,000.00	US Postal Money Order
7/31/2012	1153806271	1,284.50	Wells Fargo Bank check	10/1/2012	19285536227	280.00	US Postal Money Order
6/28/2012	1150374958	1,284.50	Wells Fargo Bank check	10/1/2012	19285536216	1,000.00	US Postal Money Order
6/6/2012	1197	1,284.50	Khilat Hamishkan	9/4/2012	20344210244	280.00	US Postal Money Order
5/14/2012	1192	1,284.50	Khilat Hamishkan	9/4/2012	20344210233	1,000.00	US Postal Money Order
4/9/2012	14701644	1,284.50	First Hawaiian Bank check	8/1/2012	20165124328	280.00	US Postal Money Order
3/30/2012	1216	1,284.50	Khilat Hamishkan	8/1/2012	20165124317	1,000.00	US Postal Money Order
3/1/2012	14700384	1,284.50	First Hawaiian Bank check	7/2/2012	19910584765	280.00	US Postal Money Order
1/30/2012	14315508	1,284.50	First Hawaiian Bank check	7/2/2012	19910584754	1,000.00	US Postal Money Order
		15,414.00		5/31/2012	19495329390	280.00	US Postal Money Order
				5/31/2012	19495329388	1,000.00	US Postal Money Order
				5/2/2012	17766768644	280.00	US Postal Money Order
				5/2/2012	17766768611	1,000.00	US Postal Money Order
				3/30/2012	19817462902	280.00	US Postal Money Order
				3/30/2012	19817462891	1,000.00	US Postal Money Order
				2/29/2012	19352566877	280.00	US Postal Money Order
				2/29/2012	19358566866	1,000.00	US Postal Money Order
				1/31/2012	19352566473	300.00	US Postal Money Order
				1/31/2012	19352566462	1,000.00	US Postal Money Order
						14,100.00	
2011				2011			
12/9/2011	14697036	1,284.50	First Hawaiian Bank check	12/30/2011	19394452451	280.00	US Postal Money Order
10/27/2011	14427486	1,284.50	First Hawaiian Bank check	12/30/2011	19394452440	1,000.00	US Postal Money Order
9/29/2011	14292288	1,284.50	First Hawaiian Bank check	12/2/2011	19352560601	280.00	US Postal Money Order
8/8/2011	14290434	1,284.50	First Hawaiian Bank check	12/2/2011	19352560612	1,000.00	US Postal Money Order
7/12/2011	13894515	1,284.50	First Hawaiian Bank check	10/27/2011	1137	1,280.00	Westin Correa (FHB)
6/14/2011	13893633	1,284.50	First Hawaiian Bank check	9/29/2011	1129	1,280.00	Westin Correa (FHB)
5/4/2011	13892337	1,284.50	First Hawaiian Bank check	8/30/2011	1119	1,280.00	Westin Correa (FHB)
4/25/2011	13892022	1,284.50	First Hawaiian Bank check	7/29/2011	1110	1,280.00	Westin Correa (FHB)
3/16/2011	13727934	1,284.50	First Hawaiian Bank check	6/29/2011	1105	1,280.00	Westin Correa (FHB)
2/14/2011	13623201	1,284.50	First Hawaiian Bank check	5/31/2011	1092	1,280.00	Westin Correa (FHB)
1/11/2011	13621392	1,284.50	First Hawaiian Bank check	4/30/2011	1082	1,280.00	Westin Correa (FHB)

		14,129.50		3/30/2011	1071	1,280.00	Westin Correa (FHB)
				2/26/2011	1060	1,280.00	Westin Correa (FHB)
				1/31/2011	1049	1,280.00	Westin Correa (FHB)
						15,360.00	
2010				2010			
12/8/2010	13462056	1,284.50	First Hawaiian Bank check	11/26/2010	1030	1,280.00	Westin Correa (FHB)
11/15/2010	13461228	1,284.50	First Hawaiian Bank check	10/29/2010	1020	1,280.00	Westin Correa (FHB)
10/8/2010	13460184	1,284.50	First Hawaiian Bank check	9/27/2010	1009	1,280.00	Westin Correa (FHB)
9/23/2010	13459689	1,284.50	First Hawaiian Bank check	8/30/2010	No #	1,280.00	Westin Correa (FHB)
9/8/2010	13459203	1,284.50	First Hawaiian Bank check	7/30/2010	1580	1,280.00	Westin Correa (FHB)
7/30/2010	11014248	1,284.50	Aloha Pacific FCU	6/30/2010	1545	1,280.00	Westin Correa (FHB)
7/6/2010	2221812	684.50	First Hawaiian Bank check	5/30/2010	1537	1,280.00	Westin Correa (FHB)
7/6/2010	634539101	600.00	Wells Fargo Check	4/28/2010	1524	1,280.00	Westin Correa (FHB)
4/20/2010	12872853	1,284.50	First Hawaiian Bank check	3/30/2010	1519	1,280.00	Westin Correa (FHB)
4/1/2010	1035	784.50	Nowlin Correa (FHB)	2/27/2010	1508	1,280.00	Westin Correa (FHB)
4/1/2010	1528	500.00	Stephen Prusinski (Wells Fargo)	1/30/2010	1502	1,280.00	Westin Correa (FHB)
3/1/2010	109	1,284.50	Teiti K. Stevens (HIUSA FCU)			14,080.00	
2/12/2010	12870468	1,284.50	First Hawaiian Bank check				
1/1/2010	464	1,284.50	R.D. Johnston (FHB)				
		15,414.00					
2009				2009			
12/19/2009	463	1,284.50	R.D. Jonston (FHB)	12/30/2009	1490	1,280.00	Westin Correa (FHB)
11/30/2009	12616794	1,284.50	First Hawaiian Bank check	11/27/2009	1480	1,280.00	Westin Correa (FHB)
10/28/2009	33806296	1,284.50	Bank of Hawaii Cashier check	10/30/2009	1672	1,280.00	Westin Correa (FHB)
10/6/2009	12614751	1,284.50	First Hawaiian Bank check	9/28/2009	1469	1,280.00	Westin Correa (FHB)
7/28/2009	12395952	1,284.50	First Hawaiian Bank check	7/30/2009	1661	1,280.00	Westin Correa (FHB)
6/26/2009	12226842	1,284.50	First Hawaiian Bank check	6/30/2009	1648	1,280.00	Westin Correa (FHB)
5/29/2009	12225852	1,284.50	First Hawaiian Bank check	5/28/2009	1639	1,280.00	Westin Correa (FHB)
		8,991.50				8,960.00	



YUKLIN ALULI
ATTORNEY AT LAW
415 C Uluniu Street
Kailua, Hawaii 96734
tel 262-5900 • fax 262-5610
email: yuklinaluli@hawaii.rr.com

Napali Farden Souza
Associate

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December 3, 2013

Matthew S. Dvorch, Esq.
Department of the Attorney General
465 S. King Street, Ste. 330
Honolulu, Hawaii 96813

Re: Department of Hawaiian Home Lands (DHHL) v. Correa, et al.; Civil No. 1RC13-1-7813

Dear Matthew:

Mahalo for speaking with me today. As you know, I represent Nowlin and Weston Correa, the Defendants in the above-ejectment matter. I enclose for you the following:

1. Grading Permit 2009-03-0131, which shows that the permit was obtained on March 11, 2009, and closed on or before August 15, 2011.
2. A letter dated August 16, 2011, evidencing the closing of the permit.
3. A letter from Corporation Counsel to Nowlin Correa dated April 27, 2010 concerning the settlement of the fines.
4. A letter dated April 13, 2011 from Corporation Counsel evidencing the fact that payment in full on the outstanding fines had been made.

As we had discussed, my clients wish to apply for a general lease for the subject property and also ask that the DHHL allow them to remedy their current situation with what you have described as a Limited Right of Entry. Towards that end, I would like to request a representative

Matthew Dvorch, Deputy Attorney General
December 3, 2013
Page 2

sample of the right of entry form being utilized by the department, as well as the standard terms and conditions of the department's general leases.

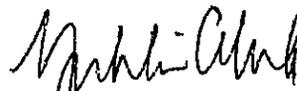
I did attempt to obtain the same from the DHHL website but the link appears to have been terminated. I have in the meantime found only one form on the DHHL website, which is titled *Request Form for Non-Homesteading Land Use Purposes*, which I will provide to my clients.

My clients had purchased a general lease in 1989 for \$50,000 and over the last two decades have made substantial improvements to the property. They have also engaged with the local homesteading community, affording weekly educational activities for students of Halau Lokahi Public Charter School, as well as special programming for students at Blanche Pope Elementary School and Hale Kipa. They have also provided support for the Polynesian Voyaging Society.

I am told that at least eight double-hulled sailing canoes have been built on Correa Ranch. I had the pleasure of seeing one such canoe in the waters off Waimanalo and one up on boat rests on the property, with its pandanus sails neatly folded.

I look forward to representing my clients in moving forward with the DHHL in resolving the pending ejectment action. I do have one last matter to raise and that is the issue of the rent payments my clients have made since 2009 by postal money orders and cashier's checks. It has only recently been brought to their attention by DHHL employee Ward Young that none of the money orders/checks had been negotiated and in fact are retained in a file at the DHHL offices. As the moneys are substantial and the money orders are akin to bearer bonds, I would like to have the opportunity to see where these negotiable instruments are presently lodged and to insure their safekeeping and/or return to my clients.

Mahalo,



Yuklin Aluli

YA:ksj:lsf

Enclosures

cc: Clients (w/enclosures)
Butch Correa



2009
03-13-09

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET * HONOLULU, HAWAII 96813

PHONE: (808) 768-8218/8219 * FAX: (808) 768-8743

DEPT. WEB SITE: www.honolulu.gov * CITY WEB SITE: www.honolulu.gov

3/11/09

R.T

Help protect our waters...for life.



692-5656

GRADING PERMIT

PERMIT NUMBER

GP2009-03-0131

Permission is hereby given to do grading work in conformity with Chapter 14, R.O.H. 1990, As Amended, as follows:

TAX MAP KEY				LAND USE	EST. QUANTITY	PERMIT FEE
Zone	Section	Plat	Parcel(s)			
4	1	014	007 007	P-1 RESTRICTED PRESERVATION	Excavation (Cu. Yd.) 0	Waived
					Fill (Cu. Yd.) 12,547	

Project Name: **41-450 Kalaniana'ole Highway**
Located at: **TMK: 4-1-014:007**
Category: **4**

Related Job:
Grading without a permit: **NOV 2007/NOV-11-081** (S
Plan approved: **February 13, 2009** **TECP** on file
Surety: **Exempt**

BORROW (Source of Material)

DISPOSAL

Site: **Hawaii Kai (Various locations)** n/a
Material: **Coral** n/a

Est. Starting Date: **January 3, 2001**
Est. Compl. Date: **March 13, 2009**

Total Lot Area: **3,603,849 s.f. (82.73 ac.)**
Disturbed Area: **35,719 s.f. (0.82 ac.)**
Graded Area: **35,719 s.f. (0.82 ac.)**

To be Inspected by: **Site Development Division**
(Call 768-8084 for inspection)

Purpose of Work: **41-450 Kalaniana'ole Highway - Site grading**

OWNER

ENGINEER/PLAN MAKER

CONTRACTOR

Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, Hawaii 96707

Hida, Okamoto & Associates
c/o Harvey K. Hida, Pacific Guardian
Tower
1440 Kapiolani Blvd. Suite 1120
Honolulu, Hawaii 96814

CJ Peterson Services
94-121 Leokani St.
Waipahu, HI 96797
(808) 864-0224

Contractor shall notify this office two working days before commencing any work and arrange for necessary inspectional services. Grading work which involves contaminated and/or hazardous materials shall be done in conformance with applicable State and Federal requirements. Contact the Solid & Hazardous Waste Branch, State Department of Health for more information at 586-4226.

Authorization from Permittee to act for Owner on file?: **Yes**
Permittee: **HIDA, HARVEY, Engineer (808) 942-0066**

Signature of Owner/Developer/Authorized Rep. 3-11-2009
Date

Permission is hereby given to do the above work according to the conditions herein and according to the approved plans and specifications pertaining thereto, subject to compliance with Chapter 14, R.O.H. 1990, As Amended.

Remarks: **2008/CP-117, EROSION / RUNOFF CONTROL - CAUTION**
REQUIRED BEST MANAGEMENT PRACTICES WILL BE ENFORCED.

Issued By:

For Director, DPP March 11, 2009
Date

THIS PERMIT WILL EXPIRE UNLESS WORK IS STARTED WITHIN 90 DAYS FROM DATE OF ISSUE; OR IF WORK IS SUSPENDED OR ABANDONED FOR 60 DAYS OR MORE AFTER WORK IS BEGUN; OR ONE YEAR FROM DATE OF ISSUE. REPORT AFTER GRADING IS REQUIRED FOR PERMIT CLOSURE UNLESS OTHERWISE NOTIFIED.

I hereby certify that all work as requested above has been completed in conformity with Chapter 14, R.O.H. 1990, As Amended, and in accordance with the approved plans and specifications.

Permittee: **PRINT NAME/TITLE**

Harvey K. Hida, Engineer
Signature of Owner/Developer/Authorized Rep. 5-11-09
Date

Approved By: **YR 8/15/11**

Authorized Signature 8/15/11
Date

Report After Grading required for permit closure?: **Yes**

Date Report Filed: 31849202 028827119-003

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-8041
DEPT. WEB SITE: www.honolulu.gov • CITY WEB SITE: www.honolulu.gov

PETER B. CARLISLE
MAYOR



DAVID K. TANQUE
DIRECTOR

JIRO A. SUMADA
DEPUTY DIRECTOR

2009/ELOG-1488

AUG 16 2011

To Whom It May Concern:

Permit Status – GP2009-03-0131

Please refer to the attached permit.

The permit has expired. Please stop all work under the permit.

In order to continue, you must obtain a new permit for the remaining work. A detailed breakdown of the remaining work and a schedule of completion for the remaining work will be required.

If you do not wish to continue, then you must submit revised plans for the reduced scope of work. The revised plans must conform to the requirements of the Grading Ordinance. In addition, you must obtain a new permit for any remedial work necessary to effect site compliance.

Please follow-up on the above. If no action is taken within 14 calendar days of the date of this letter, a Notice of Violation for the incomplete work will be issued to you and other responsible parties.

Our inspections indicate that the work under the permit has been completed. Therefore, please sign, date, and return a copy of the permit for our approval and closure. A copy of the approved permit will be sent to you.

The date of our approval is the closing date of the permit. Any surety for the permit will remain in effect for a period of one year after the closing date; therefore, it will be returned to the appropriate party at that time.

Should you have any questions, please contact Mr. Milton Kono of our Site Development Division at 768-8084.


David K. Tanoue, Director
Department of Planning and Permitting

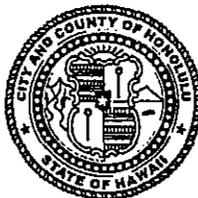
DKT
Attachment
cc/attach.:

- Consultant Engineer
- Contractor
- Surety
- Permitting Unit

DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 110 • HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-5193 • FAX: (808) 768-5105 • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



RECEIVED

CARRIE K.S. OKINAGA
CORPORATION COUNSEL

DONNA M. WOO
FIRST DEPUTY CORPORATION COUNSEL

'10 APR 30 P3:19

April 27, 2010

DEPT OF PLANNING
AND PERMITTING
CITY & COUNTY OF HONOLULU

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
[USPS # 7009 0820 0001 8265 2222]

Mr. Nowlin Correa
P. O. Box 230
Waimanalo, Hawaii 96795

Dear Mr. Correa:

Re: Notice of Order No. 2008/NOO-053
(Notice of Violation No. 2007/NOV-11-081);
TMK: 4-1-014-007

Although the City inspector has verified correction of the violation cited under Notice of Violation No. 2007/NOV-11-081, Notice of Order No. 2008/NOO-053, consisting of a \$1,000 initial fine and \$229,000 in daily fines as assessed from July 25, 2008 to March 10, 2009, remains outstanding.

The Director of the Department of Planning and Permitting has authorized a further reduction of the proposed settlement of fines from \$23,900 to \$2,500, over a period of 12 months. Your monthly payments will be \$208.33 and are payable on the 15th day of the month. Your first payment is due on May 15, 2010.

If you accept the offer of settlement, your first installment check in the amount of \$208.33, made payable to the "City and County of Honolulu," must be received by this office by May 15, 2010. Please send your settlement check to:

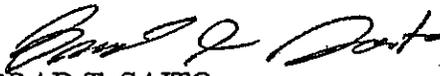
Brad T. Saito
Deputy Corporation Counsel
Department of the Corporation Counsel
530 South King Street
Honolulu, Hawaii 96813

Mr. Nowlin Correa
Page 2
April 27, 2010

If payments are not received by the due dates, the settlement offered herein shall be null and void. In the event the settlement becomes null and void, the unpaid fines may preclude the issuance or renewal of a license, approval or permit, as may be permitted by law.

Thank you for your prompt attention to this matter.

Very truly yours,


BRAD T. SAITO
Deputy Corporation Counsel

BTS:by

cc: / Mike Friedel, Code Compliance Branch
Department of Planning and Permitting
State of Hawaii, Department of Hawaiian
Home lands
C.J. Peterson Services, Inc.

09-00622/121207

DEPARTMENT OF THE CORPORATION COUNSEL
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 110 * HONOLULU, HAWAII 96813
PHONE: (808) 768-5193 * FAX: (808) 768-5105 * INTERNET: www.honolulu.gov



PETER B. CARLISLE
MAYOR

CARRIE K.G. OKINAGA
CORPORATION COUNSEL
KATHLEEN A. KELLY
FIRST DEPUTY CORPORATION COUNSEL

April 13, 2011

TO: DAVID K. TANOUE, DIRECTOR
DEPARTMENT OF PLANNING AND PERMITTING

ATTN: MIKE FRIEDEL, CODE COMPLIANCE BRANCH

FROM: BRAD T. SAITO
DEPUTY CORPORATION COUNSEL

SUBJECT: NOTICE OF ORDER NO. 2008/NOO-053
(NOTICE OF VIOLATION NO. 2008/NOV-11-081)
TMK: 4-1-014-007

This letter is to follow-up on the telephone conversation on April 26, 2011 between you and my assistant, Ronell Badua. We transmitted Check No. 1068, dated March 14, 2011, in the amount of \$208.33, which is payment for full and final settlement of the civil fines assessed against Mr. Nowlin Correa pursuant to the above-referenced Notice of Order. If unpaid civil fines relating to Notice of Order No. 2008/NOO-053 have been attached to any taxes, fees or charges, please immediately process the removal of the attachment.

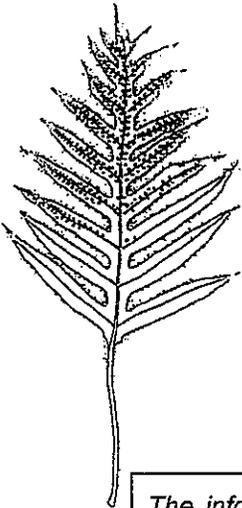
This office is closing its files in connection with the above-mentioned Notice of Order because the fines have been paid imposed by the Order. If you should have any questions regarding this matter, please contact me at extension 85139.


BRAD T. SAITO
Deputy Corporation Counsel

BTS:rb

cc: Mr. Weston K. Correa

09-00622/176719



YUKLIN ALULI
ATTORNEY AT LAW
415 C Uluniu Street
Kailua, Hawaii 96734
tel 262-5900 • fax 262-5610
email: yuklinaluli@hawaii.com

Yuklin@kailualaw.com

HAWAIIAN HOMES
COMMISSION

2014 JUL -9 P12: 28

Filed / Received

By J. Souza
Secretary

Napali Farden Souza
Associate

The information in and attached to this correspondence is intended only for the use of the intended recipient(s) and may be an attorney-client communication and, as such, is privileged and confidential. If the reader of this message is not the intended recipient(s), then you are hereby notified that you have received this communication in error, and that any reuse, review, dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original to us at the above address by mail. Thank you.

July 9, 2014

Jobie Masagatani, Chair
Hawaiian Homes Commission
Department of Hawaiian Home Lands
91-5420 Kapolei Parkway
Kapolei, HI 96707

Aloha e Members of the Hawaiian Homes Commission:

Re: Nowlin and Weston Correa/ Request for Right of Entry

Mahalo for placing my clients' request for a right of entry to the real property situated in Waimanalo, which was the subject of Revocable Permit No. 205/GL No. 181 (See Exhibit 2A), onto the July 22, 2014 calendar. I want to take this opportunity to provide the Commission with information in support of this request.

- I. Nowlin and Weston Correa paid rent for the subject property and secured the necessary permits for the grading which took place on the property.

You have already been provided with the Department of Hawaiian Home Lands' (DHHL) records showing the rent checks/money orders tendered by my clients and retained by DHHL from May 2009 to March 2014, totaling circa \$134,000. This rent is that which was set by letter dated 6/13/2006 from DHHL. You also have been previously provided with the permits and other City communications evidencing the fact that my clients had obtained the necessary approvals and paid the fines levied by the City.

EXHIBIT B

HHC Item No. J-3
Exhibit "B"
Date 7-22-14

There is no record that the Commission was previously consulted by Chairperson Micah Kane when he issued his letter of revocation of Permit No. 205 on January 22, 2009. There is an after-the-fact affirmation by the Commission of this action.

This letter was responded to by my clients on February 24, 2009 (see attached Exhibit 3). In this letter, reference was made to the Correas' efforts made in 2008 to satisfy the City's permitting and bonding requirements. What is not referenced is the fact that the work was undertaken in reliance on the representation of DHHL employee John Peiper in 2001 that no permit was necessary. This occurred when the original citation was given (see Exhibit 3A). Understanding that 8 years had passed from the time of the unpermitted work to the revocation of the permit, the Commission should be cognizant of the passage of time and the impact that passage has had on the parties' actions. It should also be noted that in 2001 the parties obtained an Erosion Control Plan from its engineer describing the proposed work. A copy of that plan is attached as Exhibit 3B.

After a February 27, 2009 letter from Chairperson Kane, my clients received no other communication from the Department, and, in fact, had no knowledge their rent payments were not negotiated until late 2012 when rent checks were returned to the payor. This is a five year period during which the Correas also received no further citations, no further letters of complaint. Through the worst economic downturn since the great recession my clients have paid their rent. The Commission should take these facts into consideration in granting my clients' request for a right of entry.

II. The subject property is zoned preservation and has a tax assessed value of \$910,700 inclusive of improvements valued at \$187,700 (Exhibit 4).

The Correas have paid annual rent of \$30,740, as set in 2006 by DHHL. This rent is 3.37% of asset value if consideration is given to the improvements, and is a 4.25% rate of return if one considers only the ground exclusive of improvements. Given the subject property's existing zoning, a 4.25% rate of return is not below market. It is in fact a good return when one considers the inter departmental communications in 1994 concerning this site and the following:

- a. It lacks water and sewer.
- b. The fact that the site was considered hazardous with a history of large rocks falling. See Exhibit 5
- c. The DHHL lacks the funds to develop this property.
- d. The property is not zoned for anything besides a preservation use.

We would urge that the Commission consider the Correas' request for a right of entry to be one which would insure the continued payment of market rent for this site. The Correas are willing to negotiate market rent for the period during which they have a right of entry.

III. The Correas have been good stewards of the subject property.

The Correas purchased the general lease from Norman Texeira in 1989. At the time, there were over 50 vehicles on the premises which they had to haul away, in addition to four 40 foot containers of rubbish and car parts. At no time since 1989 have the Correas allowed for dumping of hazardous waste or other materials onto the subject property. In fact, the presence of the Correas on the subject property have served to implement the Department's iterated objectives of the following:

- a. Continued maintenance of the premises at limited cost to the Department
- b. Deterrance of squatters, rodents, fire hazards
- c. Deterrance of illegal dumping

These were all considerations of the Department in undertaking the renewal of 200 plus revocable permits in May 2007. These are still meaningful objectives which should not be necessarily abandoned by the Department in response to recent news reporting.

Over the years, the Correas have used the subject property to educate children in Hawaiian canoe building and sailing. Letters endorsing the use of the subject property for these activities are attached as Exhibit 6. A 2009 magazine article describing such a project is also included.

As can be seen from the photos taken by me of the subject property on November 26, 2013, the grounds are tidy, grass is cut, hulls and logs are neatly stacked. See Exhibit 7

IV. The records of the City disclose that residential permits were issued in 1955 and it would be proper that the right of entry include the existing residential use.

The Correas, four extended family members, and three tenants reside on the subject property. The City's records disclose that in 1955 a two bedroom, one bath residential dwelling was built on the subject property. Thereafter, an additional 4438 square feet of additional structures have been permitted by the City, as recently as 2001. See Exhibit 8 which includes sketches from the City's online website of the permitted structures. The permits themselves, except for the 1955 structure, are also available online.

The parties therefore would argue that the existing permitted residential use in the otherwise zoned preservation real property is grandfathered and not in contravention of law. The Correas have been able to secure insurance for this residential use.

V. The Correas proposed use during the time that they would be granted a right of entry would be such use for which they are able to obtain insurance.

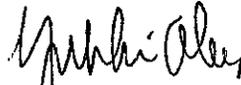
The Correas in the past were able to obtain \$1,000,000/\$2,000,000 commercial liability insurance for the subject property with coverage for the pony rides. (See Exhibit 9) That type of

coverage is not easily obtained today, especially as it relates to animals and/or horses. The Correas continue to seek insurance for the pony rides and to obtain additional insured coverage for those educational activities which are conducted on the subject property. They are willing to enter into a right of entry for such uses as they are able to obtain insurance coverage acceptable to the Department.

The Correas entered onto the subject property owned by the DHHL in 1989. There had been years of dumping on this property which was cleared by the Correas. In 2001, they were told by Department employees that no permits would be required for their new corral and improved roadway. They were cited for this work by the City in 2001 and that citation was rolled into a new 2007 citation. Ultimately, the Correas conferred a benefit by doing the work, as is evident from photos. The very reasons given in 2007 when the Department renewed circa 200 revocable permits are present today: exclusion of squatters, dumping, fire and rodent hazards, trespassers, and the generation of income to the Department. The Correas were the only permittees who were not given a right of entry.

We would urge the Commission to allow them to negotiate with the Department as have the other holders of a right of entry. The Correas are ready, willing, and able to pay market rent, secure insurance, and propose use of the property in compliance with the law.

Sincerely,



Yuklin Aluli

YA:nfs:lsf

Enclosures

cc: Weston K. Correa
Nowlin P. Correa
Edward L. Correa

EXHIBITS TO NOWLIN AND WESTON CORREA'S
REQUEST FOR RIGHT OF ENTRY

EXHIBIT 2A

C. The last annual rental hereinabove reserved shall be reopened and redetermined at the expiration of the twentieth (20th) ^{year} of said term. The rental for any ensuing rental period shall be the rental for the immediately preceding rental period or the fair market rental at the time of reopening, whichever is higher. The fair market rental shall be determined by an appraiser whose services shall have been contracted for by the Lessor; provided that should the Lessee fail to agree to such fair market rental, Lessee may appoint its own appraiser who, together with the Lessor's appraiser, shall promptly appoint a third appraiser and the fair market rental shall be determined by arbitration as provided by Chapter 188, Revised Laws of Hawaii 1955. The Lessee shall pay for the services of its own appraiser and the cost for the services of the third appraiser shall be borne equally by the Lessor and Lessee.

The Lessor hereby covenants and agrees with the Lessee that upon payment of the rent as aforesaid, and the observance and performance of the covenants, terms and conditions herein contained and on the part of the Lessee to be observed and performed, the Lessee shall peaceably hold and enjoy the premises for the term demised without hindrance or interruption by the Lessor or anyone lawfully claiming by, through or under said Lessor, except as herein expressly provided.

RESERVING UNTO THE LESSOR THE FOLLOWING:

1. Minerals and waters. (a) All minerals as hereinafter defined, in, on or under the demised premises and the right, on its own behalf or through persons authorized by it, to prospect for, mine and remove such minerals and to occupy and use so much of the surface of the ground as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, including strip mining. "Minerals," as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided, that "minerals" shall not include sand, gravel, rock or other material suitable for use and when used in road construction in furtherance of the Lessee's permitted activities on the demised premises and not for sale to others, (b) All surface and ground waters appurtenant to the demised land and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of the demised premises as may be required in the exercise of this right reserved. Provided, however, that as a condition precedent to the exercise by the Lessor of the rights reserved in this paragraph just compensation shall be paid to the Lessee for any of Lessee's improvements taken.

2. Withdrawal for public purposes. The right in the Lessor to withdraw ^{on the 10th, 15th, & 20th year} the demised premises of the Lessee with reasonable notice and without compensation, except as provided herein, for public use or purposes, including residential, commercial, industrial or resort developments, for constructing new roads or extensions, or changes in line or grade of existing roads, for rights of way and easements of all kinds, and the right of the Lessor to remove soil, sand, rock or gravel as may be necessary, together with the right to enter upon the land to remove said soil, sand, rock or gravel, for the construction of roads and rights of way on or outside of the land; provided, that in the event the exercise of such withdrawal or such taking causes any portion of the land originally demised to become unusable for the specific use for which it was demised, the rent shall be reduced in proportion to the value of the land withdrawn or made unusable, and if any permanent improvement constructed upon the land by the Lessee is destroyed or made unusable in the process of such withdrawal or taking, the proportionate value thereof shall be paid based upon the unexpired term of the lease. No such withdrawal or taking shall be had as to those portions of the land which are then under cultivation with crops until the crops are harvested, unless the Lessor pays to the Lessee the value of such crops.

3. Right to enter. The Lessor shall have the right to itself and to the agents and representatives of the county in which said demised premises are situated, to enter and cross any portion of said demised land for the purpose of performing any public or official duties; provided, however, in the exercise of such rights, the Lessor shall not interfere unreasonably with the Lessee or Lessee's use and enjoyment of the premises.

4. Inspection by prospective bidders. The Lessor shall have the right to authorize any person or persons to enter upon and inspect the demised premises at all reasonable times following a published notice for the proposed disposition of the same for purposes of informing and appraising such person or persons of the condition of said lands preparatory to such proposed disposition; provided, however, that any such entry and inspection shall be conducted during reasonable hours after notice to enter is first given to the Lessee, and shall, if the Lessee so requires, be made in the company of the Lessee or designated agent of the Lessee; provided, further, that no such authorization shall be given more than one year before the expiration of the term of this lease.

THE LESSEE COVENANTS AND AGREES WITH THE LESSOR AS FOLLOWS:

1. Payment of Rent. That the Lessee shall pay said rent to the Lessor at the times, in the manner and form aforesaid and at the place specified above, or at such other place as the Lessor may from time to time designate, in legal tender of the United States of America.

2. Taxes, assessments, etc. That the Lessee is not in arrears in the payment of taxes, rents, or other obligations owing the State of Hawaii or its political subdivisions, and shall pay or cause to be paid, when due, the amount of all taxes, rates, assessments and other outgoings of every description as to which said demised premises or any part thereof, or any improvements thereon, or the Lessor or Lessee in respect thereof, are now or may be assessed or become liable by authority of law during the term of this lease; provided, however, that with respect to any assessment made under any betterment or improvement law which may be payable in installments, Lessee shall be required to pay only such installments, together with interest, as shall become due and payable during said term.

3. Utility services. That the Lessee shall pay when due all charges, duties and rates of every description, including water, sewer, gas, refuse collection or any other charges, as to which said demised premises, or any part thereof, or any improvements thereon or the Lessor or Lessee in respect thereof may during said term become liable, whether assessed to or payable by the Lessor or Lessee.

4. Covenant against discrimination. That the use and enjoyment of the premises shall not be in support of any policy which discriminates against anyone based upon race, creed, color or national origin.

5. Sanitation, etc. That the Lessee shall keep the demised premises and improvements in a strictly clean, sanitary and orderly condition.

6. Waste and unlawful, improper or offensive use of premises. That the Lessee shall not commit, suffer or permit to be committed any waste, nuisance, strip or unlawful, improper or offensive use of the demised premises, or any part thereof, nor, without the prior written consent of the Lessor, cut down, remove or destroy, or suffer to be cut down, removed or destroyed, any trees now growing on said premises.

7. Compliance with laws. That the Lessee shall comply with all of the requirements of all municipal, state and federal authorities and observe all municipal ordinances and state and federal statutes, pertaining to the said premises, now in force or which may hereinafter be in force.

8. Inspection of premises. That the Lessee will permit the Lessor and its agents, at all reasonable times during the said term, to enter the demised premises and examine the state of repair and condition thereof.

9. Improvements. That the Lessee shall not at any time during said term construct, place, maintain and install on said premises any building or other improvement of any kind and description whatsoever except with the prior approval of the Lessor and upon such conditions as the Lessor may impose, including any adjustment of rent, unless otherwise provided herein.

10. Repairs to improvements. That the Lessee shall, at its own expense, keep, repair and maintain all buildings and other improvements now existing or hereafter constructed or installed on the demised premises in good order, condition and repair, reasonable wear and tear excepted.

11. Liens. That the Lessee will not commit or suffer any act or neglect whereby the demised premises, or any improvement thereon, or the estate of the Lessee in the same, or any part thereof, shall become subject to any attachment, lien, charge or encumbrance whatsoever, except as hereinafter provided, and shall indemnify and hold harmless the Lessor from and against all attachments, liens, charges and encumbrances and all loss, costs and expenses resulting therefrom.

12. Covenant against speculation. That the Lessee is not entering this lease for the purpose of speculation, nor will the leased premises subsequently be used for speculative purposes, and the Lessee itself shall use the demised premises for its intended use and purpose.

13. Character of use. That the Lessee shall use or allow to be used the premises hereby demised solely for _____

Pasture and for no other
purpose.

14. Assignments, etc. That the Lessee shall not transfer, assign or permit any other person to occupy or use the said premises or any portion thereof, or transfer or assign this lease or any interest therein, either voluntarily or by operation of law, except by way of devise, bequest or intestate succession, and any transfer or assignment so made shall be null and void; provided, that with the prior written approval of the Lessor the assignment and transfer of this lease or unit thereof may be made if (1) in the case of commercial, industrial, hotel, resort, apartment and other business uses, the Lessee was required to put in substantial building improvements; (2) the Lessee becomes mentally or physically disabled; (3) extreme economic hardship is demonstrated to the satisfaction of the Lessor or (4) it is to the corporate successor of the Lessee.

15. Subletting. That the Lessee shall not rent or sublet the whole or any portion of the demised premises, without the prior written approval of the Lessor; provided, however, that prior to such approval, the Lessor shall have the right to review and approve the rent to be charged to the proposed sublessee and, if necessary, revise the rent of the demised premises based upon the rental rate charged to the said sublessee; provided, further, that the rent may not be revised downward.

16. Mortgage. That, except as provided herein, the Lessee shall not mortgage, hypothecate or pledge the said premises or any portion thereof or this lease or any interest therein without the prior written approval of the Lessor and any such mortgage, hypothecation or pledge without such approval shall be null and void.

17. Indemnity. That the Lessee will indemnify, defend and hold the Lessor harmless (1) from and against any claim or demand by third persons for loss, liability or damage, including claims for property damage, personal injury or wrongful death, arising out of or from any accident on the demised premises and sidewalks and roadways adjacent thereto or occasioned by any act or omission made or suffered on the premises, or by any fire thereon or growing out of or caused by any failure on the part of the Lessee to maintain the premises in a safe condition and will reimburse the Lessor for all costs and expenses in connection with the defense of such claims; (2) from and against all actions, suits, damages and claims by whomsoever brought or made by reason of the non-observance or non-performance of any of the terms, covenants and conditions herein or the rules, regulations, ordinances and laws of the federal, state, municipal or county governments.

18. Costs of litigation. That in case the Lessor shall, without any fault on its part, be made a party to any litigation commenced by or against the Lessee (other than condemnation proceedings), the Lessee shall and will pay all costs and expenses incurred by or imposed on the Lessor, furthermore, the Lessee shall and will pay all costs and expenses which may be incurred by or paid by the Lessor in enforcing the covenants and agreements of this lease, in recovering possession of the demised premises or in the collection of delinquent rental, taxes and any and all other charges.

19. Liability insurance. That the Lessee shall procure, at its own cost and expense, and maintain during the entire period of this lease, with an insurance company or companies acceptable to the Lessor, a policy or policies of comprehensive public liability insurance, if and when the same shall be required by the Lessor, in an amount acceptable to the Lessor, insuring against all claims for personal injury, death and property damage; that said policy or policies shall cover the entire premises, including all buildings and other improvements and grounds and all roadways or sidewalks on or adjacent to the demised premises in the control or use of the Lessee. The Lessee shall furnish the Lessor with a certificate showing such policy to be initially in force and shall furnish a like certificate upon each renewal of such policy, each such certificate to contain or be accompanied by an assurance of the insurer to notify the Lessor of any intention to cancel any such policy prior to actual cancellation. The procuring of this policy shall not release or relieve the Lessee of its responsibility under this lease as set forth herein or limit the amount of its liability under this lease.

20. Bond, performance. That the Lessee shall, at its own cost and expense, within thirty (30) days after the date of receipt of this lease document, procure and deposit with the Lessor and thereafter keep in full force and effect during the term of this lease a good and sufficient surety bond, conditioned upon the full and faithful observance and performance by said Lessee of all of the terms, conditions and covenants of this lease, in an amount equal to two times the annual rental established as public auction or by the Lessor. Said bond shall provide that in case of a breach or default of any of the terms, covenants, conditions and agreements contained herein, the full amount of the bond shall be paid to the Lessor as liquidated and ascertained damages and not as a penalty.

21. Lessor's lien. That the Lessor shall have a lien on all the buildings and other improvements placed on the said premises by the Lessee, on all property kept or used on the demised premises, whether the same is exempt from execution or not and on the rents of all improvements and buildings situated on said premises for all such costs, attorney's fees, rent reserved, for all taxes and assessments paid by the Lessor on behalf of the Lessee and for the payment of all money as provided in this lease to be paid by the Lessee, and such lien shall continue until the amounts due are paid.

22. Inspection by Lessee. That the Lessee has examined the leased premises prior to the execution of the lease, and knows the condition thereof, and that no representation as to the condition or state of repairs as to the land or improvements thereon have been made by the Lessor, except those specifically stated in the lease, and the Lessee does hereby accept the leased premises in the condition existing on the date of the execution of the lease.

IT IS HEREBY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. Mortgage. That upon due application to, and with the written consent of, the Lessor, the Lessee may mortgage, or create a security interest in, this lease or any interest therein. If the mortgage or security interest is to a recognized lending institution in either the State of Hawaii or elsewhere in the United States, such consent may extend to foreclosure and sale of Lessee's interest at such foreclosure to any purchaser, including the mortgagee, without regard to whether or not the purchaser is qualified to lease, own or otherwise acquire and hold the land or any interest therein. The interest of the mortgagee or holder shall be freely assignable. The term "holder" shall include an insurer or guarantor of the obligation or condition of such mortgage, including the Department of Housing and Urban Development through the Federal Housing Administration, the Federal National Mortgage Association, the Veterans Administration, the Small Business Administration, Farmers Home Administration, or any other Federal agency and their respective successors and assigns or any lending institution authorized to do business in the State of Hawaii or elsewhere in the United States; provided, that the consent to mortgage to a non-governmental holder shall not confer any greater rights or powers in the holder than those which would be required by any of the aforementioned Federal agencies.

2. Breach. That time is of the essence of this agreement and if the Lessee shall fail to yield or pay such rent or any part thereof at the times and in the manner aforesaid, or shall become bankrupt, or shall abandon the said premises, or if this lease and said premises shall be attached or otherwise be taken by operation of law, or if any assignment be made of the Lessee's property for the benefit of creditors, or shall fail to observe and perform any of the covenants, terms and conditions herein contained and on its part to be observed and performed, and such failure shall continue for a period of more than sixty (60) days after delivery by the Lessor of a written notice of such breach or default by personal service, registered mail or certified mail to the Lessee at its last known address and to each mortgagee or holder of record having a security interest in the demised premises, the Lessor may, subject to the provision of Section 103A-21, Revised Laws of Hawaii 1955, as amended, at once re-enter such premises or any part thereof, and upon or without such entry, at its option, terminate this lease without prejudice to any other remedy or right of action for arrears of rent or for any preceding or other breach of contract; and in the event of such termination, all buildings and improvements thereon shall remain and become the property of the Lessor.

3. Right of holder of record of a security interest. In the event the Lessor seeks to terminate the interest created by this lease, each recorded holder of a security interest may, at its option, cure or remedy the default or breach within sixty (60) days from the date of receipt of the notice hereinabove set forth, or within such additional period as the Lessor may allow for good cause, and add the cost thereof to the mortgage debt and the lien of the mortgage. Upon failure of the holder to exercise its option, the Lessor may: (a) pay to the holder from any monies at its disposal, including the special land and development fund, the amount of the mortgage debt, together with interest and penalties, and secure an assignment of said debt and mortgage from said holder or if

ownership of such interest or estate shall have vested in such holder by way of foreclosure, or action in lieu thereof, the Lessor shall be entitled to the conveyance of said interest or estate upon payment to said holder of the amount of the mortgage debt, including interest and penalties, and all reasonable expenses incurred by the holder in connection with such foreclosure and preservation of its security interest, less appropriate credits, including income received from said interest or estate subsequent to such foreclosure; or (b) terminate the outstanding interest or estate subject to the lien of such mortgage, without prejudice to any other right or remedy for arrears of rent or for any preceding or other breach or default and thereupon use its best efforts to redipose of the land affected thereby to a qualified and responsible person who will assume the obligation of the mortgage and the debt thereby secured; provided, that a reasonable delay by the Lessor in instituting or prosecuting any right or remedy it may have hereunder shall not operate as a waiver of such right or to deprive it of such remedy when it may still hope otherwise to resolve the problems created by the breach or default. The proceeds of any rediposition effected hereunder shall be applied, first, to reimburse the Lessor for costs and expenses in connection with such rediposition, second, to discharge in full any unpaid purchase price or other indebtedness owing the Lessor in connection with such interest or estate terminated as aforesaid, and the balance, if any, shall be paid to the owner of such interest or estate.

4. Condemnation. That, if at any time, during the term of this lease, any portion of the demised premises should be condemned for public purposes by the State or any county or city and county or any other governmental agency or subdivision thereof, the rental shall be reduced in proportion to the value of the portion of the premises condemned. The Lessee shall be entitled to receive from the condemning authority (a) the value of growing crops, if any, which he is not permitted to harvest and (b) the proportionate value of the Lessee's permanent improvements so taken in the proportion that it bears to the unexpired term of the lease; provided, that the Lessee may, in the alternative, remove and relocate its improvements to the remainder of the lands occupied by the Lessee. The Lessee shall not by reason of such condemnation be entitled to any claim against the Lessor for condemnation or indemnity for leasehold interest and all compensation payable or to be paid for or on account of said leasehold interest by reason of such condemnation shall be payable to and be the sole property of the Lessor. The foregoing rights of the Lessee shall not be exclusive of any other to which the Lessee may be entitled by law. Where the portion so taken renders the remainder unsuitable for the use or uses for which the land was demised, the Lessee shall have the option to surrender this lease and be discharged and relieved from any further liability therefor; provided, that Lessee may remove the permanent improvements constructed, erected and placed by it within such reasonable period as may be allowed by the Lessor.

5. Acceptance of rent not a waiver. That the acceptance of rent by the Lessor shall not be deemed a waiver of any breach by the Lessee of any term, covenant or condition of this lease, nor of the Lessor's right to re-entry for breach of covenant, nor of the Lessor's right to declare and enforce a forfeiture for any such breach, and the failure of the Lessor to insist upon strict performance of any such term, covenant or condition, or to exercise any option herein conferred, in any one or more instances, shall not be construed as a waiver or relinquishment of any such term, covenant, condition or option.

6. Extension of time. That notwithstanding any provision contained herein to the contrary, wherever applicable, the Lessor may for good cause shown, allow additional time beyond the time or times specified herein to the Lessee, in which to comply, observe and perform any of the terms, conditions and covenants contained herein.

7. Justification of sureties. Such bonds as may be required herein shall be supported by the obligation of a corporate surety organized for the purpose of being a surety and qualified to do business as such in the State of Hawaii, or by not less than two personal sureties, corporate or individual, for which justifications shall be filed as provided in Section 7-21, Revised Laws of Hawaii 1955; provided, however, the Lessee may furnish a bond in like amount, conditioned as aforesaid, executed by it alone as obligor, if, in lieu of any surety or sureties, it shall also furnish and at all times thereafter keep and maintain on deposit with the Lessor security in certified checks, certificates of deposit (payable on demand or after such period as the Lessor may stipulate), bonds, stocks or other negotiable securities properly endorsed, or execute and deliver to said Lessor a deed or deeds of trust of real property, all of such character as shall be satisfactory to said Lessor and valued in the aggregate at not less than the principal amount of said bond. It is agreed that the value at which any securities may be accepted and at any time thereafter held by the Lessor under the foregoing proviso shall be determined by the Lessor, and that the Lessee may, with the approval of the Lessor, exchange other securities or money for any of the deposited securities if in the judgment of the Lessor the substitute securities or money shall be at least equal in value to those withdrawn. It is further agreed that substitution of sureties or substitution of a deposit of security for the obligation of a surety or sureties may be made by the Lessee, but only upon the written consent of the Lessor and that until such consent be granted, which shall be discretionary with the Lessor, no surety shall be released or relieved from any obligation hereunder.

8. Definitions. As used herein, unless clearly repugnant to the context:

- (a) "Chairman" shall mean the Chairman of the Hawaiian Homes Commission of the State of Hawaii or his successor;
- (b) "Lessee" shall mean and include the Lessee herein, its heirs, executors, administrators, successors or permitted assigns, according to the context hereof;
- (c) "Holder of record of a security interest" is a person who is the owner or possessor of a security interest in the land demised and who has filed with the Department of Hawaiian Home Lands and with the Bureau of Conveyances of the State of Hawaii a copy of such interest;
- (d) "Premises" shall be deemed to include the land hereby demised and all buildings and other improvements now or hereinafter constructed and installed thereon;
- (e) The use of any gender shall include all genders, and if there be more than one Lessee, then all words used in the singular shall extend to and include the plural;
- (f) The marginal headings throughout this lease are for the convenience of the Lessor and the Lessee and are not intended to construe the intent or meaning of any of the provisions thereof.

9. Special lease provisions. The special lease provisions attached hereto as Exhibit "C" are hereby incorporated herein by reference as though fully recited herein.

~~10. Disputes. That any dispute concerning a question of fact arising under this lease which is not disposed of by agreement shall be decided by a person mutually agreed upon by the parties hereto, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to said parties. The decision of said person shall be final and conclusive. Pending final decision of a dispute hereunder, the Lessee shall proceed diligently with the performance of this lease.~~

10. Disputes. That any dispute concerning a question of fact arising under this lease which is not disposed of by agreement shall be decided by a person mutually agreed upon by the parties hereto, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to said parties. The decision of said person shall be final and conclusive. Pending final decision of a dispute hereunder, the Lessee shall proceed diligently with the performance of this lease.

EXHIBIT 3

February 24, 2009

Kalei Young

Dept. of Hawaiian Homes Lands

Land Management Branch Division

91-5420 Kapolei Parkway
Kapolei, Hawaii 96707

Re: 41-050 Kalaniana'ole Hwy. Waimanalo, Hi 96795

RECEIVED
LAND MANAGEMENT
DIVISION

2009 FEB 25 PM 2:41

This letter is in response to a letter from your department dated January 22, 2009 concerning the revocation of land permit #205. The letter concerns the unauthorized alteration of terrain road grading and notice of violation from the city noting respondents have ignored such letters. Respondents have not ignored the notice of violation and have worked diligently to obtain and satisfy the departments notice of violation while simultaneously experiencing insurmountable financial strain and extreme difficulties in mid 2008, respondents obtained the necessary services from the engineering firm of Hida Okamoto and Associates, Inc., with a request to prepare and submit the grading plan and also find a sponsor post bond with the city to satisfy the city's permitting requirements. Since submitting the plan, they had submitted and responded to at least 5 requests for review from the city Department of Planning and Permitting. The most recent dated 5/21/2008 and the earliest 2/2/2008 (see attached). However respondents have thus far been unsuccessful in obtaining the considerable bonding needed for permit approvals. Again, since 2008, respondents continue to work towards satisfying the department's requirements while continuing to experience extreme difficulties and financial hardship that continues through today.

Under the circumstances stated above, respondents will meet with the Department of Planning and Permitting within 30 days of this letter to resolve the bond matter under the land use ordinance and resolve the fines involved. Respondents plan to coordinate and give updates of all permitting progress with the departments supervising land agent, Mr. Kalei Young.

Your support and cooperation in this matter would be greatly appreciated.

Sincerely,



Nowlin P. Correa & Weston K. Correa

EXHIBIT 3A



DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

6150 SOUTH KING STREET * HONOLULU, HAWAII 96813
 Phone: (808) 523-4505 * Fax: (808) 527-6111

1-1/8 P.02 Job-779

DEPT. OF HAWAIIAN
 HOME LANDS

Notice of Violation

01 MAR 12 AM 21

Violation No.: 2001/NOV-03-019

Date: March 08, 2001

Owner(s)

State of Hawaii, Department of Hawaiian
 Home Lands
 P.O.Box 1879
 Honolulu, Hawaii 96805

Contractor(s)

Architect/Plan Maker

Agent

Contractor:

Peterson C J Services Inc
 84-121 Leokane
 Waiapahu, HI 96797

Contractor:

D & G Equipment & Hauling
 91-1177 Renton Road
 Ewa Beach, Hawaii 96706

Lessee

Tenant

Engineer

Correa, Nowlin
 41-450 Kalaniana'ole Highway
 Waimanalo, Hawaii 96795

TMK: 4-1-014-007 41-450 - KALANIANA'OLE HWY

I have inspected the above-described premises and have found the following violations of City and County of Honolulu's laws and regulations governing same:

Codes and/or Ordinance(s)
 and Section(s)

Violation(s)

ROH 1990, as amended, Chapter 14
 Section 14-14.1

Grading without a permit (approximately 12,547 cubic yards) A NOTICE OF ORDER, as indicated below, will be issued by the Department of Planning and Permitting Imposing CIVIL FINES for the specified violations. You will be charged with an initial fine of \$1,000.00; and if no corrective action is taken by the specified date, you will be assessed a daily fine of \$1,000.00, until corrective action is completed.

STOP WORK! You are hereby ordered to stop illegal work immediately.

You are hereby ordered to obtain permit(s) and/or correct violation by April 9, 2001.

Restore the area immediately and complete all work within 32 days from the date of this notice.

Please call the undersigned after the corrections have been made.

You are reminded that if no action is taken within the specified time:

1. This matter will be referred to the Prosecuting Attorney and/or Corporation Counsel for appropriate action; and/or
2. A Notice of Order will be issued by the Department of Planning and Permitting imposing CIVIL FINES for the specified violations.

Special Instructions:

Orig-Address
 Copy-File Project Review Section
 Dir Permitting and Insp. Section
 HPD Inspector(2)

Inspector:

Edward Alferes
 Edward Alferes Phone: 547-7802
 for the Director Department of Planning and Permitting



Notice of Violation

Violation No.: 2007/NOV-11-081 (SD)

Date: December 17, 2007

Owner(s)

State of Hawaii, Department of Hawaiian Home
 Lands
 Attn. Noel Akamu
 P.O. Box 1879
 Honolulu, Hawaii 96806

Contractor(s)

Tenant/Violator

Architect/Plan Maker

Contractor:
 PETERSON C J SERVICE
 94-121 LEOKANE ST
 WAIFAHU, HI 96797

Lessee

Agent

Engineer

Correa, Nowlin
 P.O. Box 230
 Waimanalo, HI 96795

TMK: 4-1-014-007 41-450 KALANIANA'OLE HWY

Specific Address of Violation: 41-450 Kalaniana'ole Hwy.

I have inspected the above-described premises and have found the following violations of City and County of Honolulu's laws and regulations governing same:

Codes and/or Ordinance(s) and Section(s)	Violation(s)
ROH 1990, as amended, Chapter 14 Section 14-14.1(a)	Grading without a permit (approximately 12,547 cubic yards)
	A NOTICE OF ORDER, as indicated below, will be issued by the Department of Planning and Permitting imposing CIVIL FINES for the specified violations. You will be charged with an initial fine of \$1000.00; and if no corrective action is taken by the specified date, you will be assessed a daily fine of \$1000.00, until corrective action is completed.

STOP WORK! You are hereby ordered to stop illegal work immediately.

You are hereby ordered to take immediate measures to stabilize the site and protect abutting properties.

You are hereby ordered to obtain permit(s) and/or correct violation by January 16, 2008.

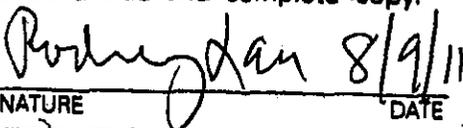
Please call the undersigned after the corrections have been made.

You are reminded that if no action is taken within the specified time:

1. A Notice of Order will be issued by the Department of Planning and Permitting imposing CIVIL FINES for the specified violations; and/or
2. This matter may be referred to the Prosecuting Attorney and/or Corporation Counsel for appropriate action.

Special Instructions:

This NOV supersedes the original 2001/NOV-03-019 (SD) dated March 08, 2001.
 Orig-Owner
 Cc - Contractor, Lessee, Agent, Engineer
 Director
 HPD
 Project Review Section
 Permitting and Inspection Section (w/attach.)

DEPARTMENT OF HAWAIIAN HOME LANDS
 As custodian of records, I certify this to be a true and complete copy.

 SIGNATURE DATE

Inspector 
 Reed Takao Phone: 768-8094
 for the Director Department of Planning and Permitting

EXHIBIT 3B

EROSION CONTROL PLAN

41-450 Kalaniana'ole Highway
Waimanalo, Oahu, Hawaii
(After-the-Fact)
Grading Plan

Tax Map Key: 4-1-014:007

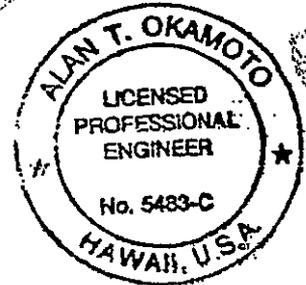
HO&A Job No. 01-1525

PREPARED BY:

Hida, Okamoto & Associates, Inc.
1440 Kapiolani Boulevard, Suite 1120
Honolulu, Hawaii 96814

August 2001

**THIS DOCUMENT
REQUIRED FOR
PERMITTING
PURPOSES**



THIS WORK WAS PREPARED BY
ME OR UNDER MY SUPERVISION

Alan T. Okamoto
Signature

APPROVED:

M. Fagan

for Director, Department of Planning & Permitting

9/7/01

Date

Mehomi Takahara

for Chief, Civil Engineering Branch, D.P.P.

9/7/01

Date

Existing Site Conditions

Currently the site is covered with dense shrub, grass and ground cover. The area to be graded cover approximately 0.82 acres with elevations ranging from 36 to 62 feet. The terrain is relative steep and slopes towards Southern Kalaniana'ole Highway end of the property. Existing storm water run-off sheet flows offsite. The allowable soil loss rate is 5 ton/acre/yr for the project area. See Figure 5-Rules Relating to Soil Erosion Standards and Guidelines, Department of Planning and Permitting, City and County of Honolulu.

Erosion Control Plan

Soils

From the USDA Soil Conservation Service "Soil Survey of the Islands of Kauai, Oahu, Maui, Molokai, and Lanai, State of Hawaii Plate 67, the site is designated K1bC – Kawaihapai very stony clay loam. The surface layer is dark brown clay loam about 22 inches thick. The next layer is dark brown stratified sandy loam 32 inches thick. The substratum is stony and gravelly. Permeability is moderate. Runoff is slow, and the erosion hazard is moderate.

Erosion Hazards

The erosion hazards is moderate.

Construction Time Frame

Construction is schedule for September 4, 2001 and completed by November 16, 2001

Soil Loss Calculations

A = RK (LS) CP
R = 342

Soil Loss	
(From Average Annual Value of Rainfall Factor R)	
% cum. November 16, 2001	0.801
% cum. September 4, 2001	<u>0.619</u>
% Difference	0.182

$R = 342 \times 0.182 = 62.24$

K = 0.10 (K1bC)

C = Ground Cover (Table 20 & 22)

C = 1.00 Bare Soil

C = 0.01 Grass

C = 0.038 60% Surface Grass/ 50% Appreciable Brush

C = 0.02 Grass Mulch

P = 0.08 Use of Silt Barrier

P = 1.0 No measures applied

LS Calculations:

K1bC 0.82

Existing Condition

Length of slope: 120'

Slope = 37%

LS = 12.28

After Grading

Length of slope: 65'

Slope = 50%

LS = 14.28

Future Condition

Length of slope: 65'

Slope = 50%

LS = 14.28

Individual Area Soil Loss

K1bC 0.82:

Existing Condition

A = RK (LS) CP

= 342 (0.10)(12.28)(0.038)(1.0)

= 15.96 Tons/Ac/Yr

After Grading

A = RK (LS) CP

= 62.24(0.10)(14.28)(0.02)(0.8)

= 1.42 Tons/Ac/Yr

Future Condition

A = RK (LS) CP

= 342(0.10)(14.28)(.01)(1.0)

= 4.88 Tons/Ac/Yr

Construction Work Sequence

The following is an estimated construction sequence.

	<i>Activity</i>	<i>Estimated Dates</i>
1.	Establish Temporary Erosion Controls	09/04/01 – 09/12/01
2.	Grading	09/13/01 – 11/09/01
3.	Permanent Grassing	11/08/01 – 11/16/01

Temporary Erosion Control Measures

A. Temporary erosion control measures are to be maintained until grading is completed and permanent grassing is installed. The following is a list of temporary erosion control methods to be used.

1. Silt barrier to be installed.
2. All exposed graded areas to be covered with grass mulch after each day.
3. After grading completed, permanent grassing to be installed.

B. The following are measures to be taken by the Contractor.

1. Inspect and repair temporary erosion controls.
 - a. Dry Periods – Weekly basis.
 - b. Rainfall of 0.5 inch or greater – within 24 hours.
 - c. Prolonged Rainfall – Daily.
2. Contractor to maintain a log of inspection and repair.
3. Contractor shall designate a specific individual to be responsible for Erosion and Sediment Control.

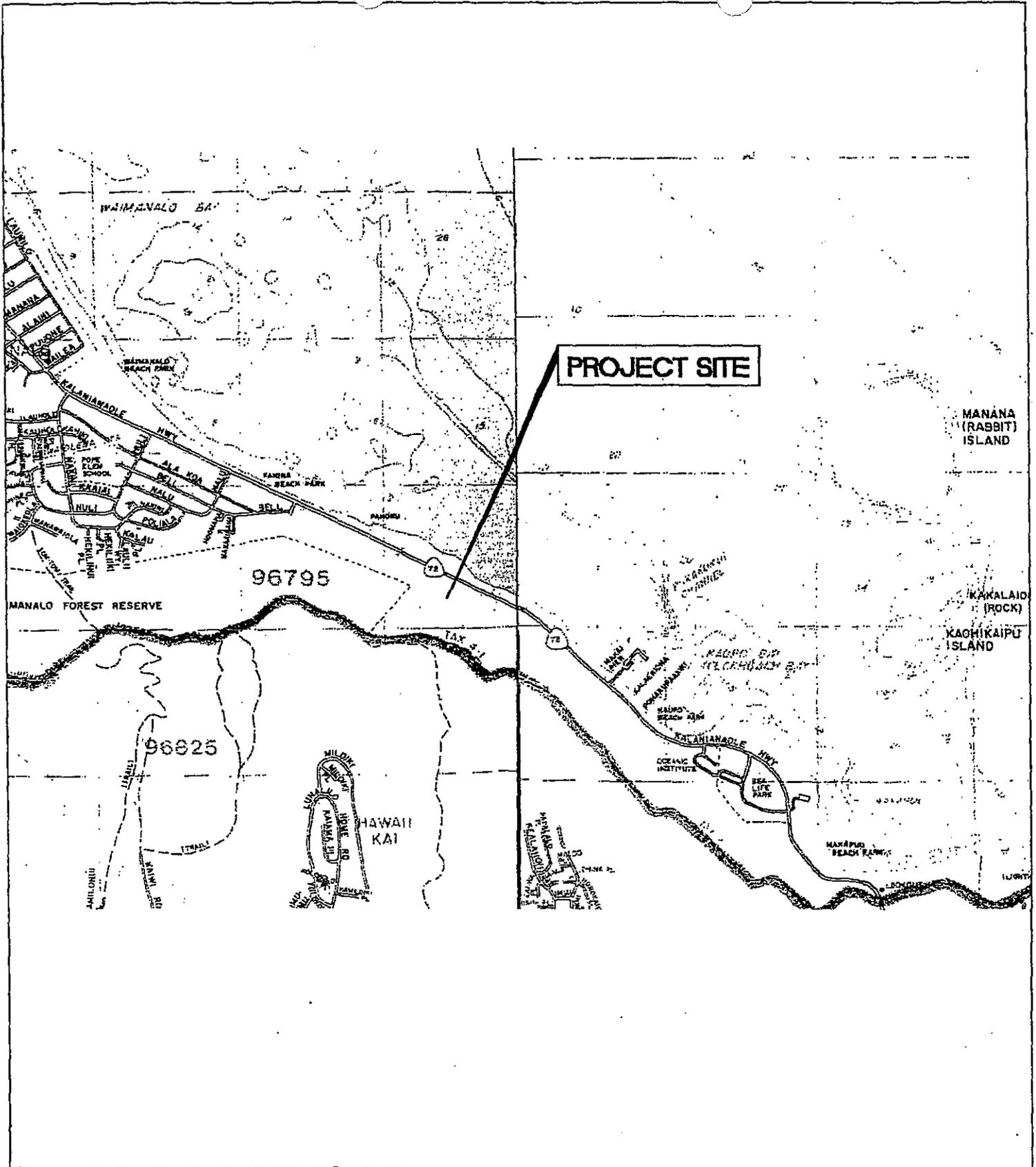
Permanent Erosion Control Measures

Permanent erosion control measures include permanent grassing of the graded area.

Conclusion

The grading and final condition is below the acceptable soil loss of 5 tons/ac/yr. Therefore, the severity is slight. The temporary erosion control measures will be adequate during grading.

REFERENCES



Hida, Okamoto & Associates, Inc.
 Consulting Engineers
 1440 Kapiolani Boulevard
 Suite 1120
 Honolulu, Hawaii 96814
 (808) 942-0066

LOCATION MAP
 NO SCALE

41-450 KALAMANAOLE HWY.
 TMK-4-1-014-007

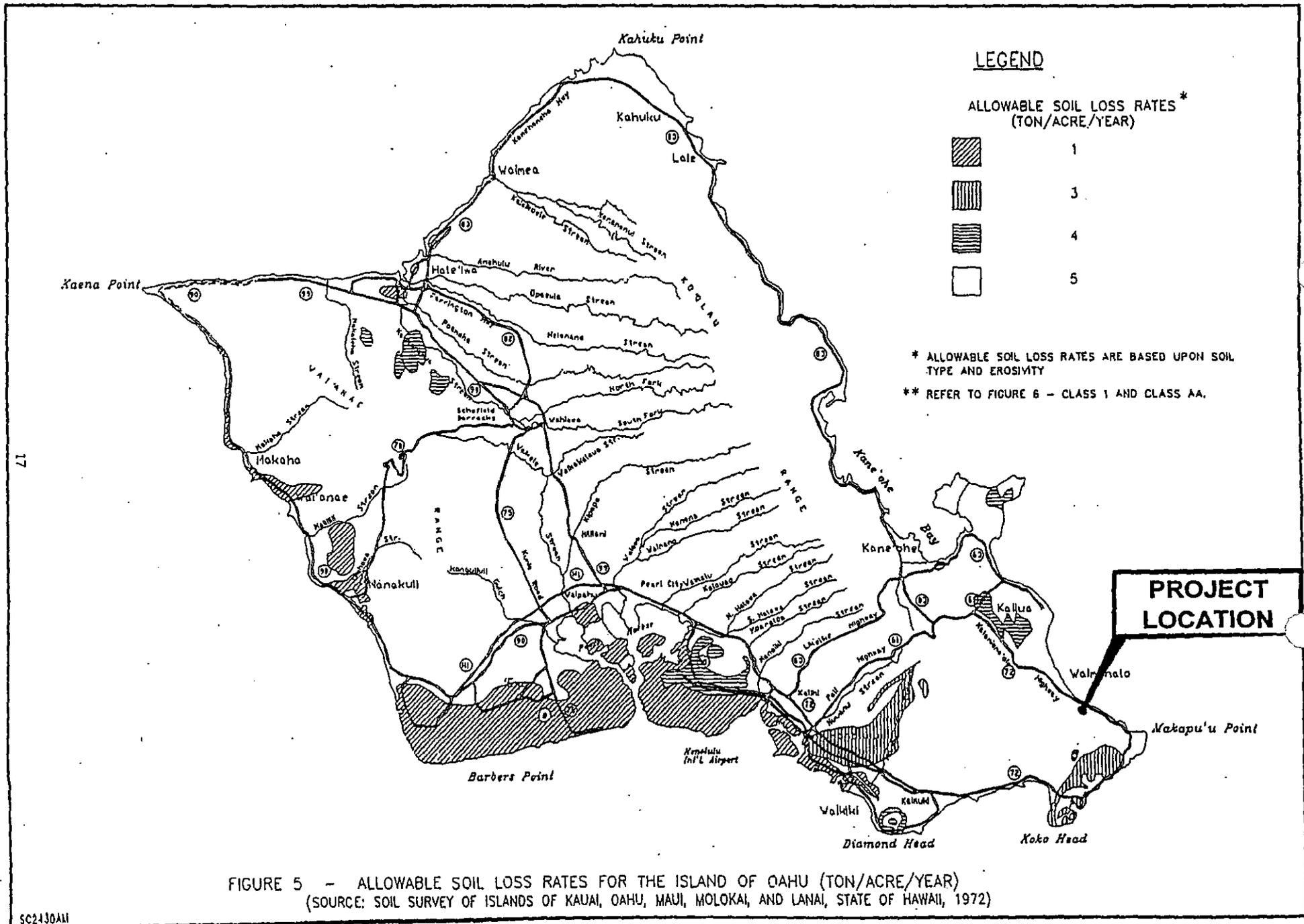


FIGURE 5 - ALLOWABLE SOIL LOSS RATES FOR THE ISLAND OF OAHU (TON/ACRE/YEAR)
(SOURCE: SOIL SURVEY OF ISLANDS OF KAUAI, OAHU, MAUI, MOLOKAI, AND LANAI, STATE OF HAWAII, 1972)

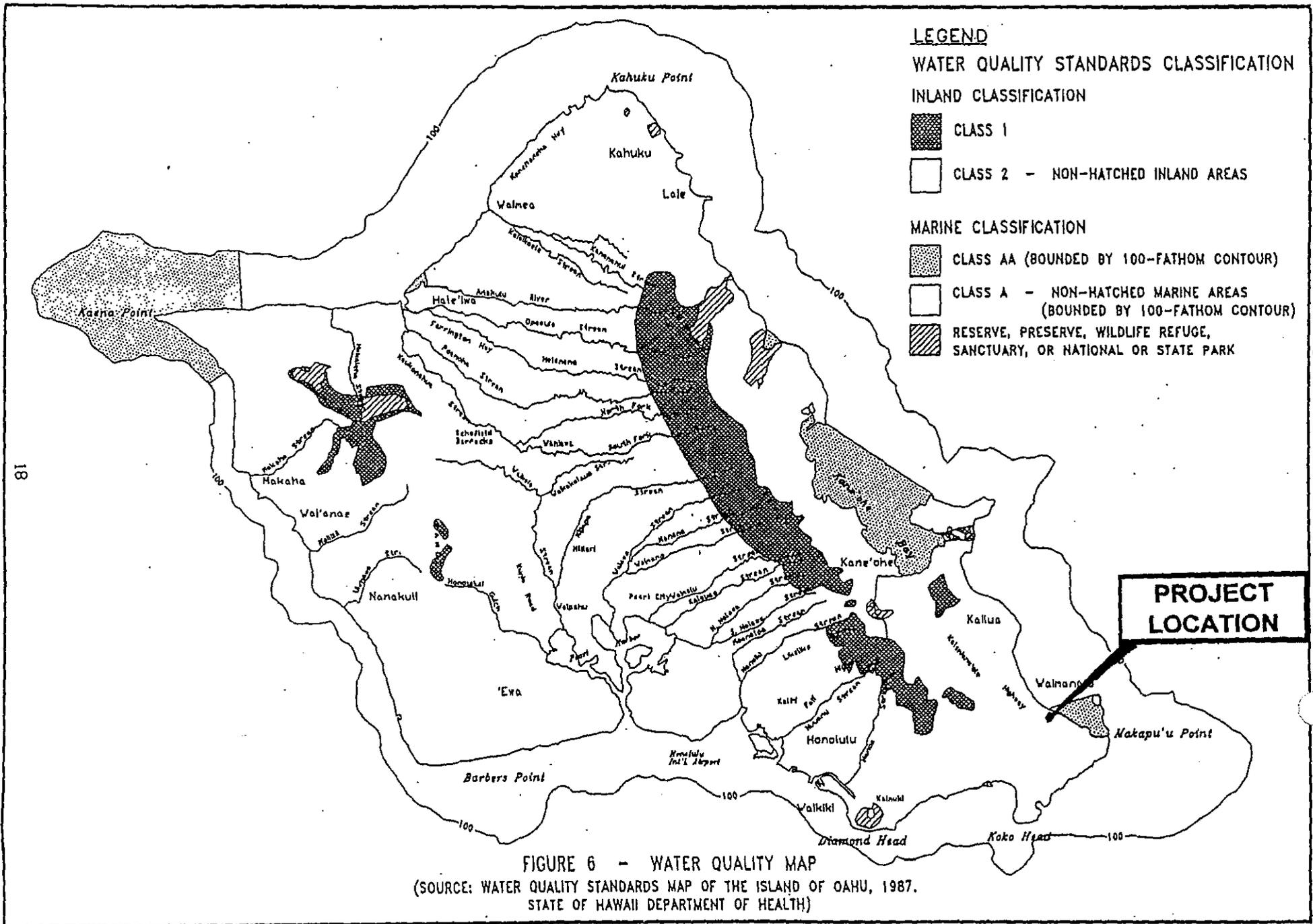


FIGURE 6 - WATER QUALITY MAP
 (SOURCE: WATER QUALITY STANDARDS MAP OF THE ISLAND OF OAHU, 1987,
 STATE OF HAWAII DEPARTMENT OF HEALTH)

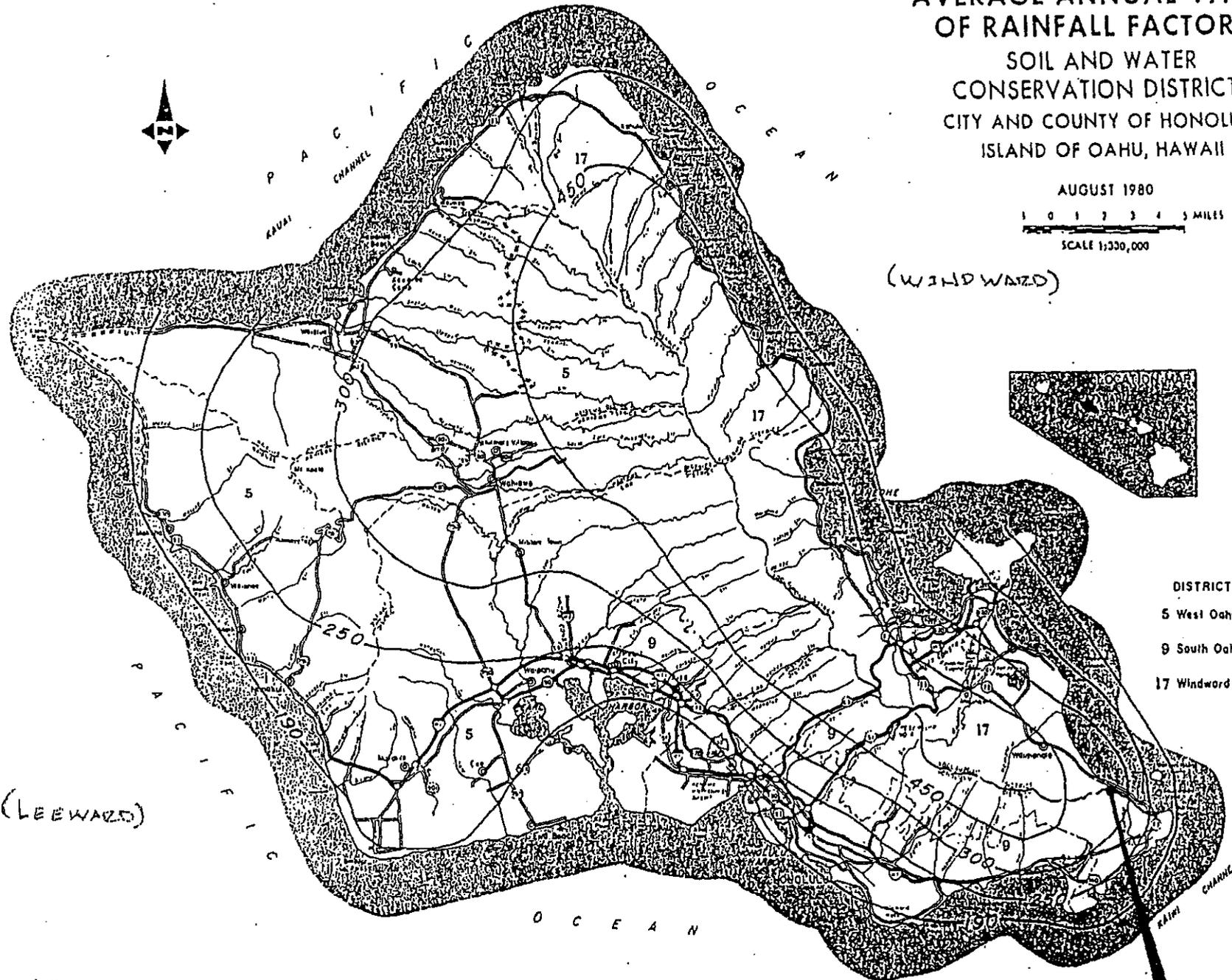
AVERAGE ANNUAL VALUES
OF RAINFALL FACTOR, R
SOIL AND WATER
CONSERVATION DISTRICTS
CITY AND COUNTY OF HONOLULU
ISLAND OF OAHU, HAWAII

AUGUST 1980

1 0 1 2 3 4 5 MILES

SCALE 1:330,000

(WINDWARD)



- DISTRICTS
- 5 West Oahu SWCD.
 - 9 South Oahu SWCD.
 - 17 Windward Oahu SWCD.

(LEEWARD)

**PROJECT
LOCATION**

Source:
Base map prepared by TCI, Portland, Ore., Unit from USGS 1:250,000 scale.
Thematic data prepared by TCI, Portland, Ore., Unit from State Staff compilation.
U. S. DEPARTMENT OF AGRICULTURE SOIL CONSERVATION SERVICE, WASHINGTON, D.C. 20250

TABLE 16. Slope-effect (LS) values¹

Percent slope	Slope length (feet)											
	25	50	75	100	150	200	300	400	500	600	800	1,000
0.5	0.065	0.080	0.091	0.099	0.112	0.122	0.138	0.150	0.160	0.169	0.185	0.197
1	.085	.105	.119	.129	.146	.159	.180	.196	.210	.222	.242	.258
2	.133	.163	.185	.201	.227	.248	.280	.305	.326	.344	.376	.402
3	.190	.233	.264	.287	.325	.354	.400	.437	.466	.492	.536	.573
4	.230	.303	.357	.400	.471	.528	.621	.697	.762	.820	.920	1.01
5	.268	.379	.464	.536	.656	.758	.928	1.07	1.20	1.31	1.52	1.69
6	.336	.476	.583	.673	.824	.952	1.17	1.35	1.50	1.65	1.90	2.13
8	.496	.701	.859	.992	1.21	1.40	1.72	1.98	2.22	2.43	2.81	3.14
10	.685	.968	1.19	1.37	1.68	1.94	2.37	2.74	3.06	3.36	3.87	4.33
12	.903	1.28	1.56	1.80	2.21	2.55	3.13	3.61	4.04	4.42	5.11	5.71
14	1.15	1.62	1.99	2.30	2.81	3.25	3.98	4.59	5.13	5.62	6.49	7.26
16	1.42	2.01	2.46	2.84	3.48	4.01	4.92	5.68	6.35	6.95	8.03	8.98
18	1.72	2.43	2.97	3.43	4.21	4.86	5.95	6.87	7.68	8.41	9.71	10.9
20	2.04	2.88	3.53	4.08	5.00	5.77	7.07	8.16	9.12	10.0	11.5	12.9
25	2.95	4.17	5.10	5.89	7.22	8.33	10.2	11.8	13.2	14.4	16.7	18.6
30	3.98	5.62	6.89	7.95	9.74	11.2	13.8	15.9	17.8	19.5	22.5	25.2
40	6.33	8.95	11.0	12.7	15.5	17.9	21.9	25.3	28.3	31.0	—	—
50	8.91	12.6	15.4	17.8	21.8	25.2	30.9	—	—	—	—	—
60	11.6	16.4	20.0	23.1	28.4	—	—	—	—	—	—	—

1. Based on the formula:

$$LS = \left(\frac{1}{72.6}\right)^m \left(\frac{430x^2 + 30x + 0.43}{6.57415}\right)$$

where m = 0.5 if s = 5% or greater, 0.4 if s = 4%, and 0.3 if s = 3% or less; and x = sin θ.

Values shown for slopes of less than 3%, greater than 18%, or longer than 400 feet, represent extrapolations of the formula beyond the range of research data.

TABLE 17. C values for sugarcane¹

24-month, irrigated	0.10
24-month, dryland	0.13
27-month, dryland	0.15
30-month, dryland	0.16
36-month, dryland	0.16

1. Where cane residue covers the soil evenly at a rate of 2,000 pounds per acre or more, reduce "C" value by 50 percent.

REFERENCE: USDA-Soil Conservation Service, Technical Note, Agronomy No. 7, "Estimating Crop Residue on Sugarcane Land," December 1976.

TABLE 18. C values for diversified agricultural crops

Type of Crop	Clean-tilled Operation	Green-manure crop or weed cover utilized
Vine Crops	0.30	0.20
Leafy vegetables	0.36	0.25
Corn	0.40	0.30
Head vegetables	0.40	0.30
Root crops	0.45	0.25

TABLE 19. C values for macadamia orchards¹

Treatment for mature orchards	Fullball canopy (100% canopy cover)	Semiball or triangular canopy (75% canopy cover)
No treatment	0.20	0.15
Remove every third row of trees and establish grass filter strips	0.09	0.07
Remove every second row of trees and establish grass filter strips	0.06	0.04
Ground covered with netting (mesh size = 6-8 holes per square inch)	0.01	0.01

1. Select C values for other orchard crops from Table 20, "C values for permanent pasture and idle land."

TABLE 20. C values for permanent pasture and idle land¹

Vegetal canopy		Cover that contacts the surface						
Type and height ²	Percent cover ³	Type ⁴	Percent ground cover					
			0	20	40	60	80	95-100
No appreciable canopy		G	0.45	0.20	0.10	0.042	0.013	0.003
		W	.45	.24	.15	.090	.043	.011
Canopy of tall weeds or short brush (0.5 m fall ht.)	25	G	.36	.17	.09	.038	.012	.003
		W	.36	.20	.13	.082	.041	.011
	50	G	.26	.13	.07	.035	.012	.003
		W	.26	.16	.11	.075	.039	.011
	75	G	.17	.10	.06	.031	.011	.003
		W	.17	.12	.09	.067	.038	.011
Appreciable brush or bushes (2 m fall ht.)	25	G	.40	.18	.09	.040	.013	.003
		W	.40	.22	.14	.085	.042	.011
	50	G	.34	.16	.08	.038	.012	.003
		W	.34	.19	.13	.081	.041	.011
	75	G	.28	.14	.08	.036	.012	.003
		W	.28	.17	.12	.077	.040	.011
Trees, but no appreciable low brush (4 m fall ht.)	25	G	.42	.19	.10	.041	.013	.003
		W	.42	.23	.14	.087	.042	.011
	50	G	.39	.18	.09	.040	.013	.003
		W	.39	.21	.14	.085	.042	.011
	75	G	.36	.17	.09	.039	.012	.003
		W	.36	.20	.13	.083	.041	.011

1. All values shown assume: (1) random distribution of mulch or vegetation, and (2) mulch of appreciable depth where it exists.

2. Average fall height of waterdrops from canopy to soil surface: m = meters.

3. Portion of total-area surface that would be hidden from view by canopy in a vertical projection (a bird's-eye view).

4. G = cover at surface is grass, grasslike plants, decaying compacted duff, or litter at least 2 inches deep.

W = cover at surface is mostly broadleaf herbaceous plants (as weeds with little lateral-root network near the surface) and/or undecayed residues.

TABLE 21. Values for woodland

Stand condition	Percent tree ¹ Canopy	Forest litter percent ² of area	Undergrowth ³	C Factor
Well stocked	100-75	100-90	Managed ⁴	0.001
			Mismanaged ⁴	.003-.011
Medium stocked	70-40	85-75	Managed	0.002-0.004
			Mismanaged	0.01-0.04
Poorly stocked	35-20	70-40	Managed	0.003-0.009
			Mismanaged	0.02-0.09 ⁵

1. When tree canopy is less than 20 percent, the area will be considered as grassland for estimating soil loss.
2. Forest litter is assumed to be at least 2 inches deep over the percent ground surface area covered.
3. Undergrowth (usually found under canopy openings) is defined as shrubs, weeds, grasses, vines, etc., on the surface area not protected by forest litter.
4. Managed: grazing and fires are controlled. Mismanaged: stands that are overgrazed or subjected to repeated burning.
5. For mismanaged woodland with litter cover of less than 75 percent, C values should be derived by taking 0.7 of the appropriate values. The factor of 0.7 reflects the higher organic-matter content in woodland soils.

TABLE 22. C Values for ground cover

Kind of Ground Cover	0.01
Grass Sod.....	0.01
Seedlings (fully established stand):	
→ Permanent grasses (rhizomatous or stoloniferous).....	0.01
Field bromegrass.....	0.03
Ryegrass (perennial).....	0.05
Small grain.....	0.05
Millet or sudangrass.....	0.05
Ryegrass (annual).....	0.10
<u>Mulches:</u>	
Bagasse (2 tons/acre).....	0.02
Hay (2 tons/acre).....	0.02
Small grain straw (2 tons/acre).....	0.02
Woodchips (6 tons/acre).....	0.06
Wood cellulose fiber (1 3/4 tons/acre).....	0.10
Bare soil.....	1.00

TABLE 23. P value for erosion control practice (Agricultural)

Percent slope	Up & down slope farming	Contour planting	Contour irrigation furrows	Cross slope farming
2-7	1.00	0.50	0.25	0.75
7.1-12	1.00	0.60	0.30	0.80
12.1-18	1.00	0.80	1.00	0.90
18.1-24	1.00	0.90	1.00	0.95
Above 24	1.00	1.00	1.00	1.00

TABLE 24. P value for Erosion Control Measures (Non Agricultural)

P = 0.6	Use of Sediment Basin installed at the beginning of grading (sized for 1" rainfall per acre)
→ P = 0.8	Use of filter inlets and berms, sediment traps, chutes and flumes, containment dikes and any other suitable practice.

Properties Related to Erosion and Sedimentation
 For the islands of
 Kauai, Oahu, Maui, Molokai, and Lanai
 July 1993

Soil Symbol Z/	Soil Series or Miscellaneous Land Type	Erosion Factors		Hydrologic Group	Erosion Resistance Group
		K	T (t/a/yr)		
KavC	KAENA VARIANT	0.28	5	0	II
KbB	KAHANA	0.17	5	B	II
KbC	KAHANA	0.17	5	B	II
KbD	KAHANA	0.17	5	B	II
KcB	KALAE	0.10	5	B	I
KcC	KALAE	0.10	5	B	I
KcC3	KALAE	0.10	5	B	I
KcD3	KALAE	0.10	5	B	I
KcE3	KALAE	0.10	5	B	I
KdD	KALAPA	0.10	5	B	I
KdE	KALAPA	0.10	5	B	I
KdF	KALAPA	0.10	5	B	I
Ke	KALIHI	0.28	5	D	II
Kf	KALOKO	0.17	5	D	II
Kfa	KALOKO	0.17	5	D	II
Kfb	KALOKO VARIANT	0.17	5	D	II
KgB	KANEONE	0.10	5	B	I
KgC	KANEONE	0.10	5	B	I
KhB	KANEPUU	0.17	5	B	II
KhB2	KANEPUU	0.17	5	B	II
KhC	KANEPUU	0.17	5	B	II
KhC2	KANEPUU	0.17	5	B	II
KkB	KAPAA	0.10	5	B	I
KkC	KAPAA	0.10	5	B	I
KkD	KAPAA	0.10	5	B	I
KkE	KAPAA	0.10	5	B	II
KlA	KAWAIIHAPAI	0.17	5	B	II
KlB	KAWAIIHAPAI	0.17	5	B	II
KlC	KAWAIIHAPAI	0.17	5	B	II
KlAa	KAWAIIHAPAI	0.15	5	B	II
KlAb	KAWAIIHAPAI	0.15	5	B	II
Klbc	KAWAIIHAPAI	0.10	5	B	II
Klcb	KAWAIIHAPAI	0.17	5	B	II
KmA	KEAAU	0.28	3	D	II
KmaB	KEAAU	0.17	3	D	II
KmbA	KEAAU	0.28	3	D	II
KnB	KEAHUA	0.17	5	B	II
KnC	KEAHUA	0.17	5	B	II
KnaB	KEAHUA	0.15	5	B	II
KnaC	KEAHUA	0.15	5	B	II
KnaD	KEAHUA	0.15	5	B	II
KnD	KEAHUA	0.10	5	B	II
KncC	KEAHUA	0.17	5	B	II
KnHc	KEAHUA	0.15	5	B	II
KnsC	KEAHUA	0.15	5	B	II
KoA	KEKAHA	0.17	5	B	III
KoB	KEKAHA	0.17	5	B	III
KoBa	KEKAHA	0.17	5	B	III
KpB	KEHOO	0.17	5	B	II
KpC	KEHOO	0.17	5	B	II
KpD	KEHOO	0.17	5	B	II

EXHIBIT 4

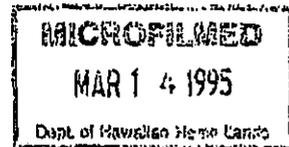
410140070000
HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

2014 Assessed Values as of October 1, 2013

TMK	410140070000
Property Class	PRESERVATION
Total Property Assessed Value	\$910,700
Total Property Exemption	\$910,700
Total Property Net Taxable Assessed Value	\$0
Land Assessed Value	\$723,000
Dedicated/Use Value	\$0
Land Exemption	\$723,000
Net Taxable Land Value	\$0
Building Assessed Value	\$187,700
Building Exemption	\$187,700
Net Taxable Building Value	\$0

EXHIBIT 5



October 17, 1994

PLANNING OFFICE MEMO

TO: Ray Soon, Administrator
Land Management Division

FROM: Darrell Yagodich, Administrator *DY*

SUBJECT: Correa Ranch, Waimanalo, Oahu

RECEIVED
LAND MANAGEMENT
DIVISION
OCT 18 1 02 PM '94

Unless you can find a higher use, my recommendation is to extend the Correa GL 181 for a six-year period to September 26, 2002, based on the following considerations:

- (1) State economy is only now rebounding and DHHL not likely to secure \$10M+ in CIP in near future. Even if we reach a substantial claims settlement, monies would be paid in installments. Our top priorities would still be unimproved acceleration lots in Kula and Kalamaula, then subdivisions now under design.
- (2) With the 16,500+ acre transfer of land, our Oahu priorities for development will likely be Freitas Dairy, Voice of America - Mailli, Camp Andrews, and Kapolei. These parcels are sizeable and relatively less expensive to develop.
- (3) Townhouses at the Correa Ranch site will probably meet with community opposition due to its scenic qualities and will take extraordinary measures due to lack of water and sewer capacity east of Bell Street, access on to Kalaniana'ole Highway, and boulders.
- (4) An agreement with a private developer could accelerate the process if we are willing to make sizeable concessions (or pay with our limited funds).

HSD and LDD should provide input and we should all meet to discuss any differences of opinion before a staff recommendation is made.

You're right. It's a good site in Waimanalo, Oahu, where demand is high. It merits careful consideration.

DY:asy/3501L

file Oct 18/94

Land Development Division
Department of Hawaiian Home Lands



November 4, 1994

To: Ray Soon, LMD Administrator
From: Mike Crozier, LDD Administrator *MC*
Re: Correa Ranch Comments

I agree with Darrell on extending the Correas' lease.

It would behoove DHHL to be cautious placing our people in that hazardous area, as the rear of the property has a history of large rocks falling hundreds of feet from the sheer cliff onto it.

RECEIVED
LAND MANAGEMENT
DIVISION
Nov 4 3 52 PM '94

EXHIBIT 6



DEPARTMENT OF EDUCATION • STATE OF HAWAII
BLANCHE POPE ELEMENTARY SCHOOL
41-133 HULI STREET • WAIMANALO, HAWAII 96795



February 8, 2013

Correa Pony Rides
41-460 Kalanianaʻole Highway
Waimanalo, HI 96795

Dear Management of Correa Ranch Pony Rides:

On behalf of Blanche Pope Elementary School, I would like to thank you for your generous donation of the, (5) \$10 Gift Certificates, for Pope School's Spaghetti Dinner/Auction held on December 7, 2012.

Our Spaghetti Dinner/Auction event was such a successful event. There was a total profit of \$4636.00. The profits will continue to help our school offer more opportunities for our students to participate in schoolwide field trips and activities. The profits will help to support our students with clothing, footwear and school supplies. This year Blanche Pope School has been recognized as a Blue Ribbon School. Due to the recognition of student achievement and our students' Hawaii State Assessment scores, we are planning an end of year celebration for our students. How thankful our staff, students and parents become knowing we have community partners like you caring for the community.

We are very grateful for your generosity and support of public education. Mahalo for your thoughtfulness and caring for the children of Pope.

Sincerely,

A handwritten signature in black ink, appearing to read "Arlette Flores".

Arlette Flores
Event Coordinator



Adult Friends for Youth

3375 Koapaka Street, Suite B290 • Honolulu, Hawaii 96819 • (808) 833-8775 • FAX: (808) 833-6469
E-mail: afy@afyhawaii.com • Web Page: <http://www.afyhawaii.com>

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CHIEF EXECUTIVE OFFICER**

Deborah L.K. Spencer-Chun, M.S.W.

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*Past Chair of the Board

May 22, 2013

Mr. Weston Correa
Owner
Correa Pony Rides
41-460 Kalaniana'ole Hwy.
Honolulu, HI 96795

Dear Mr. Correa,

Thank you so much for your support for the past several years. Adult Friends for Youth (AFY) will be celebrating its 27th Anniversary on Friday, November 29, 2013 at the Sheraton Waikiki Hotel. Over the years you have made it possible for us to continue our very much needed work on behalf of Hawaii's most at-risk youth.

AFY is truly grateful for your past donation of Four certificates for a one hour Shetland Pony Ride! We thank you for your continuous support of Adult Friends for Youth. Your donation is such an excellent addition to our event!

Our mission has been to enhance the potential for ALL youth to achieve a rewarding life and become productive members of society. Thanks to you, and many dedicated supporters like you, we are able to reach a neglected population of young people before habits of destructive, violent, and criminal behaviors take root. We currently work, weekly, with over 450 very high risk youth and gang members in 26 therapy groups. Your support enables us to turn troubled young people into constructive healthy members of the community.

We look forward to hearing from you!

Aloha nui loa,

Sabra Della-Lucia
Clinical Specialist

Tax ID Number 501 (C) (3) 99-0254581



DEPARTMENT OF EDUCATION • STATE OF HAWAII

BLANCHE POPE ELEMENTARY SCHOOL

41-133 HULI STREET • WAIMANALO, HAWAII 96795

April 9, 2007

Wes Correa
41-050 Kalaniana'ole Hwy
Waimanalo, HI 96795

Aloha Wes,

On behalf of Blanche Pope Elementary School, I would like to thank you for your generous donation of the pony for the pony rides for our Fun Fair.

Thank you for helping to make our Ohana Fun Fair a great success.

The donation will allow the school to offer more students an opportunity to participate in student activities and enrichment programs.

We are very grateful for your generosity and support of public education. Mahalo for your thoughtfulness, and caring for the children of Blanche Pope School.

Sincerely,

Ofelia Carag
Principal

A handwritten signature in cursive script that reads "Ofelia Carag".

OC:jc





Hale Kipa

Hawaii Advocate Program
45-939 Kamehameha Hwy. #205
Kaneohe, HI 96744

April 17, 2006

Mr. Weston Correa
Kalapueo Ranch
Waimanalo, Hawaii

Aloha Mr. Weston Correa,

I want to thank you very much for the opportunity you have provided to the youth in Hale Kipa's, Hawaii Advocate Program. The youth in our program are usually not afforded such a great opportunity such as you have provided them. As you are well aware of these youth are underserved in our community and often come from challenging situations and have had to overcome many obstacles in their young lives.

The feedback we have received from these youth that have participated in your program have been overwhelmingly positive. They have stated "I really learned a lot about my own culture and it makes me proud to be Hawaiian", "It was fun and I learned a lot of Hawaiian culture", "I really liked working with the horses and learned how to build a hale out of bamboo and coconut, that was great".

The Hawaii Advocate Program relies on the goodwill of community members just like you to strength our youth and families to develop and sustain healthy relationships in the community. Without your support and dedication to sustaining culture, these youths may not have had the ability to discover their strengths in themselves and their culture.

We are so grateful for you're commitment and energy towards meeting these goals. We hope that we can continue building our relationship with your cultural program that is so needed today.

On behalf of the Hawaii Advocate Program, Mahalo Nui Loa,

Thank You,

Donna Dennerlein, Program Coordinator, MSW

Hālau Lōkahi

Public Charter School

401 Waiakamilo Rd. Unit 1 A
Honolulu, Hawai'i
Tel. 832-3594 Fax: 842-9800
Email: laara@halaulokahi.com

April 5, 2006

Mr. Weston Correa
Kalapueo
Waimanalo, Hawai'i

RE: Mahalo for Use of Kalapueo Site

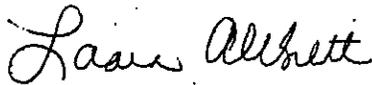
Aloha Weston,

On behalf of Halau Lokahi Public Charter School, I extend our sincere aloha and appreciation for all the kokua you have provided our school. Lessons have been invaluable and will last a lifetime.

Students and staff look forward to their days spent at this special place and return enthused and filled with what the country atmosphere infuses one with. Beautiful memories, meaningful lessons and wonderful people sharing valuable mana'o. How blessed our school is to share learning and growing with you and your 'ohana.

We look forward to an ongoing friendship and collaboration with Kalapueo.

Mahalo,



Laara Allbrett



401 Waiakamilo Road, Unit 1A, Honolulu, HI 96817
Phone: (808) 832-3594 Fax: (808) 842-9800
e-mail: hinaleimoana@hotmail.com

From: Ms. Hinalaimoana Wong
HL Cultural Coordinator

To: Mr. Weston Correa
Correa Ranch
Waimanalo, Oahu

Aloha e Weston,

Mahalo a nui for once again helping to facilitate the educational needs of Halau Lokahi Public Charter School. Thanks to the various resources that your ranch facilities have provided us with in the past, our students have gained so many learning experiences and moments that will indeed be some of their most memorable.

Indeed we live in a changing environment and social climate. Our ability to procure a new generation of youth able to accept, withstand, and overcome the challenges of an uncertain future is greatly assisted by community conscious individuals like yourself. You have always been amiable to help facilitate any of our schools' needs. You have afforded us a place to hold class and offered opportunities to learn about carving traditional Hawaiian/Polynesian voyaging and racing canoes. You offered the knowledge of making other traditionally carved items such as coconut trunk drums for Hawaiian dance and chant, and also provided the outdoor resource by which we would obtain the necessary types of stones needed to create an ahu structure essential in traditional Hawaiian religion.

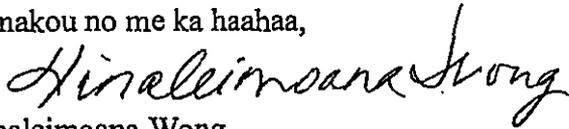
Through the Correa Ranch facilities you maintain our students have gained weekly accesses to land that will continue to nourish and provide for them as long they themselves maintain such relationships with Hawaiians like yourself in the community. Our students received one of the most honorable opportunities this year through their meeting with the most esteemed Papa Mau Piailug, master navigator and voyager renowned throughout the entire Pacific region.

We are forever appreciative of your aloha and assistance to our school. One day I hope that your ranch will receive the necessary assistance in funding and support to truly grow your endeavors to it's fullest. I also hope that our relationship will continue to grow and if in any way we may be of assistance please let us know. Please also keep us apprised of any future programs and services that you might decide to provide should you feel that Halau Lokahi and or learning ohana would be an appropriate target population for your visions.

Halau Lokahi PCS completely supports you Westin in providing not only Halau Lokahi but also the greater Hawaiian community with a place to access and to care for, as this is our cultural way. We again thank you for your time, patience, and dedication to preserving the legacy of our proud and honored people. May your endeavor to promote our history and cultural integrity survive for many more generations to come!

Mahalo a nui for your aloha and invaluable support!

O makou no me ka haahaa,



Hinaleimoana Wong

And the staff/students of Halau Lokahi PCS

April 20, 2006

April 20, 2001

Hawaiian Homes Commission
P.O. Box 1879
Honolulu, Hawaii 96805

Dear Hawaiian Homes Commissioners,

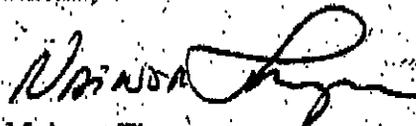
SUBJECT: WESTON CORREA

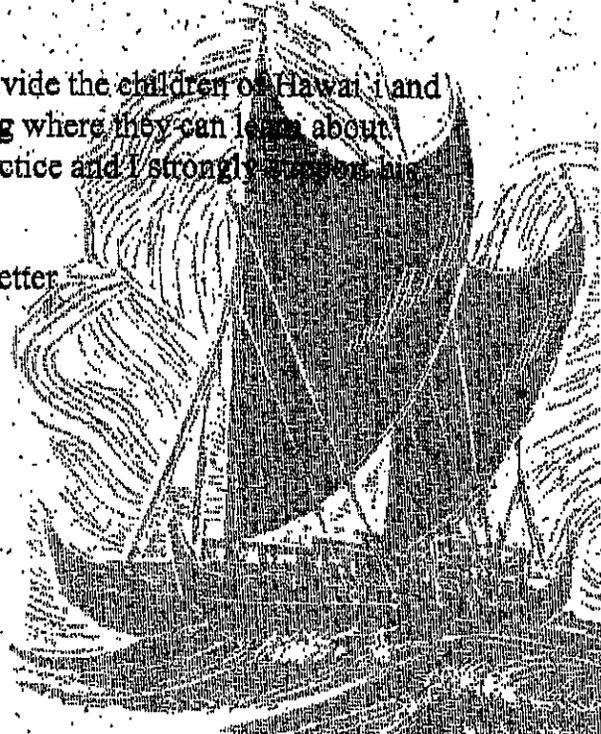
Aloha. I am writing to ask that the commission members consider Weston Correa's request to amend his lease to allow for cultural endeavors. Mr. Correa's programs and plans encompass canoe building areas, canoe houses, hula halau, native Hawaiian medicinal planting areas, and a site for astronomical viewing.

Weston's efforts are all intended to provide the children of Hawai'i and their families a place in a natural setting where they can learn about Hawaiian culture through its active practice and I strongly support his philosophy.

Mahalo for your consideration of this letter

Aloha,


Nainoa Thompson



POLYNESIAN VOYAGING SOCIETY

Ala Moana Blvd., Pier 7 Honolulu, Hawai'i 96813

Phone: 808-536-8405 Fax: 808-536-1519

<http://leahi.kcc.hawaii.edu/org/pvs>

April 19, 2001

TO: DHHL Administration

FROM: Na Kalai Wa'a Moku 'o Hawai'i
PO Box 748
Kamuela, Hawai'i 96743

RE: Westin Correia Ranch
41-460 Kalani'ana'ole Hwy.
Waimanalo, Hawai'i 96795

To whom it may concern,

On behalf of the organization Na Kalai Wa'a Moku 'o Hawai'i, the custodians of the voyaging canoe Makali'i, we write this letter in support of the Westin Correia Ranch based out of Waimanalo O'ahu.

In the last four years, the family at the Correia Ranch has opened its doors to the community, and served as stewards of the land, by providing on site educational programs for people of all ages. Through personal observations we have seen the kind of positive impact that the pony rides and small animal petting and feeding times have had on our young children. This experience has been a valuable learning tool for our kamali'i.

The skies above the ranch and the picturesque view of the ocean have made it possible for organizations like ours to do early morning and evening time weather watching and night time star presentations when we are on the island of O'ahu. These observation skills that are essential to the training of our crew members who traverse great distances, are put to practice as we get together up at the Correia Ranch and observe the elements. In the future, our O'ahu crew members plan to do more training up at the Correia Ranch, as it is a prime spot to do our training. It is easily accessible and it is the perfect place for us to get in touch with our elements.

We are in total support of all of the projects that the Correia Ranch has established and has put in place for the community and our children to learn from. Please feel free to call us if there is a request for information at (808)885-9500. Thank you for your time.

Sincerely,



Clay Bertelmann
Na Kalai Wa'a Moku 'O Hawai'i
Executive Director

halau lokahi launches makaiouaau

A few weeks ago at Kaiona Beach in Waimanalo, a celebration with hundreds of students from Halau Lokahi Public Charter School celebrated the completion of a canoe built by students there. Included in the building it included a and hundreds of hours of carving the canoe.

The children chanted and sang as the canoe named, Makaiouaau, was launched by teachers and students. The Makaiouaau was built in three years at the nearby Correa Ranch, under the watchful eye of Weston Keala Correa, graduates of the school Kalae Kauwe and Cody Kaapa, and teacher Milton John Coleman

The canoe was carved from an albizia tree from Kalihi Valley.

The sail of the canoe was a gift from Mau Pailug who was instrumental in many of the Hokule'a voyages. Coleman also learned under Pailug. The sail was woven by Pailug's daughter and Satawal islanders under Mau's supervision in Micronesia.

The canoes name, from Coleman's two year old son, "Makaiouaau." Ouaua is the area in Kalihi Valley where the tree came from, and "Makai" is towards the sea".

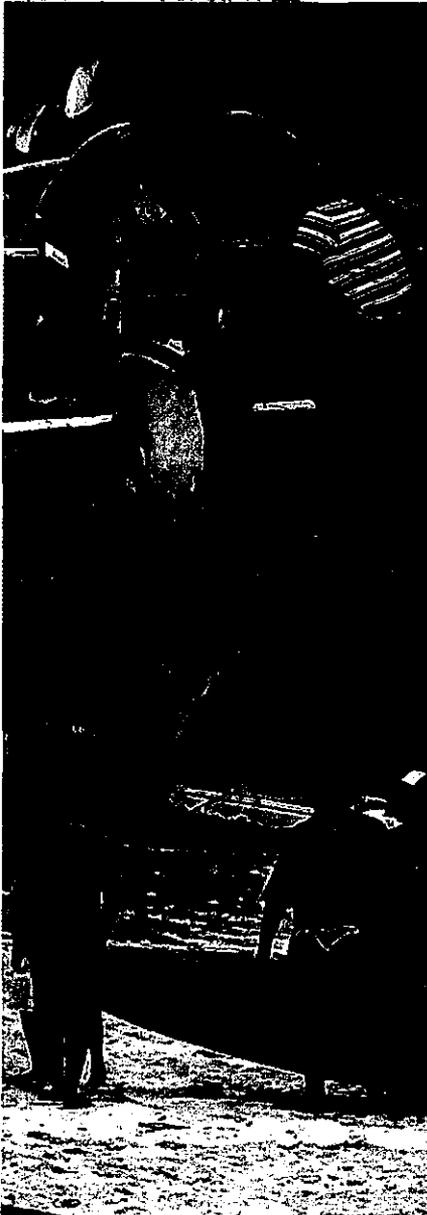
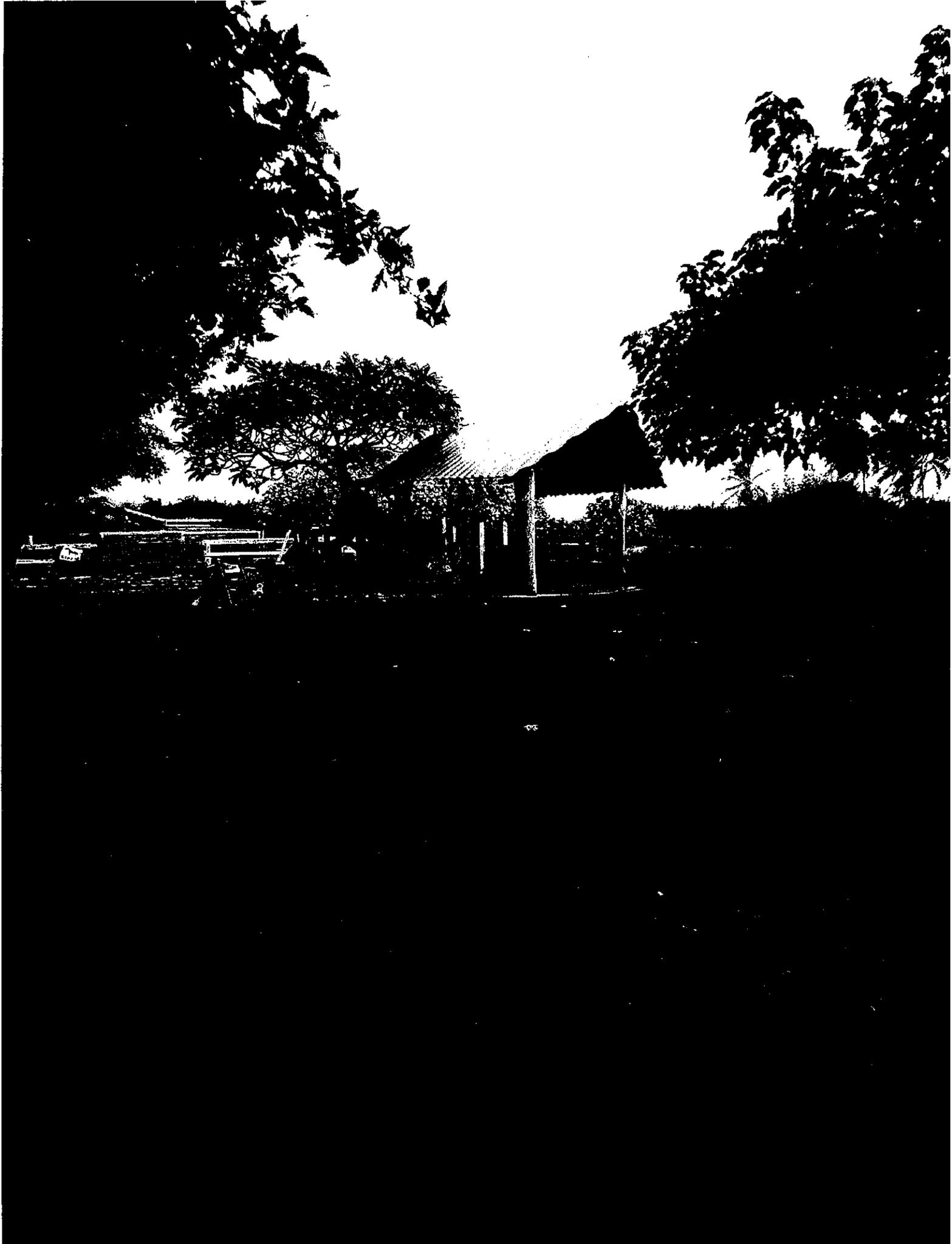
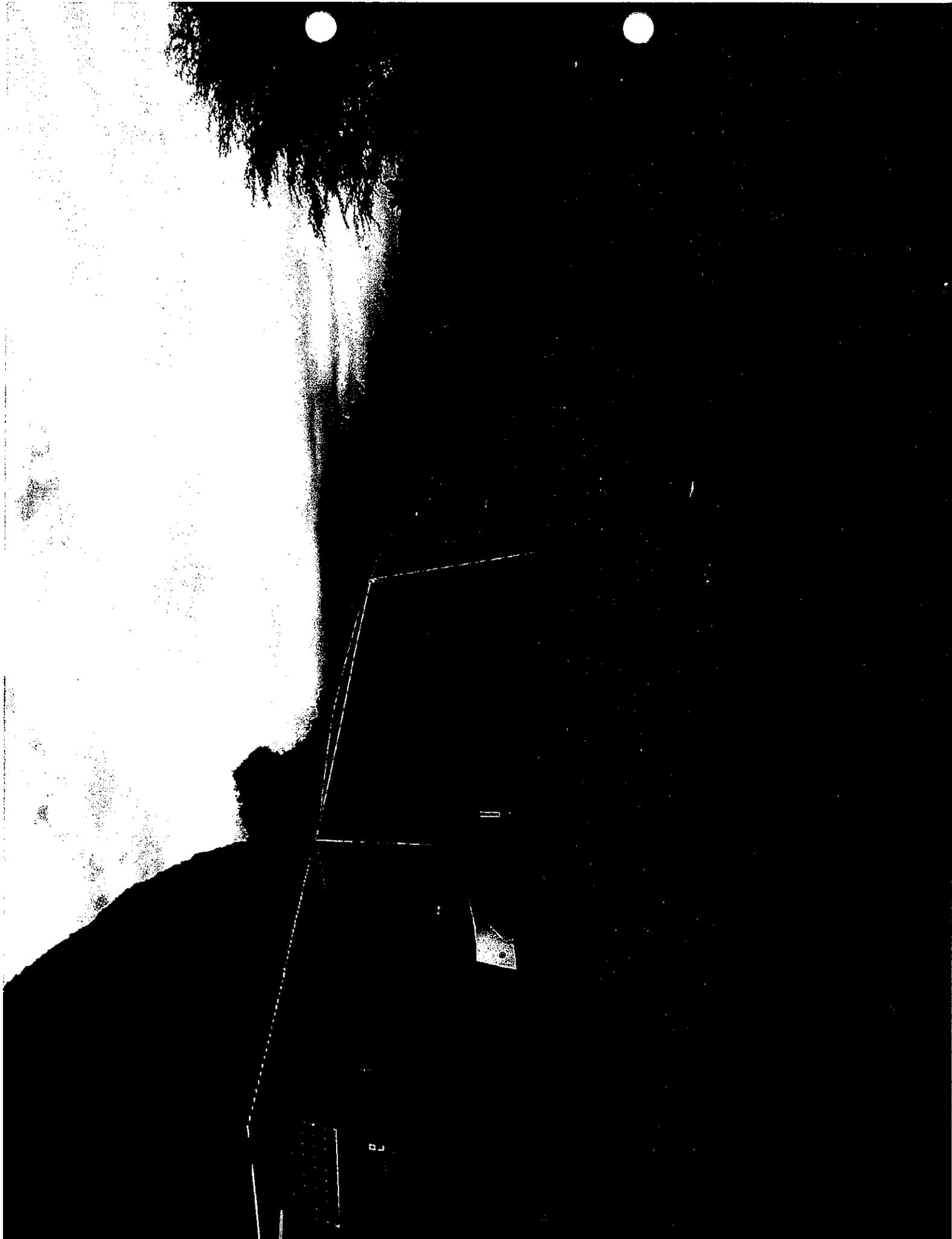


EXHIBIT 7
November 26, 2013











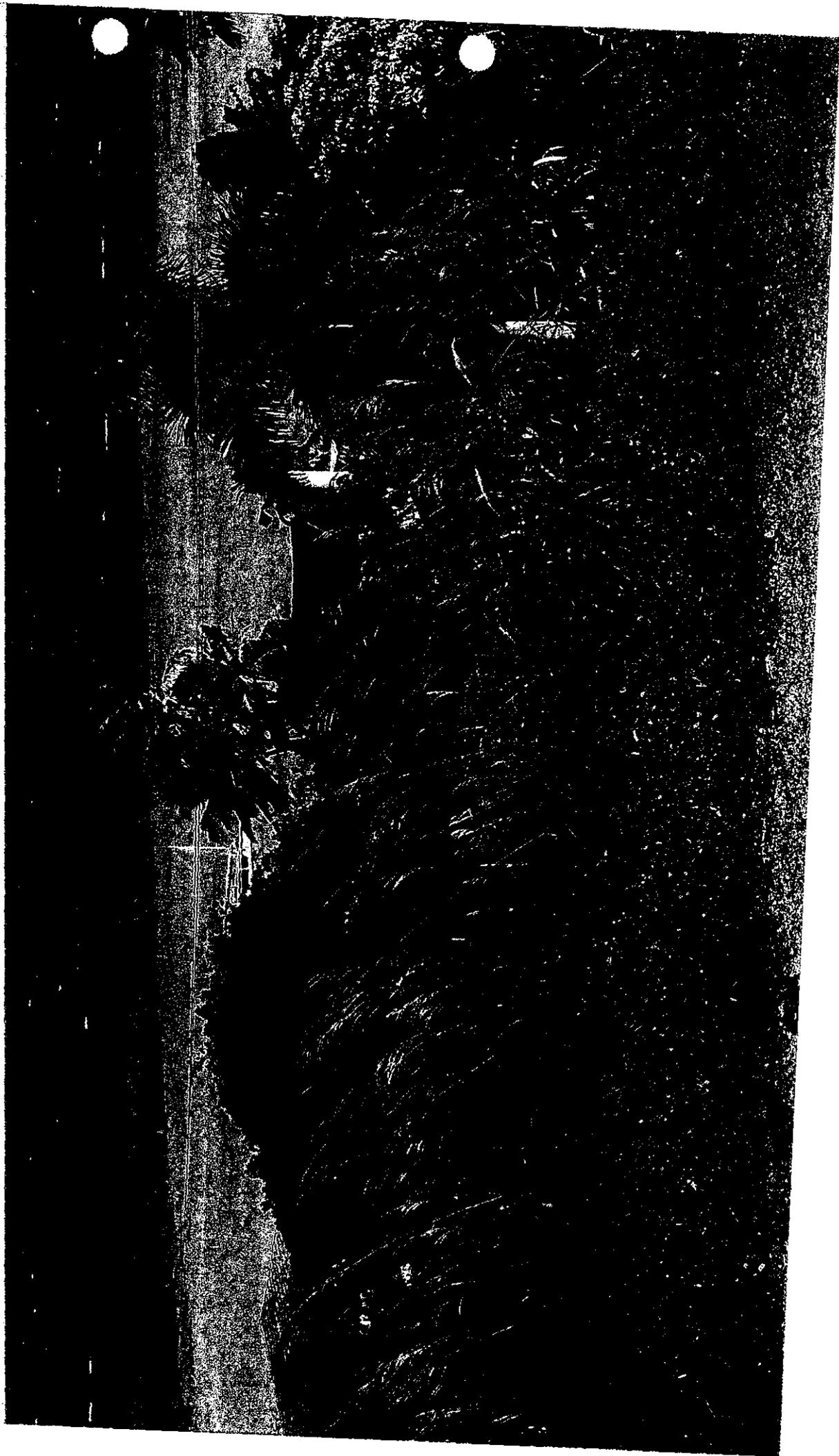
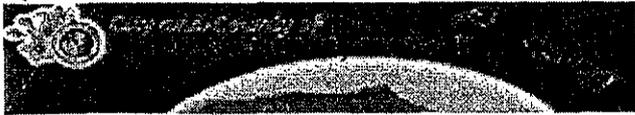


EXHIBIT 8

Home Property Search

Address Parcel ID Advanced



- Parcel Data
- Permits
- Land Details
- Assessed Values
- Sales History
- ▶ Residential
- Commercial
- Other Improvements
- Sketch
- Tax Bill
- Tax Details 2014
- Tax Details 2013
- Tax Details 2012
- Tax Details 2011
- Tax Details 2010
- Tax Details 2009
- Tax Details 2008
- Tax Details 2007
- Tax Details 2006
- Tax Details 2005
- Tax Details 2004
- Tax Details 2003
- Tax Details 2002
- Tax Details 2001
- Parcel Map

410140070000
HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

CURRENT RECORD

Residential

1 of 3

1 of 1

[Return to Search Results](#)

Please select the Land Details tab.

Property Class 1
 Card 1
 Story Height 1
 Occupancy SINGLE-FAMILY
 Full Baths 1
 Total Living Area 880
 Bedrooms 2
 Year Built 1955
 Eff. Year Built
 First Floor Living Area 880
 Half Baths

Printable Summary

Printable Version

Additions

Lower Floor	1st Floor	2nd Floor	3rd Floor	Area
				880 sf
	PORCH UNCEILED SHED ROOF			240 sf
	OPEN CARPORT BIT/CONC FLOOR			1828 sf
				1232 sf
	1ST STORY FRAME			21 sf
	PORCH UNCEILED SHED ROOF			176 sf
	PORCH UNCEILED SHED ROOF			113 sf
				416 sf
	PORCH UNCEILED SHED ROOF			88 sf
	OPEN CARPORT BIT/CONC FLOOR			324 sf

Data Last Updated : 06 Jul 2014

Disclaimer

The City and County of Honolulu Real Property Assessment & Treasury Divisions make every possible effort to produce and publish the most current and accurate information. No warranties, expressed or implied, are provided for the data herein, its use, or its interpretation. Utilization of the search facility indicates understanding and acceptance of this statement by the user.

Data Copyright City and County of Honolulu Public Access Last Updated: 06 Jul 2014

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410140070000
HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

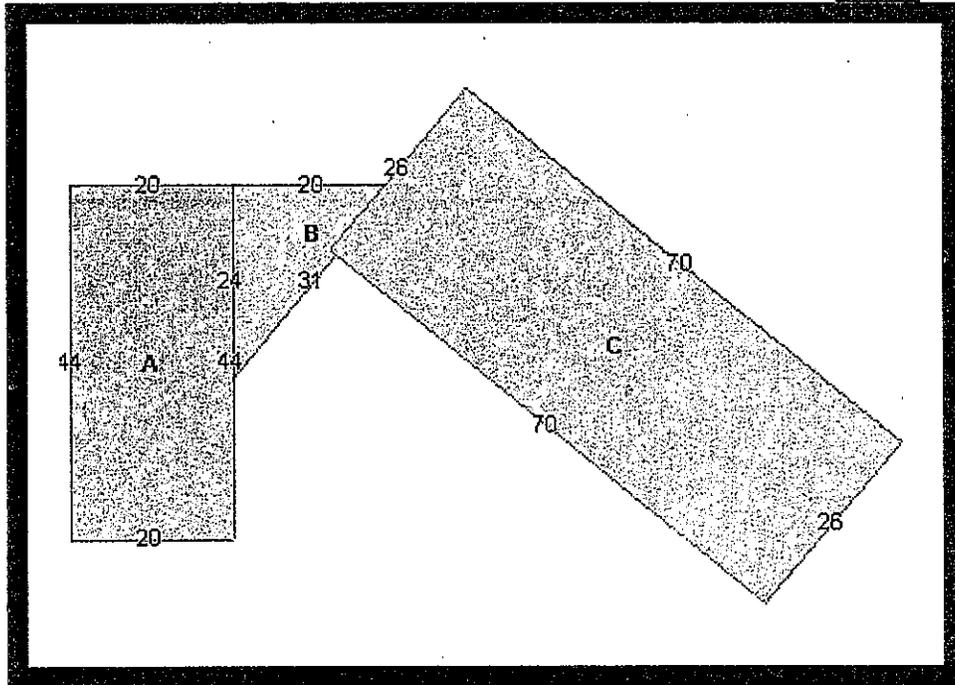
Permits

Date	Amount	Reason for Permit	Permit No
11/16/1990	\$6,500		294455 C#1 111690
11/16/1990	\$6,500		294455 C#2 111690
11/18/1990	\$6,500		294455
12/19/2001	\$10,000	NEW BUILDING	529676
12/19/2001	\$10,000	NEW BUILDING	529675
12/19/2001	\$5,000	NEW BUILDING	529678

410140070000
HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

1 of 3

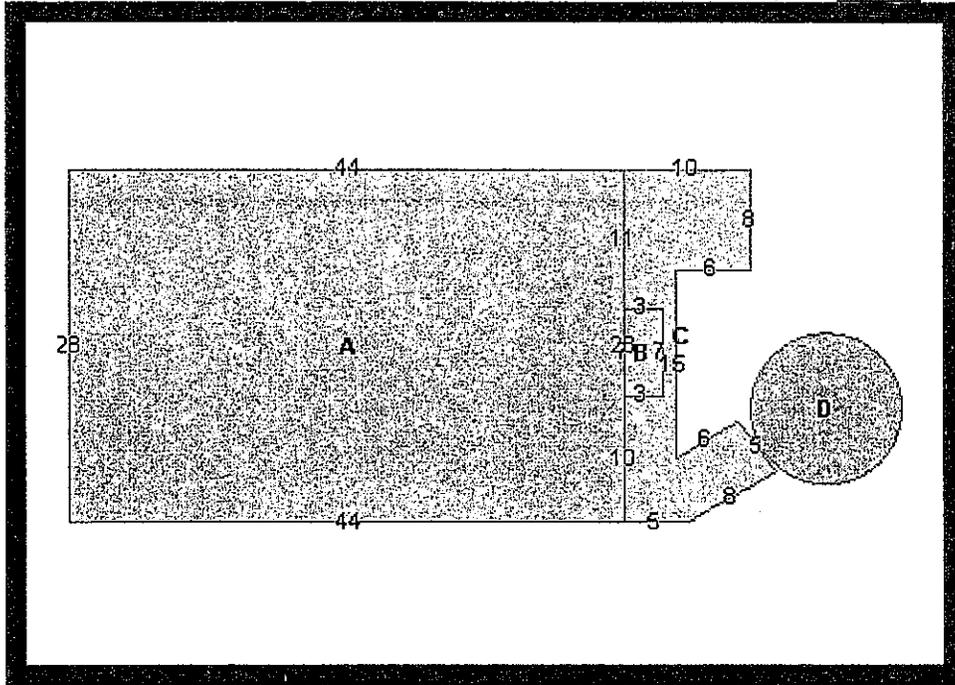


A MAIN , 880 sq ft	B PORCH UNCEILED SHED ROOF , 240 sq ft
C OPEN CARPORT BIT/CONC FLOOR , 1828 sq ft	

410140070000
HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

1 of 3

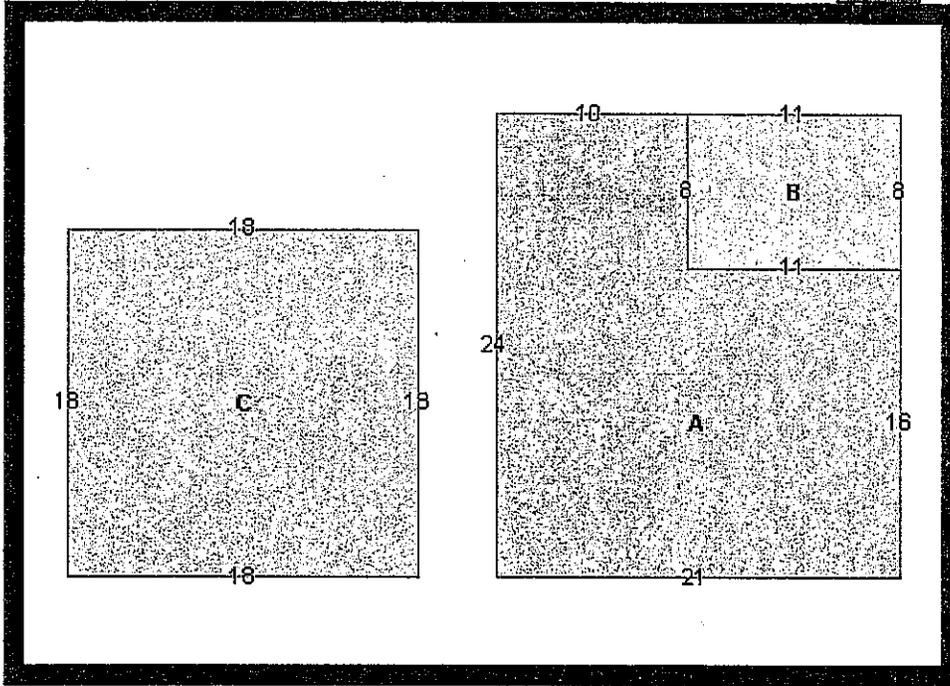


A MAIN , 1232 sq ft	B 1ST STORY FRAME , 21 sq ft
C PORCH UNCEILED SHED ROOF , 176 sq ft	D PORCH UNCEILED SHED ROOF , 113 sq ft

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HAWAIIAN HOME LANDS

KALANIANA'OLE HWY

1 of 3



A MAIN , 416 sq ft	B PORCH UNCEILED SHED ROOF , 88 sq ft
C OPEN CARPORT BIT/CONC FLOOR , 324 sq ft	

EXHIBIT 9

ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
 Mutual Underwriters
 Leeward Office
 94-239 Waipahu Depot Road
 Waipahu HI 96797
 Phone: 677-5645 Fax: 671-8850

INSURED
 Weston F. CORREA and
 Nowlin S. CORREA
 P. O. Box 26243
 Honolulu HI 96825

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURER A	INSURER B	INSURER C	INSURER D	INSURER E
Lloyds of London				

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY PERIOD - DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENT. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC	WWF126303129	07/28/07	07/28/08	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (EA occurrence) \$ MED EXP (Any one person) \$1,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$ Excluded Fire/Lega 50,000
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	This insurance contract is issued by an insurer which is not licensed by the State of Hawaii and is not subject to its regulation or examination. If the insurer is found insolvent, claims under this contract are not covered by any guaranty fund of the State of Hawaii. MUTUAL UNDERWRITERS - LEEWARD 94-239 Waipahu Depot Street, Waipahu, HI 96797 (Surplus Lines Broker License # 109881) Phone: (808) 677-5645 FAX: (808) 671-8850			COMBINED SINGLE LIMIT (EA accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
EXCESSUMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				NO STATUTORY LIMITS OTHER EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$
OTHER 3 DWELLINGS HURRICANE INCL.	WWF126303129 SAME	07/28/07	07/28/08	3 BLDGS. \$429,000 CONTENTS \$70,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 THE STATE OF HAWAII, DEPARTMENT OF HAWAIIAN HOME LANDS, IS HEREBY NAMED AS AN ADDITIONAL INSURED PERTAINING TO THAT WAIKANALO PROPERTY DESIGNATED AS LEASE NO. RF-205, SAID PROPERTY CONTAINING 104.66 ACRES OF LAND WITH THREE DWELLINGS, AT 41-460A, 41-460B, AND 41-050 KALANIAPAOLE HWY., WAIKANALO, HI.

CERTIFICATE HOLDER	CANCELLATION
STATE OF HAWAII DEPT. OF HAWAIIAN HOME LANDS CAROLYN DARR P. O. BOX 1879 HONOLULU HI 96805	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Dale R Claggett <i>Dale R Claggett</i>

STATE OF HAWAI`I

DEPARTMENT OF HAWAIIAN HOME LANDS

July 22, 2014

TO: Chairman and Members, Hawaiian Homes Commission
SUBJECT: Request to Address the Commission - **Maureen Kanani Marshall**

RECOMMENDED MOTION/ACTION

None. For Information Only.

DISCUSSION

Ms. Marshall wishes to address the commission on the status of her request for a contested case hearing to resolve an issue concerning the transfer of her father's homestead in Papakolea. See Exhibit "A."



HHC Contact: To Commission Secretary
Maureen Ann Marshall to: elaine.g.searle
Please respond to scrunis

To:
HHC Secretary

First Name: Maureen Ann
Last Name: Marshall

Phone:
808 391-7238

Email:
scrunis@aol.com

Subject:
To Commission Secretary

Message:

I would like to request to appear before the commission board at your next meeting this month July 2014 at the HHC board meeting to be held in Kapolei, HI concerning a decision to be made by the chairman and commissioners as stated by the chairman in the May commission meeting in Waimea, HI. My request for a contested case hearing was made via online, email as well as certified letter on April 25, 2014 for the May commission board agenda.

Akismet Spam Check: passed
Sent from (ip address): 66.91.94.71
(cpe-66-91-94-71.hawaii.res.rr.com)
Date/Time: July 3, 2014 5:04 pm
Coming from (referer): <http://dhhl.hawaii.gov/hhc/>
Using (user agent): Mozilla/5.0 (Windows NT 6.3; Win64; x64; Trident/7.0; rv:11.0) like Gecko

HHC Item No. J-4
Exhibit "A"
Date 7-22-14

ANNOUNCEMENTS AND ADJOURNMENT

July 21-22, 2014

NEXT MEETING

Next meeting to be held in Lanai City, Lanai, August 18, 2014.

ANNOUNCEMENTS

Next Community Meeting is scheduled for August 18, 2014, Hale Kupuna O Lana`i, 1144 Ilima Street, Lana`i City, Lana`i.

ADJOURNMENT