

**HAWAIIAN HOMES COMMISSION**  
**Minutes of August 18 and 19, 2015**  
**Meeting Held in Lahaina, Maui, Hawaii**

Pursuant to proper call, the 666th Regular Meeting of the Hawaiian Homes Commission was held at the Department of Hawaiian Home Lands, Lahaina Civic Center, Lahaina, Maui, Hawai'i, beginning at 10:00 a.m.

**PRESENT**     Jobie M. K. Masagatani, Chair  
                  Doreen N. Canto, Commissioner, Maui  
                  Gene Ross K. Davis, Commissioner, Moloka'i  
                  Wallace A. Ishibashi, Commissioner, East Hawai'i  
                  David B. Ka'apu, Commissioner, West Hawai'i  
                  Michael P. Kahikina, Commissioner, O'ahu (arrived 10:45 am)  
                  William K. Richardson, Commissioner, O'ahu  
                  Renwick V. I. Tassill, Commissioner, O'ahu  
                  Kathleen P. Chin, Commissioner, Kaua'i

**EXCUSED**     None

**COUNSEL**     Craig Y. Iha, Deputy Attorney General

**STAFF**        William J. Aila Jr., Deputy to the Chairman  
                  Niniau Simmons, NAHASDA Manager, Office of the Chair  
                  Paula Aila, Hale Manager, Office of the Chair  
                  Hokulei Lindsey, Administrative Rules Officer, Office of the Chair  
                  Leah Burrows-Nuuanu, Secretary to the Commission, Office of the Chair  
                  Francis Apoliona, Compliance Officer, Office of the Chair  
                  Dean Oshiro, Acting Homestead Services Division Manager  
                  Norman Sakamoto, Development Officer, Land Development  
                  P. Kahana Albinio, Acting Property Dev. Mgr., Income Property Branch  
                  Kaleo Manuel, Acting Administrator, Planning Division  
                  Shelly Carreira, Land Agent, Land Management Division  
                  Stewart Matsunaga, Master Plan Community Dev Mgr.  
                  Juan Garcia, Homestead District Supervisor  
                  Rodney Lau, Admin. Services Office  
                  Ku'uwehi Hiraishi, Info. Specialist, Information and Community Relations  
                  Mona Kapaku, District Supervisor Maui  
                  Carole Takeuchi, Housing Specialist, NAHASDA  
                  Michelle Hitzman, Housing Specialist, NAHASDA  
                  Dawnelle Forsythe, Housing Specialist, NAHASDA

**AGENDA**       Chair Masagatani noted Item G-2 was withdrawn. The minutes for the meeting of January 2014 were withdrawn, May 2015 were distributed for review. Approval will be sought at the start of tomorrow's meeting.

Moved by Commissioner Kahikina, seconded by Commissioner Davis, to approve the agenda. Motion carried unanimously.

## MOTION

Moved by Commissioner Davis, seconded by Commissioner Ishibashi, to recuse the Commission into Executive Session. Motion carried unanimously.

## EXECUTIVE SESSION IN

10:11 AM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

1. Proposed wind energy project on Hawaiian home lands at Kahikinui, Maui, to be developed by Boulevard Associates, a Delaware LLC and affiliate of NextEra Inc., and proposed lease of Hawaiian home lands to Boulevard Associates.

## EXECUTIVE SESSION OUT

12:05 PM

## A – PUBLIC TESTIMONY ON AGENDIZED ITEMS

### **Item A-1, Foster Ampong, Testifying on agenda item F-3 Approval for Extension of Term to Right of Entry Permit No. 652, NextEra Energy Resources, LLC, Kahikinui, Maui.**

F. Ampong greeted Commissioners and the community. He is opposed to the Commission issuing a general lease and right of entry for this project. He is opposed to the process in which all of this has been carried out. The process was kapulu.

He is opposed for the following reasons:

1. The HHC failed to hold beneficiary consultations with all hawaiian home
2. Beneficiaries on all islands. Boulevard Associates, a Delaware LLC and affiliate of NextEra Inc. lacks beneficiary status and a lease granted by HHC to Boulevard Associates without beneficiary Consultations would discriminate against the 29,000 plus beneficiaries currently on the Waiting-List, many for decades.
3. The Department of Hawaiian Homes and NextEra are exercising a lack of transparency with Hawaiian Home beneficiaries and non-beneficiaries of the State of Hawai'i.
4. Constructing and operating this proposed project at Kahikinui shall endanger and further destroy Maui's natural resources the native Hawaiian (Maui) community traditionally and customarily gathers and depends on for subsistence.
5. NextEra seeks to lease roughly about 500 acres of hawaiian home trust lands at Kahikinui, however they have stated only 30 acres of land within this 500 acre lease will be used/impacted by the proposed wind farm project

Maui already has three windfarms now they want to build a fourth windfarm. They claim this will benefit the entire community. They say they intend to keep the energy here on Maui. But, the operative word is intend. Who knows what will happen once it is built. Is NextEra willing to say that the energy shall not go anywhere but Maui? He doesn't trust them.

### **Item A-2, Tamara Paltin, RE: F-3 Approval for Extension of Term to Right of Entry Permit No. 652, Nextera Energy Resources, LLC, Kahikinui, Maui.**

T. Paltin testified on behalf of her husband who is a beneficiary and their children. She testified in opposition to the windmills in Kahikinui. She agrees with F. Ampong's testimony. A lot of Hawaii is already being developed. There has been so much development in such a short amount

of time. There are very few rural places as kipuka. If DHHL decides to allow the lease the benefit is too small for such a large sacrifice.

**Item A-3, Michelle Kauhane, President & CEO-Council for Native Hawaiian Advancement (CNHA), Re: Item No. C-1 and C-2**

M. Kauhane reminded Commissioners that in December they agreed to go out for consultation on the land use policy, but it hasn't come out for consultation yet. Why is transfers for exchange of money between beneficiaries taking priority over the land use policy? CNHA encourages the Commission to get to the Land Use Policy consultation as it is paramount and necessary.

Beneficiaries need to be at the table before the rules are proposed because the language that is being suggested in these administrative rules is a bit alarming. The most alarming is that a beneficiary who has an improvement on their land can only sell their property for what it is appraised at. On the fee simple market, if a buyer is willing to pay above appraised value, why would this Commission limit the benefit a family would gain from an improvement on their homestead.

In its current practice the Commission limits us from borrowing against our equity by limiting loans to a 75% loan to value. Yet the proposed rules are saying that if beneficiaries do a transfer for money, the Commission would like 50% of that equity when there is no improvement and no equity over appraised value. There's a little bit of contradiction and confusion around what is being proposed.

The Commission continues to lease land for general leasing purposes and licenses under section 204 to make money for admin and operating expense for the department even though the lawsuit says you must prove the lands are not required for homesteading. In the proposed rules, you want beneficiaries to share the proceeds of the sale of their properties so that DHHL can put that back into homesteading purposes. DHHL should lead by example.

Chair Masagatani stated the Land Use Policy Consultation is specifically about the revocable permit (RP) program. The proposed RP program needed more vetting internally before it is ready for beneficiary consultation. For now the RP program is still running on the interim right of entry process. It looks like the department will go out for consultation in the spring since all the elements are not in place.

With regard to the rules, many of the issues have been sitting for years with the only way to address these long standing issues is through rules. This is the first time the rules have been presented in this format, with options. The thought was to bring the proposed rules for beneficiary consultation in September or October.

M. Kauhane stated that DHHL keeps referring to it as the RP program but they have a very different view in their policy working group that it is much more than just the RP program, it encompasses much more than that.

**Item A-3, Robin Danner, Beneficiary and President of the Kaua'i Mokupuni. SCHHA Policy Chair. Re: Agenda Items C-1 and F-3.**

R. Danner stated with regard to the previous discussion about the Land Use Policy, it would be misleading to say that it is a RP Land Use Policy. She and fifty-two beneficiaries spent many days reviewing that policy. It is clearly a land use policy that includes ROEs, RPs, licenses and general leases. It specifically lays out a process that DHHL can identify plots of land for short term uses and long term uses. She believes it should be repealed and that the Commission was

snookered into passing a deadly land use policy under the guise that it would go out for beneficiary consultation.

On item C, she requested the Commission or independent commissioners to standup and oppose the proposed admin rules until this department begins to make them public. There are hundreds of beneficiaries who are akamai [knowledgeable] about the Hawaiian Homes Commission Act who could help review the content and comment.

Vote no because you wouldn't vote on something in your own counties that limited your equity, so don't do it to beneficiaries. She wants the Commission to email the drafts out to the beneficiaries for comment.

She could think of more important rules that would meaningfully affect beneficiaries like a water reservations rule for all unencumbered lots. It would annually require DHHL to issue an unencumbered land list to simply add the lots into their existing formula to that minimum water reservations can be made for unencumbered land. Rule to mandate lot selections somewhere in the State every year. On Kaua'i there hasn't been a farm, ranch or homestead lot selection in over 32 years. She would love to see a balanced budget rule. She asked the Commission to oppose the current administrative rules.

With regard to land dispositions, this Commission over the last eight months has allowed DHHL to put on its agenda 24 action items to give land under Section 204. Of the 24 action items, 2 were beneficiaries. In those same 8 months all the Hawaiian requests for land were placed on the J-Agenda where no action can be taken. It is stark institutional discrimination against the Commission's own beneficiaries. While she is a supporter of smart development, she challenged each Commissioner to vote against every F-Agenda item until the land use policy goes out for beneficiary consultation. Until the statistics show that beneficiary requests for land get out of the J-Agenda, vote no on F-Agenda items.

Promulgate emergency rules to direct the department on what the process is to give land to non-beneficiaries. There are 29,000 beneficiaries on the waitlist and every single acre is needed to put them on a homestead. Implement the rule we already have on mercantile, there isn't a single lease to a native Hawaiian.

In closing, R. Danner asked Commissioners to vote "no" on the C and F agenda items. No more land dispositions under 204.

#### **Item A-4, Blossom Feiteira, President of Association for Hawaiian Homestead Lands**

B. Feiteira stated with regard to Kahikinui, while there are some major concerns the community feels that they have no other choice but to agree to the benefits package because their requests for assistance from DHHL have gone unheard. The Commission's obligation is not to the general community but to the beneficiaries of Kahikinui. There are 12 families who live there full time and 77 total lessees. There are 22 vacant lots which have yet to be awarded because DHHL says that no one will do anything with the lots.

Regarding Item C-1 she agreed with M. Kauhane and R. Danner and was one of the 52 beneficiaries who sat in consultation to their alternative proposal for a land use policy. She agreed that eight months of waiting for DHHL's land use policy is ridiculous. DHHL wants to bring to the community a brand new proposal. They want to see the land use policy and want to have beneficiaries comment on it. The Act is very clear, the purpose clause, section 204 and

section 207 are what makes up the land use policy. It is very clear who is supposed to benefit from any land DHHL leases out.

With regard to the proposed rules, she cannot wait to attend the beneficiary consultation meetings because she feels they are anti-beneficiary and unconscionable. How can commissioners approve a rule to restrict beneficiaries from benefitting from their lease? If one Hawaiian is willing to sell his lease to another Hawaiian, how can the Commission prevent it? Infrastructure costs should come from the State. It is not appropriate to tell a beneficiary that they have to give back 50 percent of the equity from the sale of a lease. Telling beneficiaries that the amount of equity they can realize on the sale of their home is limited to the appraisal by the federal government is not appropriate.

Item G-3, as an individual she can go to the Commission for Water Use Management to get a reservation for water on an unencumbered lot. It has taken DHHL 3 years and \$250,000.00 to tell us that we can do it. The law requires it. They want DHHL to get the water released immediately.

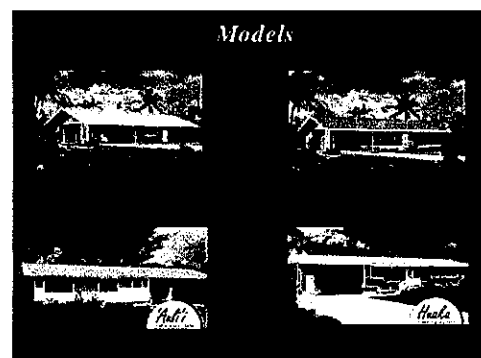
## **B – WORKSHOP PRESENTATIONS**

### **ITEM B-1    Review of draft Native Hawaiian Housing Block Grant 2015 Annual Performance Report**

NAHASDA (Native American Housing Assistance and Self Determination Act) Manager Niniau Simmons offered a collective Mahalo to the kupuna of Lahaina for paving the way for our Hawaiian beneficiaries, the Department of Hawaiian Home Lands and former commissioners.

In attempting to complete the draft Native Hawaiian Housing Plan/APR (Annual Performance Report) to keep with HUD's (U.S. Department of Housing and Urban Development) August 31<sup>st</sup> deadline, she realized that it would be too rushed. DHHL made a request for an extension and today the draft APR will go out for 30-days of public comment and the extension from HUD is until September 30<sup>th</sup>. It is a combined housing plan and APR so the new pieces are located in the shaded portions. The white areas were passed in 2014.

DHHL will be emailing those Native Hawaiian organizations on the Department of Interior's list to make comment on the report and the public will have access to it on the website. She invited NAHASDA staff to come to the table to highlight two key programs that NAHASDA funded. The projects are the Package Home Loan Financing Program headed in Keaukaha by Carole Takeuchi; and in Kalama'ula by Michelle Hitzman. The other program is the Home Loan Repair Program headed by Dawnelle Forsythe.



### Program Overview

- Kalama'ula or Keaukaha Vacant Lot Lessee
- Household Income must be below 80% Area Median Income as determined by HUD
- DHHL will finance 100% of the total construction cost plus shipping through NHHBG
- Program will consist of a 1<sup>st</sup> & 2<sup>nd</sup> Mortgage
- 1<sup>st</sup> Mortgage – 40% of total cost (monthly payment)
- 2<sup>nd</sup> Mortgage – 60% of total cost (deferred)
- Affordability/Retention Period will be 20 years covering total aggregate cost of loan
- Lessee must work with a licensed contractor who is insured and bonded. Must also be on HPM/Honsador's approved contractor's list

### Process Overview

- Determine 80% AMI Income Eligibility
- Loan Pre-Qualification – to determine model size based on family size and income
- Order Environmental Review Record
- Refer lessee to HPM or Honsador (Lessee's choice)
- Lessee to work with home supplier and licensed contractor to provide all necessary documentation to the department for review.
- Order Appraisal
- Final Loan Approval/Loan Closing
- CONSTRUCTION BEGINS!!

### Program Results

<i>Program Results</i>		
	<u>Kalamaula</u>	<u>Keaukaha</u>
<u>Total Lots Offered</u>	73	34
No Response/Returned Mail	52	(5)
<u>Responded</u>	25	29
Undecided	0	4
Rescinded	1	3
Transferring/Building on Own	3	12
<u>Applied</u>	21	10
Incomplete application	3	0
Income Eligible	18	10

<i>Program Results</i>		
	<u>Kalamaula</u>	<u>Keaukaha</u>
<u>Pending Pre-Qualification</u>	18	10
Incomplete Application	5	4
Refer to HALE/Credit Counseling	4	1
<u>Pre-Qualified</u>	9	5
Contractor/ERR	2	1
Appraisal	3	0
Pending Final Loan Approval	3	2
Approved	1	2

Commissioner Chin asked what happens to the remaining lots, those who did not respond at all to the solicitation. M. Hitzman stated staff continues to try to reach out to them to educate them about the program. The island offices are a good resource to reaching these families. Sometimes the lessee doesn't live on island so they just keep mailing letters to the address on file. Chair Masagatani stated these lessee are in violation because they haven't built homes on their lots. The program is meant to help the lessees build homes on their lots. These are vacant lot lessees.

Commissioner Ka'apu asked why so few beneficiaries can qualify if the program is so flexible. M. Hitzman stated they haven't been denying anyone, and instead have sent the financially challenged beneficiaries to credit counseling or the Hale Program for help.

Commissioner Ka'apu stated if these people have leases; how can they not do anything with the lease? The Commission is constantly challenged about the waitlist, but these 52 have lots but aren't doing anything with it. We should be giving it to those who have been waiting for decades.

Commissioner Kahikina asked if the Congressional delegation has been approached for help with this area. N. Simmons stated the congressional delegation has been focused on trying to get Title VIII reauthorized. The climate in Congress is such that there are those who feel NAHASDA is race based and therefore unconstitutional. The delegation is trying to keep the program afloat. Commissioner Kahikina asked for the total amount of NAHASDA funds not spent. N. Simmons stated that if all of the beneficiaries eligible for this program were to participate, there would be no balance. Since only 25 responded, there will be a balance forward of about \$60 million. Commissioner Kahikina asked if there is a plan to use the balance. N. Simmons stated the Land Development Division has plans to utilize approximately \$50 million in different areas like East Kapolei II, Waiohuli, and Kakaina. Commissioner Kahikina stated he is trying to forecast the amount of lots being prepared against the money being spent. N. Simmons calculated the amount to be around 100.

Chair Masagatani called a recess to allow staff time to investigate a flash flood warning alarm continuously sounding on cell phones.

### **RECESS**

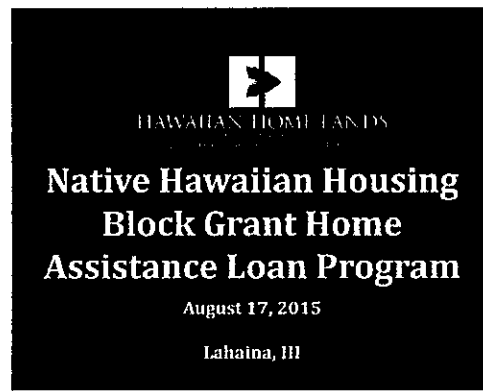
1:30 PM

### **RECONVENED**

2:02 PM

Chair Masagatani called on N. Simmons to continue with the NAHASDA Block Grant Workshop.

N. Simmons called to the table Dawnelle Forsythe to talk about the Native Hawaiian Housing Block Grant Home Assistance Loan Program. The purpose of the program is to make deferred no payment loans available to DHHL lessees to repair the dwelling unit they currently occupy as their primary place of residence. The goal is to increase the economic life of the home and ensure a safe and healthy living environment.



### **PURPOSE:**

The Native Hawaiian Housing Block Grant (NHHBG) Home Assistance Loan Program was established by the Department of Hawaiian Home Lands (DHHL) to make low-interest loans available to DHHL lessees to repair the dwelling unit that they currently occupy as their primary place of residence. The goal is to increase the economic life of these units and ensure safe and healthy living environments.

**PROGRAM FUNDING:**

U.S. Department of Housing and Urban Development (HUD) Native American Housing Assistance and Self Determination Act (NAHASDA)

**DWELLING QUALIFICATIONS:**

- Single Family Dwelling
- Existing Dwelling
- Insurable Property
- Payments Current. Lessees must be current with Real Property Taxes and mortgage
- Dwelling Condition. Upon completion of the repairs, the dwelling must be safe, sanitary and decent in condition.

**APPLICANT QUALIFICATION:**

Lessees whose total adjusted gross income of all persons living in the household is be below 80% Area Median Income limit as listed in the chart below:

County	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Honolulu	\$53,700	\$61,350	\$69,000	\$76,650	\$82,800	\$88,950	\$95,050	\$101,200
Hawaii	\$45,400	\$51,850	\$58,350	\$64,850	\$70,000	\$75,200	\$80,400	\$85,600
Kalawao	\$46,100	\$52,650	\$59,250	\$65,800	\$71,100	\$76,350	\$81,600	\$86,900
Kauai	\$48,300	\$55,200	\$62,100	\$69,000	\$74,550	\$80,050	\$85,600	\$91,100
Maui	\$45,400	\$51,850	\$58,350	\$64,850	\$70,000	\$75,200	\$80,400	\$85,600

**ELIGIBLE REPAIRS:**

Some examples of eligible repairs are roof repairs, electrical and plumbing work, sewer improvements, termite treatment and damages caused by termites or wood rot, handicap accommodations and the installation of a solar water heating system and solar photovoltaic system in conjunction with repairs.

**LOAN PROGRAM:**

Loans range from \$2,000 to \$100,000 at 0% interest. The loan will be a deferred payment loan for the affordability period of five (5) to twenty (20) years, depending on the amount borrowed. At the end of the affordability period the lessee will no longer be subject to a repayment obligation.

<b>Program Results 2014-2015</b>			
Sub Recipient	Applications Received	Eligible Lessees	In Escrow or Construction
County of Hawaii	20	17	10
City and County of Honolulu	30	15	7
Molokai Community Council	10	8	0
Kula No Na Poe (Papakolea)	12	12	0
Total:	72	52	17

**Process Overview**

STEP 1. The application and intake is completed by NAHASDA staff to determine eligibility



STEP 2.Housing Quality Standards (HQS) inspection is completed to verify and assess repairs needed. If the home is built prior to 1978 a Risk Assessment (RA) is required to test for the presence of Lead-Based Paint

STEP 3.The results of the HQS, RA inspection and site specific issues are addressed to create the Environmental Review Record

STEP 4.The lessee is given contractor packets to solicit quotes from the contractor of their choosing

STEP 5.When a quote has been accepted by the lessee a Lease Amendment is drafted and an escrow account is opened with the lessee and a title company

STEP 6.Once funds are received in the escrow account, the Notice to Proceed is issued and construction begins

Chair Masagatani thanked D. Forsythe for her presentation and asked the Commissioners to take up Item D-17 to be the next item addressed. The family is present to speak on behalf of the item.

**ITEM D-17 Request for Relocation – HAROLD HAUPU, JR., Lease No. 7759, Lot No. 206, Waiohuli, Maui**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following:

1. Set aside the Hawaiian Homes Commission (HHC) action of November 18, 2008 (attached as Exhibit A) whereby the Department of Hawaiian Home Lands (DHHL) was to relocate Mr. Haupu from Lot No. 206, Waiohuli to Lot No. 50, Wai‘ehu Kou II (WK II) subdivision. In addition, DHHL was to combine the indebtedness of Mr. Haupu's existing Federal Housing Administration ("FHA") loan for the Waiohuli home (at that time, estimated to be \$160,000) along with the purchase of the improvements of the WK II home at its appraised value of \$136,000 (as of 6/15/07)
2. Approve the relocation of Mr. Haupu from Waiohuli (Lot. No. 206) to WK II (Lot No. 50) at a cost of \$138,178.
3. Approve a loan to Mr. and Mrs. Haupu in an amount of \$138,178 at 2.5% per annum, with payments not to exceed \$546, and repayable over 30 years secured by the lease and improvements of Lot No. 50, WK II.
4. If there is no resolution to the situation, DHHL will begin the contested case hearing process as approve by the HHC on July 20, 2010.

**MOTION**

Moved by Commissioner Kahikina, seconded by Commissioner Davis.

**DISCUSSION**

On December 5, 2007, due to heavy rainfall and gushing debris, Mr. Haupu's home was swept off its foundation and settled approximately two hundred yards from its original site.

Under the circumstances, on December 9, 2007, DHHL temporarily moved Mr. Haupu and his family into a vacant two- bedroom, two-bath home in Wai‘ehu Kou II (WK II). Located on Lot No. 50, consisting of 8,332 square feet, and identified as TMK: 2-3-12-002:050, the WK II home was part of DHHL's inventory and was vacant at the time.

On May 23, 2008, Mr. Haupu requested that he and his family be permanently relocated to the WK II home. On November 18, 2008 the HHC approved the relocation of Mr. Haupu from Lot No. 206, Waiohuli, Maui, to Lot No. 50, Wai'ehu Kou II, subject to Mr. Haupu qualifying for a department loan to purchase the WK II improvements and to clear the existing loan obligations for the Waiohuli property.

Pending the formal relocation to WK II, it was agreed that Mr. Haupu would pay \$500 per month in rent to DHHL. From 1/27/09 to 4/27/12 (the last date of payment), the Haupu's paid \$15,000 to DHHL. Thereafter, the Haupu's stopped making rental payments to DHHL. The amount of missed rental payments from 1/27/09 through 06/30/15 totals \$24,000.

The effort to formally relocate Mr. Haupu and his family to WK II was not completed. The Haupu 'ohana continue to reside at the WK II home to this day as renters, but have failed to pay rent since April 2012. Although Mr. Haupu has stated that he does not wish to return to the Waiohuli property, he remains the Lessee for Lease No.7759 until the lease is either surrendered to, or cancelled by, DHHL.

The FHA loan attached to the damaged Waiohuli improvements was assigned to DHHL in June of 2010 but the insurance claim was not paid until June 19, 2011. DHHL's record reflected that as of that date, the principal balance of the loan was \$138,728.83, accrued interest was \$34,767.20, and other fees (including late charges) were \$3,941.90, for a grand total owing of \$177,438.30. However, at the time that the flooding occurred, the FHA report listed Mr. Haupu as being 23 months past due, with monthly installments at \$833.83, for a total of \$19,178.09 in arrears. As of 7/16/15, the total outstanding amount owed on this account is \$221,673.22, of which \$99,765.54 is past due.

On September 22, 2014, the recommended motion/action listed above was presented to the Hawaiian Homes Commission for action. However, the action was deferred to consider the Haupu's request to be relocated to another homestead lot in DHHL's inventory located at 72 Hi'ipali Loop, Kula. In addition, the Haupu's were not willing to accept the terms and conditions of the submittal. Upon completion of the meeting, it was requested by DHHL that a written proposal be submitted by the Haupus specifying the homestead to be relocated to and their requested terms and conditions of the relocation.

On April 9, 2015, a Proposal of Recommendation was received by DHHL from the Haupu's (see attached Exhibit B). Two (2) requests were made (on 4/15/15 and 5/21/15) to the Haupu's to clarify several items regarding their request (primarily in regards to request for improvements on the WK II home). To date, no response has been received.

Chair Masagatani clarified that staff is asking the Commission to set aside what was approved in 2008 to start fresh.

Malia Haupu, daughter of Harold and Gail Haupu, stated her oldest brother and oldest son were in the home when the flooding occurred. It has been eight years since the flooding occurred and it has been very mentally devastating for her son and brother to cope with the trauma. Whenever it rains they have anxiety about a flooding recurrence. It has always been a dream for her parents to own their own home. They need closure so that they can move on. Any action to help them close the case out and not have to come before the Commission again, will help.

Gail Haupu stated they redid the proposal and it reads as follows:

### **Haupu Proposal**

- Requesting to reside at 72 Hi'ipali Loop, Kula, Maui, Proposed purchase price of \$175,000 with an approved loan from the Department of Hawaiian Homes;
- Should the above or first request not be met, we will also consider residing at 38 Hoehaili Way Wailuku, Maui, agreeing to the amount of \$138,000 for what is was appraised for. The appraised amount mentioned will go only to the much needed restoration and living improvements of said residence at 38 Hoehaili Way Wailuku, Maui.
- Association fees 38 Hoehaili Way Wailuku, Maui to be waived.
- During, the construction and restoration of residence at 38 Hoehaili Way Loop, a temporary residence is offered while improvements of primary residence above is underway.
- We are also requesting that the land tax for 52 Ahulua Place Kula be waived, or taken care by DHHL.
- Also the removal of condemned residence at 52 Ahulua Place Kula at DHHL's expense.

Chair Masagatani clarified the request for \$60,000 for improvements to the Waiohuli home, \$26,000.00 for the removal of the Kula home, and \$5,000 for the taxes on the Kula lot.

G. Haupu asked to be put up while construction and improvements are made to the relocation home.

Commissioner Chin stated it sounds like there are two different things being proposed. The \$138,000.00 loan is to buy the home they are relocating to. Mrs. Haupu is asking for another \$60,000.00 to renovate it, \$26,000.00 to remove the old house in Kula, and pay the \$5,000 to the delinquent land taxes.

D. Oshiro stated it sounds like Mrs. Haupu is agreeing to the \$138,000.00 loan and the other \$91,000.00 are expenses they want DHHL to pick up.

Chair Masagatani stated when the family was relocated to Wai'ehu, there was a rental agreement in place. She asked G. Haupu why they stopped paying rent on the relocation home. G. Haupu felt like no one helped them with their situation. They were waiting for someone to help them with legal issues but no one came. They decided they were not going to pay anything more.

Commissioner Tassill asked if the Kula home was on original land or land from the 1980 inventory. Chair Masagatani stated it was from the original Act.

M. Haupu-Waiohu stated before the flood there was a fire in the area and all the debris was placed in the gulch next to her mom's lot. When the water came down the hill it didn't go into the gulch because of all the debris, it came straight through the home.

### **MOTION**

Moved by Commissioner Davis, seconded by Commissioner Kahikina, to recuse the Commission into Executive Session. Motion carried unanimously.

### **EXECUTIVE SESSION IN**

2:37 AM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

## EXECUTIVE SESSION OUT

3:25 PM

Chair Masagatani thanked everyone for their patience while the Commission deliberated in executive session. There were many questions for counsel regarding the rights and responsibilities for DHHL and the lessee.

At this point the Haupu family is still responsible for the lease in Waiohuli along with the loan obligations and delinquent land taxes. The total is over \$200,000. In order to keep things as clean as possible and to allow for the family to have a fresh start, she recommends to the Commission that the Department will take on the Waiohuli lease and obligations associated with it. The home the family is coming into at the appraised value of \$138,000.00, be available for purchase based on the financing that is outlined in the submittal. The improvements and other things mentioned are another story, so they haven't been included. The only other thing she will ask of the Commission is that if there are any claims, these claims would be assigned to DHHL so that DHHL can pursue these claims if appropriate. Basically when the Waiohuli lease comes back to the department any rights the family would have to pursue would be assigned to DHHL. It seems to be the cleanest way to proceed so everyone can move forward. The family can start fresh in the home they currently occupy with a loan of \$138,000.00.

### MOTION TO AMEND

Moved by Commissioner Ishibashi and seconded by Commissioner Kahikina to amend the language of #2, as follows:

2. Approve the relocation of Mr. Haupu from Waiohuli (Lot. No. 206) to WK II (Lot No. 50) at a cost of ~~\$138,178~~ \$134,000.

Breakdown as follows:

Updated appraised value	\$134,000*
FHA loan past due	19,178**
Paid to DHHL	(15,000)***
Total	\$138,178 \$134,000

\* As valued by Valley Isle Appraisers on 9/13/13

\*\*The total payments Mr. Haupu was past due on his FHA loan at the time of flooding

\*\*\*Amount Mr. Haupu has paid to DHHL while residing in the WK II home

### ACTION

Motion carried unanimously.

Commissioner Ka'apu stated the original loan was delinquent and was going to come back to DHHL. Normally cases where the loans come back to DHHL, the lessee has to stay at their current rate for a year before they're eligible to qualify for a lower rate. Chair Masagatani stated if Commissioner Ka'apu could make a further amendment to the motion.

### MOTION TO AMEND

Moved by Commissioner Ka'apu and seconded by Commissioner Kahikina to amend the language of #3, as follows:

3. Approve a loan to Mr. and Mrs. Haupu in an amount of ~~\$138,178~~ \$134,000. at ~~2.5~~ 4.5% per annum, with payments not to exceed the appropriate principle + interest amount, and repayable over 30 years secured by the lease and improvements of Lot No. 50, WK II.

## ACTION

Motion carried unanimously.

G. Haupū stated she is requesting the 2.5% interest rate so that the monthly payments are no more than \$546 per month. Chair Masagatani stated the Commission hears what is being requested; however, commissioners have concerns with providing the reduced rate because the usual rate is 4.5%. Chair Masagatani stated that Commissioner Ka'apu had concerns in light of the fact that the original loan was delinquent for two years at the time of the accident. It wouldn't be fair to all the other beneficiaries who are in distressed situations to allow the 2.5% rate without the one year requirement at 4.5%.

## MAIN MOTON AS AMENDED/ACTION

1. Set aside the Hawaiian Homes Commission (HHC) action of November 18, 2008 (attached as Exhibit A) whereby the Department of Hawaiian Home Lands (DHHL) was to relocate Mr. Haupū from Lot No. 206, Waiohuli to Lot No. 50, Wai'ehu Kou II (WK II) subdivision. In addition, DHHL was to combine the indebtedness of Mr. Haupū's existing Federal Housing Administration ("FHA") loan for the Waiohuli home (at that time, estimated to be \$160,000) along with the purchase of the improvements of the WK II home at its appraised value of \$136,000 (as of 6/15/07)
2. Approve the relocation of Mr. Haupū from Waiohuli (Lot. No. 206) to WK II (Lot No. 50) at a cost of \$134,000. As valued by Valley Isle Appraisers on 9/13/13
3. Approve a loan to Mr. and Mrs. Haupū in an amount of \$134,000 at 4.5% per annum, with payments not to exceed the appropriate principle + interest amount, and repayable over 30 years secured by the lease and improvements of Lot No. 50, WK II.
4. If there is no resolution to the situation, DHHL will begin the contested case hearing process as approved by the HHC on July 20, 2010.

Motion carried unanimously.

G. Haupū asked what happened to the other parts of her proposal. Chair Masagatani stated the Commission discussed the proposal at length and decided that the Department will absorb any costs related to the Waiohuli house even though the Haupū's were delinquent for two years on the mortgage and the land taxes. The Department will also absorb the costs of demolishing the old house. The Commission is agreeable to the appraised value of the Wai'ehu house even though the Haupū's were delinquent on that rent as well. G. Haupū stated she disagrees with what the Commission decided. They are not asking for money for emotional distress or anything. She is asking for money to fix up the house and the Commission is saying to take it as it is. What about what they went through emotionally. They are not asking for restitution. M. Haupū-Waiohū stated there should be more. Two lives were almost lost. Her son went through surgery to get cactus thorns out of his foot.

Chair Masagatani stated the Haupū's proposal was thoroughly discussed in executive session. Relocations are very rare and DHHL takes the value of the lease and apply it to the value of the lease the beneficiary is now taking. In this case there are obligations that are still the responsibility of the family because there is still the loan, property taxes and removal of the structure. The best the Commission can do is to take back the lease and all the obligations that come with it, which amounts to more than \$200,000. While it may not feel like it's compassionate, the staff was trying to provide financing so that the family wouldn't have to go out to try to qualify for a conventional mortgage. Commissioners had serious concerns as managers of the trust regarding the prior delinquencies. Commissioners understand that the

family has been through a lot, but the Commission has to think in terms of what is fair to 30,000 families as trust beneficiaries.

G. Haupū stated she will not accept the Commission's decision and she will bring the issue back and have Commissioners watch the video and then decide how to handle it. Chair Masagatani stated it is the family's choice, but at least the Commission has a decision. If the family decides to keep the Waiohuli house, they will need to move forward in terms of doing something with the house. She encouraged the Mrs. Haupū to think about it and stated the Commission will be convening again tomorrow morning.

## **F - LAND MANAGEMENT DIVISION**

### **ITEM F-1 For Information Only, Status of License No. 372, Waimana Enterprises, Inc., as practically assigned to Sandwich Isle Communications, Inc. and Pa Makani, LLC.**

#### **RECOMMENDED MOTION/ACTION**

None; for information only.

#### **DISCUSSION**

Peter "Kahana" Albinio, Acting Administrator Land Management Division, and Shelly Carreira, Land Agent with the Land Management Division, presented the following:

License No. 372 was issued to Waimana Enterprises, Inc. (Waimana) on May 9, 1995 for the exclusive right and privilege to build, construct, repair, maintain and operate broad band telecommunication services of all types (including but not limited to local, intrastate, interstate and international, including poles, overhead and/or underground lines, appliances, microwave and/or other types of equipment over, across, under and throughout all lands under the administration and jurisdiction of the Department of Hawaiian Home Lands (DHHL).

The Hawaiian Homes Commission (HHC) approved the partial assignment of the rights, title and interest in License No. 372 to Sandwich Isles Communication, Inc. (SIC), on January 15, 1996. The partial assignment would allow SIC to provide intraLata and intrastate telecommunication services.

The partial assignment to Pa Makani LLC dba Sandwich Isles Wireless, Inc. (SIW) was approved by HHC at its February 21, 2012 meeting. The partial assignment was necessary to provide wireless communication services of all types, including but not limited to the construction and operation of all necessary wireless communications infrastructure.

The partial assignment to Pa Makani LLC dba Sandwich Isles Wireless, Inc. (SIW) was approved by HHC at its February 21, 2012 meeting. The partial assignment was necessary to provide wireless communication services of all types, including but not limited to the construction and operation of all necessary wireless communications infrastructure.

Chair Masagatani introduced Janeen-Ann Olds and Al Hee who are on hand to provide an update and answer questions regarding the ongoing license amidst the criminal investigation.

J. Olds stated Waimana Enterprises is committed to its mission and to carrying on the company's vision of providing quality telecommunications services to native Hawaiians on the Hawaiian home lands statewide. With Mr. Hee's recent tax trial as well as conviction it has

been a very emotionally tiring time for everyone at Sandwich Isle. It is important to know that his personal actions have not and do not affect their ability to provide services to its customers. Immediately upon his conviction, Mr. Hee voluntarily stepped down and relinquished his position as a director at Sandwich Isles. The current directors of Sandwich Isles are herself and Robert Kihune. She serves as the President and Randy Ho as Vice President/Treasurer.

They currently provide over 3500 households with service on hawaiian home lands. They remain committed to keeping pace with DHHL as far as its developments of homestead lots. The recent decisions by the court have resulted in a number of inquiries from various agencies including the Universal Services Administration Fund which provides in part recovery of high cost funds to Sandwich Isles. They are in discussions with them and have been responding to those inquiries as quickly as they can. They have been very open and transparent with the information being requested. They will continue to engage with and resolve any questions they have. They welcome those questions as well as audits on an annual basis to the extent that some of their funding comes from federal government. Not all of their recoveries are from federal funds. As to the financial viability of Sandwich Isles, their finances are solid and they will continue to seek the federal funding they believe they are entitled to. They have reviewed their financial position and find it sound.

From the beginning, she along with Mr. Hee and all of Sandwich Isle's 80 employees have remained committed to servicing hawaiian homes. As the Commission looks at their financial viability, she asked that they be reminded of what Sandwich Isle has provided to date, to hawaiian homes. They have invested almost \$200 million in infrastructure in hawaiian home lands. \$170 million or so has come through some type of loan, but the remainder is equity reinvested by Sandwich Isle Communication. The license agreement is the most valuable thing they have because it provides SIC with the ability to receive more funding and the ability to serve. SIC has fulfilled the requirements under that agreement. They have provided service, kept up with DHHL as it developed, and will continue to fulfill their obligations.

A. Hee thanked commissioners for allowing him to speak. His comments will be limited so as not to be used against him. His experience has in no way affected his commitment to helping Hawaiians. His life has been to help DHHL with infrastructure costs and he is not ashamed of it.

Commissioner Richardson stated that several commission meetings ago, commissioners asked for SICs financial records but they were never received. It's hard to judge whether SIC is fiscally sound and viable without having access to that information. He asked if it was because of the case that they were not responsive, or some other reason. J. Olds stated that it wasn't because of the court case, but more a matter of confidentiality. It wasn't an unwillingness, but more of a confidentiality matter. Commissioner Richardson asked who gave SIC that advice. He doesn't know how commissioners would be able to determine whether the company was run for a profit or not without the financial information. A. Hee stated he believes the information was relayed to them from the department, some of the employees, about limitations state agencies have with keeping items confidential. SIC and Waimana have always been for profit corporations. What J. Olds referred to as far as the amounts invested into infrastructure above and beyond the loans are the profits. They backed off of the Commission's request because they were told that it would be difficult to keep the information confidential if it was submitted. If there is a way that it can be done, he is more than happy to do it.

Commissioner Richardson stated it was not conveyed to any of the commissioners. He asked if it could be done through select commissioners or the director. A. Hee stated they assumed that since the information came from the department, that it was related to the Commission.

Commissioner Richardson stated how is the Commission supposed to confirm the amount the department is entitled to at 1% of the profit share without access to the documentation? A. Hee stated it is not SIC's desire to withhold the information. It is their desire to make sure the information is kept confidential. Commissioner Richardson stated he understands the confidentiality situation but it feels like being caught in where he doesn't know how to get DHHL the information it needs to determine whether or not DHHL was paid its fair share. A. Hee stated he is happy to work with the Commission to try to find a way out of the whirlpool.

Chair Masagatani queried if there is a solution to the confidentiality problem, SIC will have no problem sharing the information? A. Hee stated absolutely.

Commissioner Ka'apu stated based on the newspaper reports the federal government is holding a month's worth of reimbursements. If that trend continues, when will it impact the services to the beneficiaries? J. Olds stated withholdings of recoveries at some point down the line would have an impact on SIC's financial condition. They would have to look at other alternatives as far as funding. Based on the discussions they have had and the timeframes they have been given, and from what they have been advised, they are very confident that they will be able to resolve this in time. This is just a holding back versus a reduction. Commissioner Ka'apu stated he would like notice if the situation changes because the Commission's obligation is to the beneficiaries and DHHL would like as much lead time in trying to resolve any issues. J. Olds stated they are committed to the Commission and the beneficiaries. A. Hee stated commissioners need to know there was no interruption when Hawaiian Tel went into bankruptcy and eventually merged. The public utilities have a special recognition as far as the services that are provided, and the services that are provided by Sandwich Isles are no different in the eyes of the regulators.

Commissioner Richardson stated because there had been no payments in terms of profit shares in the last 20 years, is it fair to assume then that there had never been any profits. A. Hee stated it is fair to assume that, yes.

Chair Masagatani asked if there are any further questions. Hearing none, she asked for a motion to convene in executive session for an update from counsel.

#### MOTION

Moved by Commissioner Davis, seconded by Commissioner Chin, to recuse the Commission into Executive Session. Motion carried unanimously.

#### **EXECUTIVE SESSION IN**

4:06 PM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

#### **EXECUTIVE SESSION OUT**

4:41 PM

Chair Masagatani thanked everyone for their patience while the Commission deliberated in executive session. She announced item C-1 will be moved to the next day's agenda. She called the D – agenda items to the table.

#### **D – HOMESTEAD SERVICES DIVISION**

##### **ITEM D-1 Homestead Services Division Status Reports**



**RECOMMENDED MOTION/ACTION**

None. For Information only.

Chair Masagatani asked if Commissioners had any questions on the following reports:

- Homestead Lease & Application Totals and Monthly Activity Reports
- Delinquency Report
- DHHL Guarantees for FHA Construction Loans

**ITEM D-2 Approval of Consent to Mortgage (see exhibit)**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: 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.

**MOTION/ACTION**

Moved by Commissioner Chin, seconded by Commissioner Kahikina. Motion carried unanimously.

**ITEM D-3 Approval to Streamline Refinance of Loans (see exhibit)**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: 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, which 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 with and/or income qualify the borrower.

The following lessee(s) have met the aforementioned criteria and are recommended for streamline/interest rate reduction loan refinance program. Darryl McKeague, Lease 10013, Kennard Hicks, Lease 6675

**MOTION/ACTION**

Moved by Commissioner Chin, seconded by Commissioner Kahikina. Motion carried unanimously.

*Note: Commissioner Tassill left the room – 4:48 pm.*

**ITEM D-4    Approval to Schedule Loan Delinquency Contested Case Hearings (see Exhibit)**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To authorize the scheduling of the following loan delinquency contested case hearings as shown in the attachment.

**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 for Eric K.H. Bertelmann.

**MOTION/ACTION**

Moved by Commissioner Chin, seconded by Commissioner Davis. Motion carried unanimously, as submitted. Commissioner Tassill was not present during the vote.

**ITEM D-5    Approval of Homestead Application Transfers/Cancellations (see Exhibit)**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To approve the transfers and cancellations of applications from the Application Waiting Lists for reasons described in the submittal.

**MOTION/ACTION**

Moved by Commissioner Davis, seconded by Commissioner Kahikina. Motion carried unanimously as submitted. Commissioner Tassill was not present during the vote.

**ITEM D-6    Commission Designation of Successors to Application Rights – Public Notice 2013, 2014**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To designate the following individuals as successors to the application rights of deceased applicants who failed to designate a successor.

**MOTION/ACTION**

Moved by Commissioner Canto, seconded by Commissioner Kahikina. Motion carried unanimously as submitted. Commissioner Tassill was not present during the vote.

**ITEM D-7    Reinstatement of Deferred Application – Elliot Afoa**

**RECOMMENDATION**

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To reinstate an application that was deferred due to the applicant not responding to two successive contacts as required by the department's Administrative Rules.

**MOTION/ACTION**

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-8     Ratification of Designation of Successors to Leasehold Interest and Designation of Persons to Receive the Net Proceeds.**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: 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.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-9     Approval of Assignment of Leasehold Interest (see exhibit)**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: 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.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Canto. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-10    Approval of Amendment of Leasehold Interest**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To approve the amendment of the leasehold interest as listed below in the submittals.

MOTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-11    Approval to Issue a Non-Exclusive License for Rooftop Photovoltaic Systems for Certain Lessees**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro recommended the following: To approve the issuance of a non-exclusive license to allow the Permittee to provide adequate services related to the installation, maintenance, and operation of a photovoltaic system on the premises leased by the respective Lessees.

Commissioner Ishibashi asked how long it would take from the time a beneficiary submits an application to DHHL to the time it gets listed on the agenda. D. Oshiro stated as soon as the application is received, the due diligence process is started. It doesn't take more than a few weeks.

Chair Masagatani asked for an update at the next meeting on the number of requests being handled and the companies doing the photovoltaic systems.

MOTION/ACTION

Moved by Commissioner Canto, seconded by Commissioner Kahikina. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-12 Commission Designation of Successor – JUDY A. MAIELUA, Lease No. 9892, Lot No. 13872, Malu‘ōhai, O‘ahu**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following: To approve the designation of Solomon W. Maielua, Jr. (Solomon), successor to his late wife's Residential Lease No.9892, Lot No. 13872, for the remaining term of the lease, subject to the payment in full of the outstanding balances due, including all accrued interest, for advances paid to the Villages of Kapolei Association (VOKA) on behalf of the Decedent for past due association dues.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-13 Commission Designation of Successor – WILLIAM K. JOSE, Lease No. 4439, Lot No. 110, Waianae, O‘ahu**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following: To approve the designation of Cornel W. Jose, successor to his late father's Residential Lease No. 4439, Lot No. 110, for the remaining term of the lease.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-14 Commission Designation of Successor – ARNOLD KEKAI REQUILMAN QUARTERO, Lease No. 2290, Lot No. 233, Kewalo, O‘ahu**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following: To approve the designation of Robyn K. R. Kainoa (Robyn), successor to her late father's Residential Lease No. 2290, Lot No. 233, for the remaining term of the lease.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-15 Cancellation of Lease – IMOGENE K. MAIO, Lease No. 3485, Lot No 32, Paukukalo, Maui**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following:

1. To approve the cancellation of Lease No. 3485, Lot No. 32, Paukukalo, Maui, pursuant to the Hawaiian Homes Commission Act of 1920, as amended, as there is no qualified successor to the Lease interest; and
2. 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 Imogene K. Maio.

MOTION

Moved by Commissioner Kahikina, seconded by Commissioner Davis.

Commissioner Chin asked how long it takes to put a home back out for lease in a cancellation situation. D. Oshiro stated it depends on the condition of the home and whether there are occupants still living in the home. When occupants refuse to leave, it takes longer to reissue the lease. In most cancellation situations the condition of the home is so bad that cleaning, repair work, and extermination services are needed. An appraisal is completed and then the home is leased. The process can take as little as 6 months or as long as a year.

Commissioner Richardson asked what appraisal system is used. D. Oshiro stated the Marshall-Swift cost appraisal system.

ACTION

Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-16 Designation of Successor – EARL K. KUAILANI, Lease No. 10301, Waiohuli UNDV, Maui**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following: To approve the designation of Kiley K. Kuailani, as successor to her late father's Residential Lease No. 10301, Lot No. UNDV, Waiohuli, Maui, for the remaining term of the lease, subject to her acceptance of the terms and conditions of the Lease.

MOTION/ACTION

Moved by Commissioner Kahikina, seconded by Commissioner Canto. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

**ITEM D-18 Request for Relocation – JAMES M. DUVAUCHELLE, SR., Lease No. 7876, Lot No. 19, Pala'au, Moloka'i**

RECOMMENDATION

Acting Homestead Services Division Administrator Dean Oshiro the following:

1. Approve the relocation of Mr. Duvauchelle from lot no.19 to either lot no. 8 or 14, Ho'olehua, Molokai, which are both currently in DHHL's inventory.
2. Amend Pastoral Lease No. 7876 to reflect the relocation of the selected (or approved) lot.

MOTION/ACTION

Moved by Commissioner Davis, seconded by Commissioner Canto. Motion carried unanimously, as stated. Commissioner Tassill was not present during the vote.

*Note: Commissioner Tassill returns to the meeting – 4:57 pm.*

## **F - LAND MANAGEMENT DIVISION**

### **ITEM F-2      Approval of Issuance Right of Entry Permit, D.R. Horton - Hawaii Division, East Kapolei II, Island of O'ahu**

#### **RECOMMENDATION**

Peter "Kahana" Albinio, Acting Administrator Land Management Division recommended the following: That the Hawaiian Homes Commission (HHC) authorized approval to issue a right-of-entry permit (ROE) to D.R. HORTON - HAWAII DIVISION, to use a portion of hawaiian home lands covering approximately 3.0 acres situated at East Kapolei II, Island of Oahu, identified more specifically by TMK No.: (1) 9-1-017: 110, as delineated on Exhibit "A". The ROE will allow D.R. Horton - Hawaii Division to utilize the site as a parking area for their workers during construction of the Ko'oloaula Affordable Rental Project, Phase 2 on the adjacent parcel, and to utilize the maintenance road as an alternate access to the work site.

#### **MOTION**

Moved by Commissioner Davis, seconded by Commissioner Canto.

#### **DISCUSSION**

Commissioners asked questions about the location and disposition of the land used. Commissioner Ka'apu expressed concern about the value of the fee being imposed based on a conservation rather than residential valuation. Chair Masagatani suggests a deferral to allow staff time to reassess a fee based on a residential valuation utilizing comparable sales data in the area.

#### **DEFERRAL**

Commissioner Davis and Commissioner Canto withdraw their respective motions and the item was deferred to the next meeting of the Commission.

### **ITEM F-3      Approval for Extension to Term of Right of Entry No. 652 to NextEra Energy Resources, LLC, Kahikinui, Maui**

#### **RECOMMENDATION**

Peter "Kahana" Albinio, Acting Administrator Land Management Division and Shelly Carreira, Land Agent, recommended the following: That the Hawaiian Homes Commission (HHC) grant its approval to extend the term of Right of Entry No. 652 (ROE 652) to NextEra Energy Resources, LLC, as PERMITTEE, for continued placement of its Sonic Detection And Ranging (SODAR) wind monitoring equipment at Kahikinui, Maui at TMK: (2) 1-9-001:003 (por.), as shown in attached Exhibit "A".

Approval of this right of entry permit is subject to the following conditions:

1. The term of the right of entry permit shall be month to month for up to twelve (12) months, effective September 15, 2015;
2. This right of entry may be cancelled by PERMITTOR, at PERMITTOR'S sole discretion and for any reason whatsoever, at any time during the twelve (12) month period, upon 30 days advance notice in writing to PERMITTEE;
3. PERMITTEE shall pay a non-refundable processing and documentation fee of \$175.00;
4. The fee for the term shall be \$1,200.00;
5. Except as amended herein, all of the terms, conditions, covenants, and provisions of Right of Entry No. 652 shall continue and remain in full force and effect;
6. The right of entry document is subject to the review and approval of the Office of the Attorney General, State of Hawaii; and

7. Upon approval of the Hawaiian Homes Commission, the Chairman shall be authorized to issue the Right of Entry permit and to set forth any additional terms and conditions deemed prudent and necessary.

#### MOTION

Moved by Commissioner Canto, seconded by Commissioner Davis.

#### DISCUSSION

Chair Masagatani stated NextEra was anticipating an answer from the Commission this month but given the community consultation process, the Commission will not take action before November. S. Carreira stated if the Commission decides not to award the lease to NextEra, DHHL can effectuate provision #2, since they will no longer need to monitor the conditions of the area. She noted an email received in the morning that stated the Ka 'Ohana O Kahikinui supports the extension.

#### ACTION

Motion carried, as stated. Commissioner Tassill abstained.

### **ITEM F-4     Approval to Issue Right of Entry to Office of Hawaiian Affairs, Ha'iku, O'ahu**

#### RECOMMENDATION

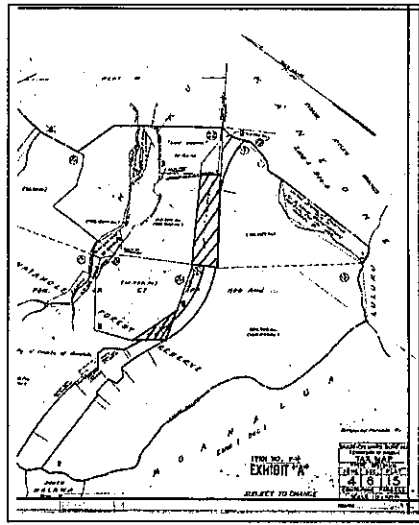
Peter "Kahana" Albinio, Acting Administrator Land Management Division recommended the following:

The Hawaiian Homes Commission (HHC) grant its approval to issue a right of entry (ROE) permit to Office of Hawaiian Affairs (PERMITTEE), for the purpose of providing ingress and egress access over approximately 19.0 acres (more or less) of Hawaiian home lands situated within Haiku, Oahu, identified by TMK: (1) 4-6-015:014 (por.), shown as the diagonally lined areas on Exhibit "A".

Approval of this right of entry permit is subject to the following conditions:

1. Right of entry (ROE) shall be for the purpose of ingress and egress access across Hawaiian home lands during reasonable daylight hours. No other uses shall be allowed without the Department of Hawaiian Home Lands (DHHL) prior written approval;
2. The term of this ROE shall be for one (1) year, commencing upon execution of the ROE document. The ROE may be cancelled by PERMITTOR, at PERMITTOR'S sole discretion and for any reason whatsoever, at any time during the ~~two (2)~~ one (1) year period, upon 30 day advance notice in writing to PERMITTEE;
3. Fee for the term of the ROE shall be \$20.00 per month;
4. PERMITTEE shall comply with the insurance requirements as provided in the ROE permit, and naming the Department of Hawaiian Home Lands as additional insured;
5. PERMITTEE shall keep the premises neat and clean and shall remove all equipment and litter brought onto the property in conjunction with its activities;
6. PERMITTEE shall be responsible for the security of the premises and all of PERMITTEE'S equipment and personal property thereon;
7. PERMITTEE shall pay the documentation and processing fee of \$175.00;
8. The ROE shall be subject to the review and approval of the Department of the Attorney General; and

9. All other terms and conditions deemed prudent by the Chairman of the Hawaiian Homes Commission (HHC)



#### MOTION

Moved by Commissioner Canto, seconded by Commissioner Davis.

#### DISCUSSION

Mahi La Pierre and Kamakana Ferreira represented OHA at the table to answer questions and explain the scope of the project. The access agreements will enable HLID (Halawa Luluku Interpretive Development) to conduct research – which includes ethnographic and historic work; and establishing boundaries of Kahekili Heiau Site 332 and Kane ame Kanaloa Heiau Site 333 on DOT (Department of Transportation) lands only.

Commissioner Ka'apu stated the land court has already determined the meets and bounds which cannot be changed. He asked if any of the heiau are within DHHL property. M. La Pierre used a larger map to show that parts of the cultural areas and heiau fall in DHHL property.

*Note: A larger map is on hand and used to describe the demographics of the area and where cultural areas have been identified.*

Chair Masagatani stated DHHL's mission is about homesteading and she has expressed an interest in a possible land exchange with OHA so both organizations can be more consistent with its respective missions. Cultural preservation is more consistent with OHA's Mission. M. La Pierre stated he cannot answer for Trustees about the land exchange. They have a project and ask the Commission to grant them one year to do their work. If after a year, the Commission is not happy with the work they are doing, they will move on. They have already secured agreements with HHFDC and the Board of Water Supply.

Chair Masagatani asked how much of the \$11 million is left. M. La Pierre stated \$6 million is left. The planning phase is complete and HLID is moving into the implementation phase. Once a steward is identified, OHA's involvement in the project will be finished.

Chair Masagatani asked if there was anything that would prevent OHA from sharing any of the data that will be collected. M. La Pierre stated OHA is required to share the information will all of the parties involved. K. Ferreira stated the other land owners suggested that when all the data



is collected HLID should do a presentation about the kuleana in the valley along with all of the ethnographic interviews they've conducted.

Chair Masagatani suggested moving item #9 to become a new #10. #9 will now state the following: "Any studies or reports generated as a result of this access shall be shared with DHHL." #11 will be added: Right of Entry shall include appropriate language indemnifying DHHL

#### MOTION TO AMEND

Moved by Commissioner Canto, seconded by Commissioner Davis, to insert a new #9 which reads: "Any studies or reports generated as a result of this access shall be shared with DHHL." A new #10 will read: "The Right of Entry shall include appropriate language indemnifying DHHL." The existing #9 shall become #11. All other terms and conditions deemed prudent by the Chairman of the Hawaiian Homes Commission (HHC)

#### ACTION

Motion carried unanimously.

#### MAIN MOTON AS AMENDED

Moved by Commissioner Canto, seconded by Commissioner Kahikina, That the Hawaiian Homes Commission (HHC) grant its approval to issue a Right of Entry (ROE) permit to Office of Hawaiian Affairs (PERMITTEE), for the purpose of providing ingress and egress access over approximately 19.0 acres (more or less) of Hawaiian home lands situated within Haiku, Oahu, identified by TMK: (1) 4-6-015:014 (por.), shown as the diagonally lined areas on Exhibit "A".

Approval of this right of entry permit is subject to the following conditions:

1. Right of Entry (ROE) shall be for the purpose of ingress and egress access across Hawaiian home lands during reasonable daylight hours. No other uses shall be allowed without the Department of Hawaiian Home Lands (DHHL) prior written approval;
2. The term of this ROE shall be for one (1) year, commencing upon execution of the ROE document. The ROE may be cancelled by PERMITTOR, at PERMITTOR'S sole discretion and for any reason whatsoever, at any time during the one (1) year period, upon 30 day advance notice in writing to PERMITTEE;
3. Fee for the term of the ROE shall be \$20.00 per month;
4. PERMITTEE shall comply with the insurance requirements as provided in the ROE permit, and naming the Department of Hawaiian Home Lands as additional insured;
5. PERMITTEE shall keep the premises neat and clean and shall remove all equipment and litter brought onto the property in conjunction with its activities;
6. PERMITTEE shall be responsible for the security of the premises and all of PERMITTEE'S equipment and personal property thereon;
7. PERMITTEE shall pay the documentation and processing fee of \$175.00;
8. The ROE shall be subject to the review and approval of the Department of the Attorney General; and
9. Any studies or reports generated as a result of this access shall be shared with DHHL
10. The Right of Entry shall include appropriate language indemnifying DHHL.
11. All other terms and conditions deemed prudent by the Chairman of the Hawaiian Homes Commission (HHC)

#### ACTION

Motion carried unanimously.

## **G - PLANNING OFFICE**

### **ITEM G-1 Acceptance of Beneficiary Consultation Report on Four (4) Non-Homestead Land Dispositions in Nānākuli, O‘ahu**

#### **RECOMMENDATION**

DHHL Planner Julie Cachola recommended the following:

That the Hawaiian Homes Commission (HHC) accept the Beneficiary Consultation Report on Four (4) Non-Homestead Land Dispositions in Nānākuli, O‘ahu (Attachment A) as a formal record of the Department's consultation with affected beneficiaries pursuant to the Commission's Beneficiary Consultation Policy.

#### **MOTION**

Moved by Commissioner Chin, seconded by Commissioner Kahikina.

#### **DISCUSSION**

##### **Presentation of Land Use Requests**

The Department presented information on two (2) license requests that received conditional approval from the HHC in December 2014, pending the completion of an informational meeting.

1. Honolulu Community Action Program, Inc./Head Start Program

In 2004, DHHL issued a license to the Honolulu Community Action Program (HCAP) to use a sectioned-off part of the Ka Waihona o ka Na'au'ao Public Charter School facility for early childhood education and childcare services provided as the Head Start Program. The License fee was \$220.00 per month (\$2,640 per year) for a 10-year term that ended on August 31, 2014.

The new License is for a 5-year term that begins on September 1, 2014 and expires on August 31, 2019. The license was expanded to include an additional classroom, so the new License fee was increased to \$330 per month (\$3,960/year).

2. House of Salvation Church and Bible School, Inc.

A License was issued in 2004 to His Highest Praise Westside for the use of two (2) portable classrooms and shared use of the cafeteria and parking lot in order to conduct worship services and church-related activities. In 2009, Highest Praise was dissolved and the Church was reorganized as the House of Salvation Church and Bible School, Inc. The License expired on August 31, 2010; the License fee was \$340.00 per month (\$4,080 per year).

The new license would be for a term of 10 years, retroactive to September 1, 2010. The monthly license fee will remain unchanged for the new term.

The Department also presented two (2) items for beneficiary input.

3. St. Rita Catholic Church License Extension

In 1934, the Department issued the original license to St. Rita Catholic Church for the use of a 1.696-acre lot located at 89-138 Farrington Highway. On January 1, 1999, the Department issued a new license for a 30-year term which would expire on December 31, 2028. The annual license fee is \$348.48.

The Church has plans to demolish the old church and completely renovate the site with a new Church building, a new meeting hall and an office building. The Church is requesting an additional 65-year term which would expire in 2093.

4. Hale Ola Ho'opakolea's Request for a new General Lease

In 1992, Hale Ola received a general lease for the use of a 20,154 sq. ft. parcel located at 89-137 Nānākuli Avenue. Hale Ola provides community services through partners such as Alu Like, the Christian Women's Job Corps, and the Hawai'i Food Bank. The current annual rent is \$3,325. The original 15-year general lease expired on June 30, 2007.

Hale Ola is requesting a new 65-year general lease. They plan to demolish the old classroom, cultural hall and restroom buildings and replace them with a new multi-purpose hall and a new building for restrooms and storage.

J. Cachola stated she has conducted many beneficiary consultations in her time at DHHL and she has never come away from one of these with such a feeling of satisfaction. Everyone who attended agreed with the projects and even asked that DHHL move them forward as soon as possible.

Commissioner Kahikina stated it was a good meeting but there was no mention of the policies and procedures for general leases. J. Cachola stated even though these projects were brought before a beneficiary consultation it still needs to go through the proper due diligence before it can be approved for a general lease. Commissioner Kahikina asked to see the general lease proposals.

ACTION

Motion carried, as stated. Commissioner Kahikina voted Aye, with Reservations.

Chair Masagatani thanked everyone for being patient. Items C-1 and C-2, which were not covered, will be carried forward to tomorrow's agenda. She called for a recess until 9:30 am tomorrow.

RECESS

6:04 p.m.

**HAWAIIAN HOMES COMMISSION**  
**Minutes of August 19, 2015**  
**Meeting Held in Lahaina, Maui, Hawaii**

Pursuant to proper call, the 666th Regular Meeting of the Hawaiian Homes Commission was reconvened at the Lahaina Civic Center, Lahaina, Maui, Hawai'i, beginning at 11:00 a.m.

**PRESENT** Jobie M. K. Masagatani, Chair  
Doreen N. Canto, Commissioner, Maui  
Gene Ross K. Davis, Commissioner, Moloka'i  
Wallace A. Ishibashi, Commissioner, East Hawai'i  
David B. Ka'apu, Commissioner, West Hawai'i  
Michael P. Kahikina, Commissioner, O'ahu (arrived 10:45 am)  
William K. Richardson, Commissioner, O'ahu  
Renwick V. I. Tassill, Commissioner, O'ahu  
Kathleen P. Chin, Commissioner, Kaua'i

**EXCUSED** None

**COUNSEL** Craig Y. Iha, Deputy Attorney General

**STAFF** William J. Aila Jr., Deputy to the Chairman  
Niniau Simmons, NAHASDA Manager, Office of the Chair  
Paula Aila, Hale Manager, Office of the Chair  
Hokulei Lindsey, Administrative Rules Officer, Office of the Chair  
Leah Burrows-Nuuanu, Secretary to the Commission, Office of the Chair  
Kip Akana, HHL Compliance Officer, Office of the Chair  
Paul Ah Yat, Hearings Officer, Office of the Chair  
Francis Apoliona, Compliance Officer, Office of the Chair  
Dean Oshiro, Acting Homestead Services Division Manager  
Norman Sakamoto, Development Officer, Land Development  
P. Kahana Albinio, Acting Property Dev. Mgr., Income Property Branch  
Kaleo Manuel, Acting Administrator, Planning Division  
Shelly Carreira, Land Agent, Land Management Division  
Stewart Matsunaga, Master Plan Community Dev Mgr.  
Juan Garcia, Homestead District Supervisor  
Rodney Lau, Admin. Services Office  
Ku'uwehi Hiraishi, Info. Specialist, Information and Community Relations

**NOTE:** The Commission reconvened at 12:00 PM on Tuesday, August 17, 2015.

**APPROVAL OF MINUTES**

Chair Masagatani asked for a motion to approve the minutes of May 2014. She notes the January 2014 minutes are still being processed and will be added to a future agenda.

**MOTION/ACTION**

Moved by Commissioner Chin, seconded by Commissioner Davis. Motion carried unanimously.

## **G - PLANNING OFFICE**

### **ITEM G-3 Authorize the Chairman to Take Actions to Secure the Use and Benefit of Water Resources at Issue in Administrative Proceedings Concerning East Maui Irrigation Company, Ltd. Stream Diversions and Interim Instream Flow Standards, Through State Administrative Actions**

#### **RECOMMENDATION**

Acting Planning Manager Kaleo Manuel recommended the following:

The Hawaiian Homes Commission (HHC) authorizes the Chair to:

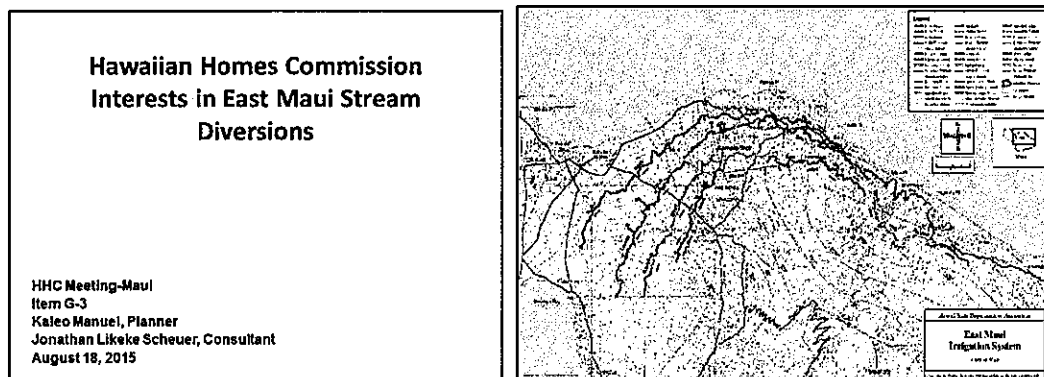
1. Formally request Water Reservations from the State of Hawai'i Commission on Water Resource Management (CWRM) to adequately reserve water for current and foreseeable development and use of Hawaiian home lands in East Maui, Central Maui, and Upcountry Maui (State Water Code, HRS §174C-101(a) & (b));
2. If possible and appropriate, enter as a party into CWRM contested case proceedings concerning East Maui Irrigation Company, Ltd. (EMI) stream diversions (Case No. CCH-MA13-01) and any subsequent litigation, and/or to submit testimony and briefs related to the same;
3. If possible and appropriate to enter as a party into the CWRM contested case proceedings, secure legal counsel, subject to HRS Chapter 28, to assist in advocacy efforts concerning HHC and Department of Hawaiian Home Lands (Department) interests in CWRM proceedings on EMI stream diversions and any subsequent litigation; and
4. Take other action as necessary to effectuate these actions.

#### **MOTION**

Moved by Commissioner Canto, seconded by Commissioner Kahikina.

#### **DISCUSSION**

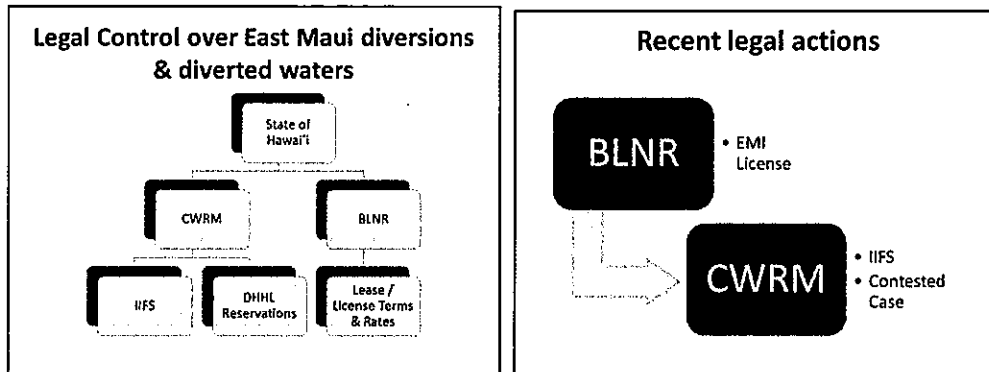
DHHL Water Consultant Dr. Jonathan Scheuer provided the following presentation:



- A. East Maui Irrigation Ltd. (EMI) System
- B. Legal controls over waters and diversions
- C. Recent litigation
- D. DHHL interests:
  1. Wailua, Wākiu, and Ke'anae (East Maui)
  2. Kēōkea and Waiōhuli (Upcountry Maui)
  3. Pūlehunui (Central Maui)

#### 4. NHRF Revenues & EMI Water Licenses

- **EMI system overview**
- 75 mile system spanning East, Upcountry and Central Maui
- Diverts an average of 165 mgd
  - capacity of 450 mgd
- Diversions originate from 27+ streams on 33,000 acres of public trust lands
- Streams provided water for lo'i kalo and other traditional & customary uses.



#### • **DHHL / HHC Related Interests**

1. Water for:
  1. Wailua, Wākiu, and Ke'ānae (East Maui)
  2. Kēōkea and Waiōhuli (Upcountry Maui)
  3. Pūlehunui (Central Maui)
2. NHRF Revenues

#### **Wailua, Wākiu, and Ke'ānae (East Maui)**

1. 91.4 acres at Wailua, 150.6 acres at Ke'ānae, and 743 acres at a Wākiu tract
2. Primarily agricultural lots proposed
3. Potable needs served by Maui DWS
4. Lo'i kalo cultivation possible with 4.5878 mgd in Ke'ānae and 2.2802 mgd in Wailua

#### **Kēōkea and Waiōhuli (Upcountry Maui)**

1. 6,112 acres Upcountry
2. Kula Residential subdivision; Waiōhuli subdivision; & Kēōkea Farm Lots
3. 500k gpd DWS water credits agreement
4. EMI system feeds the lower Kula system, but also diverts streams that directly feed upper Kula systems

#### **Native Hawaiian Rehabilitation Fund**

1. 30% of State revenues from former-sugar lands and water licenses, including EMI permits, fund NHRF;
2. The Department commissioned two studies of NHRF revenues (1993 & 2007)
3. DLNR annually reports on water license dispositions to the legislature & maintains an inventory database

#### **Legal Authorities & Policy**

- A. HHCA
- B. State constitutional provisions
  - A. NHRF

- B. Public Trust protections
- C. Common law water rights
  - A. Riparian rights
- D. State Water Code provisions
- E. HHC's Water Policy Plan

#### **HHC Water Policy Plan**

- 1. Adopted July 22, 2014
- 2. Four WPP Priority Policies
- 3. Priority #3: *Develop, manage, and steward water in a manner that balances cost, efficiency measures, and Public Trust uses in the short and long term.*

#### **ANALYSIS**

- 1. HHC/ DHHL /Beneficiaries have substantial interests in these waters
- 2. DHHL has substantial needs for water as well a right to revenue from water leasing
- 3. A number of actions can be taken to promote these interests

#### **RECOMMENDATION**

- 1. Secure water reservations
- 2. Provide advocacy for interests in restoration of East Maui stream flow;
- 3. Initiate other processes for ensuring water availability for planned purposes.

Chair Masagatani summarized her understanding that DHHL has interests in the water for the properties in the Ke'anae region, which means returning some of the water to those streams which are being diverted. This means participating in the IIFS standard setting through the contested case. J. Scheuer agreed with the summation.

Chair Masagatani stated the existing Ag lots in Kula have no Ag water associated with them, but the Waiohuli potable system is being fed by East Maui Irrigation System and being treated. If it is not a matter of source, what prevents DHHL from getting the available water to the Kēōkea land for Ag purposes? J. Scheuer stated the way the water is laid, the competing users, and the piping, is complicated. For Upcountry, surface water is the most feasible source the DHHL would try to reserve for its beneficiaries. In this case, DHHL would reserve at the source and point of use. Chair Masagatani asked if DHHL would need to initiate a contested case or if it is already an issue in the ongoing case. J. Scheuer stated DHHL would file a letter with the Commission on Water Resource Management (CWRM) and say that you would like to reserve a certain amount of water from these streams for these uses. In this case it would be multiple reservations because there are multiple sources and multiple areas of use. That's the point at which the hearings officer in the contested case could take on notice and maybe even request that DHHL join as a party. He is not sure how the next step would play out, but at the very least if the Water Commission took action under their rules and regulations they would have already reserved that water for DHHL and that would have to be taken into account in any further adjudication.

Chair Masagatani clarified that even though the reservation would happen at the stream source, in order for that water to get to where DHHL needs it, it would need to continue through the diversion and the ditch system. There is a potential that DHHL would be in conflict with those who are seeking to restore that water to the stream where it started. J. Scheuer stated there are potential trade-offs like if DHHL gets a certain amount of Native Hawaiian Rehabilitation Fund dollars for every gallon that is diverted, and DHHL uses that gallon on its own land then it won't get any revenue from it. Other trade-offs include if DHHL wanted to provide more water to

Ke'anae and Wailua Nui, it is less water available to go Upcountry. Chair Masagatani reiterated that currently the East Maui Irrigation is the source of potable water for Waiōhuli and there may be potentially enough source for agricultural needs and potentially more depending what DHHL does with those parcels. J. Scheuer agreed.

Chair Masagatani stated in similar fashion, DHHL land at Pulehunui is also being fed by the EMI. J. Scheuer stated that water is non-potable ditch water. It is how the cane is being watered at this point. Chair Masagatani asked if the amount of water being diverted is known. J. Scheuer stated the amount being diverted is unknown. Chair Masagatani stated at a minimum DHHL has very important interests in the matter.

Commissioner Ishibashi asked who would be affected the most when DHHL gets involved. J. Scheuer stated it will depend on how much water DHHL is awarded and where it is taken from in the system. The ongoing disputes are being dealt with in the contested case over how much water the streams need and how much water the plantations need to keep operating. The duty of this Commission is to request only what is absolutely needed, knowing there are many users involved.

Chair Masagatani asked if DHHL has done the analysis to know what its water needs are for the properties identified in terms of being impacted by the EMI. K. Manuel stated the draft of the State Water Projects Plan identifies DHHL's water needs. It is calculated and identified as part of the reservations request. If it is approved, staff will triple check the numbers to make sure it is consistent with the State Water Projects Plan. The number is presented on the screen labeled as lo'i and it also includes other agriculture uses.

Commissioner Ka'apu asked to know how much water is available from the source and how far is the source from the agriculture park. K. Manuel stated several miles of pipe would need to be put in as well as other storage and transmission systems. There is an existing potable system that has non treated water in it which may be more economically feasible. There are multiple options available in terms of getting water to the Kula land. They all come with costs and various implications. Staff is still in the process of laying out all of the options to achieve the end goal which is water to DHHL lands. There is the legal avenue, practical approach, funding, and effect on other Native Hawaiians etc. Commissioner Ka'apu stated perhaps before taking a motion, the Commission should see more of the other potential options so it is aware of them.

Chair Masagatani stated she would ask for the legal authority only because things move quickly but the Commission should proceed in a way that keeps it aware of the trade-offs as it moves forward. This is a very complex case. J. Scheuer stated the most basic part of the motion tells the CWRM that DHHL needs this much water. DHHL has these lands and this is our plan for the lands and we need this much water. Filing for the reservations will be a significant move by DHHL in letting all of the other parties know it needs water. Second, the problem of getting water to particular parcels will depend on when each parcel will need the water. This case is very fluid and has gone on for 20 years.

Commissioner Ka'apu clarified that DHHL should ask for the water, but before taking other steps he would like to review the analysis so that the Commission knows where it is going and why.

Commissioner Kahikina asked if the water reservations will eventually be done statewide. K. Manuel stated the short answer is yes. Today's water reservation is hopefully the first of many to come. The State Water Project Plan estimates DHHL's demand for water for the next 20 years on all of its parcels based on the individual island plans. In the adoption of the document or simultaneous to it, DHHL will request that CWRM reserve water for all of DHHL lands throughout the State via the demands in the document. It will hopeful get all DHHL land covered



with some reservation of water based on the planning document. The closer DHHL gets to development, the more concrete the number become. The plan uses very broad water system standards to estimate the demand.

J. Scheuer stated in the work for the State Water Projects Plan they looked for the entire inventory of lands that were already designated in DHHL's planning documents for agriculture or lo'i kalo. They used a survey done by the USGS and OHA which determined what the water demands were for kalo both flowing and consumptive.

Some of the reasons for bringing this issue before the Commission include 1) the Commission was on Maui, 2) the case is ongoing and the sooner DHHL can be on record, even if not a party, it provides the decision makers with the knowledge that DHHL has a stake in the outcome, and 3) we are not sure what will happen in the next step.

Chair Masagatani asked with regard to the ongoing contested case; 1) is there still an opportunity to intervene and 2) are there particular deadlines the Commission should be aware of? K. Manuel stated the deadline to intervene was back in May, so staff submitted a letter to the hearings officer stating that DHHL feels like it has standing in the case and will be affected in the decision. It may be at the will of the hearings officer to allow an additional party.

Commissioner Chin asked to look at the motion. She suggests approving part 1 and editing parts 2 & 3, if allowed. Commissioner Ka'apu stated the word "appropriate" is in the motion, he isn't sure what is or isn't appropriate. J. Scheuer suggests simply passing part 1. K. Manuel stated there is a clause in part 3 that talks about securing legal counsel and because the system may conflict out other State users, it may require outside counsel. If there is a need to secure outside counsel, there are many steps to go through in terms of process and for Pulehunui it took eight months. It does take a long time from the actual approval point to get an attorney on board.

Counsel Iha asked for an executive session. Chair Masagatani asked for a motion to convene in executive session.

#### MOTION

Moved by Commissioner Tassill, seconded by Commissioner Ishibashi, to recuse the Commission into executive session. Motion carried unanimously.

### **EXECUTIVE SESSION IN**

1:20 PM

The Commission convened in executive session pursuant to section 92-5 (a) (4), HRS, to consult with its legal counsel on questions and issues pertaining to the Commission's powers, duties, privileges, immunities, and liabilities.

### **EXECUTIVE SESSION OUT**

1:42 PM

Chair Masagatani thanked everyone for their patience while the Commission deliberated in executive session. She announced the Commission has decided to amend parts 2 & 3 of the motion.

#### MOTION TO AMEND/ACTION

Moved by Commissioner Canto, seconded by Commissioner Ka'apu, to amend parts 2 & 3 of the motion as outlined below. Motion carried unanimously.

2. ~~If possible and appropriate necessary,~~ enter as a party into CWRM contested case proceedings concerning East Maui Irrigation Company, Ltd. (EMI) stream diversions (Case No. CCH-MA13-01) and any subsequent litigation, and/or to submit testimony and briefs related to the same;
3. ~~If possible and appropriate to enter as a party into the CWRM contested case proceedings,~~ Secure legal counsel, subject to HRS Chapter 28, to assist in advocacy efforts concerning HHC and Department of Hawaiian Home Lands (Department) interests in CWRM proceedings on EMI stream diversions and any subsequent litigation; and

#### MAIN MOTION AS AMENDED

That the Hawaiian Homes Commission (HHC) authorizes the Chairperson to:

1. Formally request Water Reservations from the State of Hawai'i Commission on Water Resource Management (CWRM) to adequately reserve water for current and foreseeable development and use of Hawaiian home lands in East Maui, Central Maui, and Upcountry Maui (State Water Code, HRS §174C-101(a) & (b));
2. If necessary, enter as a party into CWRM contested case proceedings concerning East Maui Irrigation Company, Ltd. (EMI) stream diversions (Case No. CCH-MA13-01) and any subsequent litigation, and/or to submit testimony and briefs related to the same;
3. Secure legal counsel, subject to HRS Chapter 28, to assist in advocacy efforts concerning HHC and Department of Hawaiian Home Lands (Department) interests in CWRM proceedings on EMI stream diversions and any subsequent litigation; and
4. Take other action as necessary to effectuate these actions.

#### ACTION

Motion carried unanimously.

### **J – GENERAL AGENDA**

#### **Item J-1 Request to Address the Commission – GAYLA HALINIAK-LLOYD, President –Kalama‘ula Homesteaders Association.**

Stephanie Kapua Lauifi represents Gayla Haliniak-Lloyd who was unable to attend. S. Lauifi stated she is a fourth generation homesteader. Her great-grandfather was Henry Abraham Wise, who was one of the original homesteaders from Kalama‘ula Lot-1A, where she currently resides.

She notified Commissioners about an initiative that a few homesteaders started and feel very passionate about. They are currently building support to lower the blood quantum (for successorship only) to less than 25%. They attended the last Ahupua‘a meeting to tell the other associations about Kalama‘ula’s initiative. The Ahupua‘a voted to support their effort. We surveyed 30 of our members and 28 supported and 2 opposed or wanted more information. We are seeking support and advice to take this initiative to the next level and into the Legislature.

Many families have expressed their concerns for the next generation to come. Everyone wants to leave their homesteads to their children and grandchildren. Her family has always grown fruits and vegetables, raised cows and pigs, chickens, and even geese and turkeys. They grow dryland taro, banana, papaya, lemon, lime, avocado, guava, lilikoi and various vegetables. They sell taro

leaf to the market and usually just eat the fruits and vegetables or share with family and neighbors.

She thanks the commissioners for hearing her concern and hopes everyone can work together to further Prince Kuhio's intention to keep his people on the land.

Commissioner Davis stated he is supportive of the effort and would like to help get it to the next level. Commissioner Kahikina stated each homestead association should talk to their legislators to have them introduce a bill. Chair Masagatani stated another option is to look at proposing the language as part of DHHL's legislative package. The Attorney General's office will look at it and decide whether to include it in the Governor's package. If they decide not to include it, at least DHHL would know what issues the Administration has with the proposal.

**Item J-2      Request to Address the Commission – NATALIE KAMA, FACE Maui Organizer & Kēōkea Lessee**

N. Kama read an excerpt of a testimony written by M. Kapuniai from Waimea, Hawai'i. M. Kapuniai is opposed to the item C-1, Approval to proceed with Beneficiary Consultation Regarding Proposed Amendments to Title 10, Hawai'i Administrative Rules. Approval of this recommendation will put you all (Governor's Office, Attorney General's Office, Hawaiian Homes Commission, Staff of Department of Hawaiian Home Lands) in direct violation of your fiduciary responsibility.

N. Kama stated as an organizer for FACE (Faith Action for Community Equity) and a beneficiary as defined by the framers of the Hawaiian Homes Commission Act, and as defined by the true definition our beloved Prince Jonah Prince Jonah Kūhiō Kalaniana'ole wanted for all his people, she wants to remind the Commission that what benefits a native Hawaiian, benefits all of Hawai'i nei. That same thought has survived through many political genre from her birth until now. She will venture to predict, it will last as long as Hawaiian thinkers survive.

FACE is the acronym for Faith Action for Community Equity. It exists to allow its members to live out our common, faith-based values by engaging in actions that challenge the systems that perpetuate poverty and injustice. We balance social, economic and community activity with a deep spiritual commitment. Our spiritual centeredness empowers us to return hope and love to the public arena.

Each year our summits take on hot issues. Since our inception on Maui in 2008, housing has been an issue for our members whose congregations are well versed about this basic need. To this end, I am here as directed by FACE Maui to join in your advocacy for housing of our local communities of which you are honored with deeper fiduciary kuleana.

We do not hold lands nor do we look to be a housing developer. We do have, fortunately, a captive market of unfortunate people without a product to buy. This is an unfortunate quandary indeed.

As a community organizer, my job is to look at the players in the puzzle and seek out partnerships. Can we look at missing parts, identify and search for the pieces/partners?

1. FACE has spoken to housing agencies.
2. FACE has worked with HUD certified counseling and financial literacy entities, such as Hawaiian Community Assets (HCA).
3. FACE is in the process of training our own people in such processes.
4. FACE is in conversations with housing developers.

5. FACE is working with our County Council Housing Committee.

We would like to be able to kokua your process of placing people into safe, decent and affordable housing. We see you as a landowner, we see Maui County as a partner and our membership full of beneficiaries.

N. Kama continues with a personal testimony as a beneficiary and lessee. She reads into the record:

Thank you for the opportunity to address all of you today regarding a matter of such grave injustice.

I selected one of the Agricultural accelerated awards in 1986 and signed my agricultural lease in 1989 with a commencement date of 1998. At that time, Ilima Pi'ianai'a was the Director of the Department of Hawaiian Home Lands and Chair of the Hawaiian Homes Commission.

In 2008 there was a lot reselection and I received a new lease in 2010. The new lease said that water usage was restricted to 600 gallons per day (which is what residential neighborhoods in Maui are allocated) and that I will not be able to cultivate my lot until the "Department notifies the Lessee that there is sufficient water available to support agricultural use to or on Lot 55" at which time I have a year to occupy my lot.

Herewith is the issue at hand. Mr. Stephen Park is the lessee of Lot 56 and was granted permission to occupy his lot by the Department of Hawaiian Home Lands in 1997. Based upon his leases' metes and bounds that he received in 1989, he occupied his lot, built his home, planted trees, a garden and discovered that he had encroached 400 feet onto my new lot because he used his old lot's metes and bounds. Mr. Park was never issued a new lease by the Department of Hawaiian Home Lands. Thus, his 1989 lease which he was given written permission by the Department of Hawaiian Home Lands to occupy and build his home has collided with my new lease with a collateral damage of 400 square feet. The solution is to give me 400 square feet on the backend of my lot.

Another issue with the particular area where Mr. Park is located is that it is in the midst of Waiōhuli. In other words when it rains hard, the water churns down Haleakala and flooding occurs, hence the need for a mitigating flood zone.

In speaking with Mr. Stewart Matsunaga, to put all the elements in place to resolve the issue with Mr. Park's lot and my lot is years in the making.

I selected my first lot in 1986. I signed my original lease in 1989 with a postdated occupation date of 1998. Our association agreed to put off the infrastructure for 2 years so as to include the undivided interest lots so the cost per lot would not be so cost prohibitive. 2008 lot reselection. 2010 I received my new lease. In 2014, I was made aware of Mr. Park's occupation of 400 square feet of my lot. Now, we wait for reissuance of a new lease for both Mr. Park and myself, which will come AFTER the flood mitigation issue is resolved.

Commissioners, we are fast approaching 2016. I do not have 30 more years to wait. I ask that you reissue new leases, with new metes and bounds and have your staff include Mr. Park

and myself when these deliberations begin. I pray that this will happen within the next 90 days, so I can begin to build my home on my hawaiian home lands.

The urgency is real. I have a 70 year old spouse who is a claimant against the Department of Hawaiian Home Lands, when in 1985, they circumvented my husband's application and allowed someone whose application was dated AFTER my husband's application to receive an award.

Today, my husband is disabled and before we ua hala, we need to know that our daughter with down's syndrome will have a home for the rest of her life.

Chair Masagatani thanked Ms. Kama for bringing the issue to the Commission's attention. M. Kapaku stated Stewart Matsunaga is aware of the situation. Commissioner Chin asked for a timeline so Ms. Kama isn't kept waiting for another 30 years. Commissioner Ka'apu asked for an update at the next meeting.

**Item J-3 Request to Address the Commission – DANIEL ORNELLAS, Vice President, Wai'ehu Kou Phase 3 Association, Inc.**

Roy Oliveria, President and Daniel Ornellas, Vice-President, of Wai'ehu Kou Phase 3 Association, Inc. provide the following testimony.

Testimony of the Wai'ehu Kou Phase 3 Association, Inc. to the Hawaiian Homes Commission Regarding: 1) Notice of Default to the Department of Hawaiian Home lands for Non-payment of Association Dues Totaling \$7887 as of June, 2015 for Canceled Leases, 2) Issuance of Lien(s) for "Chronic" (over \$1,000) Non-Payment of Association Dues by 17 Lessees Totaling \$44,098 as of June 2015, and 3) Unfair Procurement Practices for Contract Services at Wai'ehu Kou, Opportunity Cost in Excess of \$400,000 Over 6 years, Poor Contract Performance and Lack of Prudent Oversight; Kou, Wai'ehu, Maui, TMK (2) 3-2-012

1. Notice of Default to the Department of Hawaiian Home lands for Non-payment of Association Dues Totaling \$7887 as of June, 2015 for Canceled leases

PROBLEM: Association dues continue to be owed for canceled vacant lot leases at WK3. The HSD Administrator states that DHHL is not responsible for lessee non-payment of dues even though the lease is canceled and the former lessee is out of contact. WK3 argues that DHHL has a contractual relationship with WK3 and is ultimately liable for dues owed on lease property.

RECOMMENDATION: DHHL to pay off creditors such as WK3 from net-proceeds or other available sources related to the lease re-award/cancellation.

2. Issuance of lien(s) for "Chronic" (over \$1,000) Non-Payment of Association Dues by 17 Lessees totaling \$44,098 as of June 2015

PROBLEM: On October 23, 2012, August 19, 2013 and again in 2014, the WK3 submitted testimony to HHC regarding the Issuance of liens upon leased property classified as in chronic default, i.e. owing over \$1,000. To date DHHL has taken no direct action to assist WK3 to deal with chronic delinquencies related to payment of association dues which is a lease violation.

RECOMMENDATION: Coordinate with WK3 to issue a Notice of Lien to each lessee that has been In default for over \$1,000. Issuance of lien by DHHL is justified pursuant to Section 4.03 of the WK3 Declaration of Covenants, Conditions and Restrictions and as provided under Section 216 of the Hawaiian Homes Commission Act. A lien would put a red flag on the lease and prevent any transaction like lease reconsideration, re-award, transfers, succession, consents to mortgage, loan refinancing and related contested case hearings until the lien is satisfied.

3. Unfair Procurement Practices for Contract Services at Wai‘ehu Kou Opportunity Cost in Excess of \$400,000 Over 6 years, Poor Contract Performance and Lack of Prudent Oversight

PROBLEM: Twice since 2009, DHHL has extended 2 year maintenance contracts without using the state procurement system in order to offer the highest degree of fairness and opportunity in regards to contract procurement. Furthermore, both contractors did not fulfill contract terms and conditions and DHHL extended their contracts. Only once out of 6 years di DHHL staff meet with WK3 to discuss the maintenance of over 20 acres of land surrounding the Kou subdivisions.

Year	Total Cost	Per Month	Vendor
2008-2009	\$84,000	\$7,000	Dana Enterprises
2009-2011	\$180,400	\$7,500	Pacific 'Ohana
2011-2013	\$180,400	\$7,500	Pacific 'Ohana
09/13-12/13	\$30,000	\$7,500	Wailea Landscaping
01/14-present	\$30,000	\$7,500	Wailea Landscaping

RECOMMENDATION: Direct DHHL to follow the law, implement prudent procurement practices and consider beneficiary interest and concerns.

Chair Masagatani stated she will assign LDD to follow up on the procurement of the maintenance contracts. She thanks them for bringing the issue to the Commission's attention. The lien issue is something that has to be determined by Counsel. At a minimum the file may be able to be flagged for the next time the beneficiary applies for a mortgage or transfer etc.

Commissioner Davis stated other homestead associations have the same problem and have started monthly garage sales to come up with the monthly fees. D. Oliveira stated issue #3 was a means of providing economic opportunities for beneficiaries to make up the fees. They have a grant from the County of Maui to pay for the water system design to be able to issue garden plots to homesteaders who want to make a little extra income by selling fruits and vegetables to the farmers markets. Aloha Kahekili Highway they are thinking about doing a fruit stand for all of the traffic going to the North Shore. They are in the planning process and hope to work with DHHL on a ROE. Chair Masagatani cautions D. Oliveira that the area is meant for flood mitigation so there is a known risk for using the area for anything. R. Oliveira stated when it rains they do not use the area. Chair Masagatani thanked R. Oliveira and D. Ornellas for their time and testimony.

Note: Chair Masagatani asked to be briefed on Agenda Item C-1. The remaining J Agenda items, M. Meheula and L. Williams agreed to submit written comments and address the Commission at its November 2015 Commission.

**Item J-4      Request to Address the Commission – MAHEALANI MEHEULA,  
Community Service Specialist, Hawaiian Community Assets.**

*Note: Deferred to November 2015.*

**Item J-5      Request to Address the Commission - LAHELA WILLIAMS, Program  
Coordinator, Hawaiian Community Assets.**

*Note: Deferred to November 2015.*

**C - OFFICE OF THE CHAIRMAN**

**ITEM C-1      Approval to Proceed with Beneficiary Consultation Regarding Proposed  
Amendments to Title 10, Hawai'i Administrative Rules.**

**RECOMMENDATION**

Administrative Rules Officer Hokulei Lindsey, recommended that the Commission authorize the Department of Hawaiian Home Lands {"DHHL" or "Department"} to proceed with statewide beneficiary consultation regarding the proposed amendments to Title 10, Hawai'i Administrative Rules.

**DISCUSSION**

Administrative Rules Officer Hokulei Lindsey presented the following.

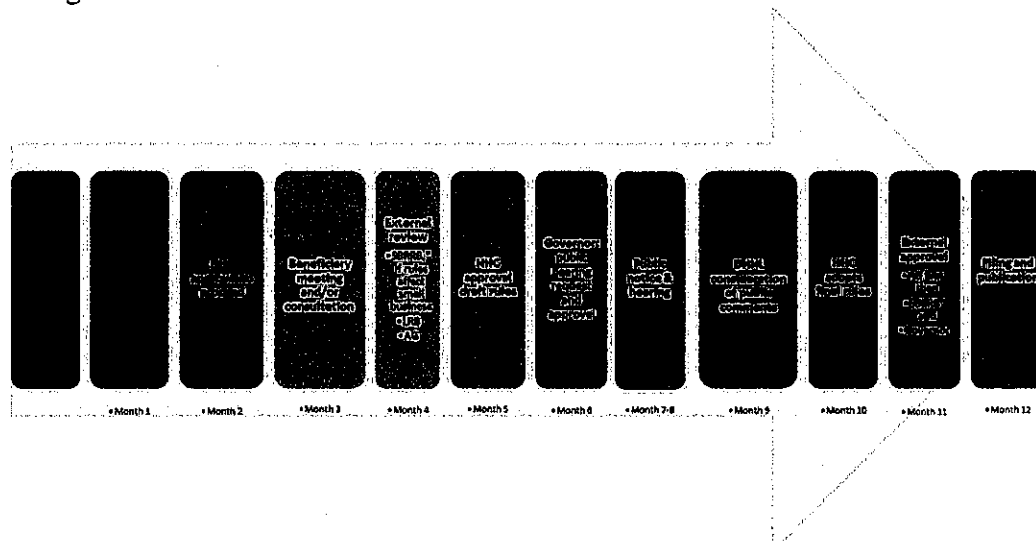
At the July 20-21, 2015 meeting of the Hawaiian Homes Commission ("HHC"), the DHHL presented a workshop on proposed administrative rule changes. The workshop detailed various policy considerations and presented data collected in support of proposed rule changes for three main topic areas: Genetic Testing, Subsistence Agricultural Lots, and the Transfer of Homestead Leases. Attached as Exhibit "A" are selected slides from that workshop, which outline key aspects and considerations for each of these main topic areas. At that same meeting, the HHC approved the "Title 10, Hawaii Administrative Rules Development, Review, and Amendment Process" (See Exhibit "B"). Having drafted proposed rules and presented a workshop to the HHC, pursuant to the approved development, review, and amendment process, the Department now requests authorization to proceed with statewide beneficiary consultation regarding the proposed changes. The proposed changes in the Ram Seyer format are attached as Exhibit "C." The Ram Seyer format is one of two required formats for administrative rule changes. In the Ram Seyer format, language to be [deleted is bracketed] while language to be added is underlined. The Legislative Reference Bureau recommends use of this format for preliminary rulemaking processes and public hearings, and it is provided here because it allows the reader to see both the current rule and the proposed changes in one document, as such most clearly showing the changes proposed.

Exhibit "C" includes the three main topic areas that were the focus of last month's workshop as well as "housekeeping" amendments. The housekeeping amendments come in several forms: clarification and ease of reading, style and grammar, updating basic information, conforming for consistency, and streamlining departmental processes. The majority of the proposed changes are housekeeping; for example, the first ten listed in Exhibit "C" fall into this category.

Attached as Exhibit "D" are five proposals, in the Ram Seyer format, for amending section 10-3-36 Transfer of Homestead Leases. Of all the proposed rule changes, this one likely would have the broadest impact because it would reach, in potentially significant ways, all beneficiaries whether lessees, applicants, successors, eligible family members, or transferees.

The key difference in each proposal is the treatment of the sale of leases to developed lots. Each is labeled to identify the intended variation. The substance of the variations can be summarized as: 1. Community benefit; 2. Infrastructure benefit passed on to future lessees; 3. Infrastructure benefit passed directly to transferee; 4. Self-help retention period; and 5. Non-compliance penalty. The commonality is the treatment of the transfer of leases to vacant or undeveloped lots and undivided interests. The proposal is to limit these interests to transfers by gift or succession. Because there has been no significant financial investment by the lessee, there should be no financial gain derived from the transfer.

Each beneficiary consultation will provide copies of the documents attached as Exhibits "B" thru "D" and include a presentation like the workshop presented to the HHC. The intent of the consultations is to provide clear information, transparency of process and purpose, and open communication. In return, the hope is for honest and constructive comments and suggestions for consideration and possible inclusion in future drafts of the proposed rule amendments. Rule changes.



Chair Masagatani stated in light of the initial testimony the Commission has been getting at the table, she wondered if it would be simpler for this round to not even talk about the developed homesteads and focus on the undivided interests and the vacant lots. There seems to be a lot of concern with the developed lots that may require a fuller conversation and concept with the community. The Commission will take this item up next month. Commissioner Chin agreed that the Commission should focus on undeveloped lots for the transfer issue.

H. Lindsey stated a lot of the discussion seemed to be focused on the one topic and she would not want to see everything thrown off track because of the one issue. There are many administrative housekeeping issues that need to be changed through the rule making process.

Chair Masagatani asked Commissioners to continue to review the language and be prepared for full and free discussion at the next meeting. She welcomed suggestions on amendments even before the next meeting if Commissioners are compelled to do so. She thanked everyone for being patient and for attending.



## ANNOUNCEMENTS AND ADJOURNMENT

### ANNOUNCEMENT

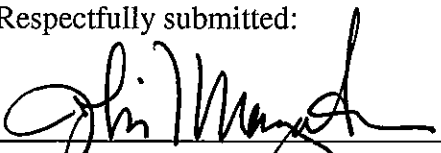
The next regular meeting will be held at the East Hawai'i District Office in Keaukaha, Hawai'i Island on September 21 & 22, 2015. The next community meeting will be held on September 21, 2015, at the Keaukaha Elementary School Cafeteria, Hilo, Hawai'i at 6:30 pm.

### ADJOURNMENT

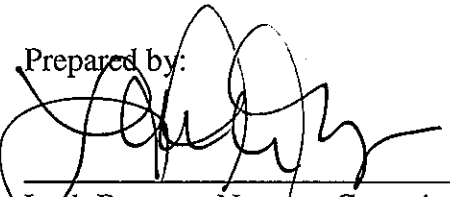
Moved by Commissioner Kahikina, seconded by Commissioner Davis, to adjourn the meeting. Motion carried unanimously.

The meeting was adjourned at 2:47 PM.

Respectfully submitted:

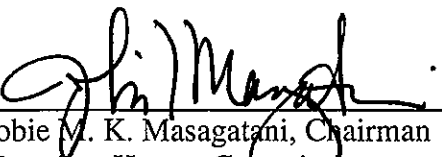
  
\_\_\_\_\_  
Jobie M. K. Masagatani, Chair  
Hawaiian Homes Commission

Prepared by:

  
\_\_\_\_\_  
Leah Burrows-Nuuānu, Commission Secretary  
Hawaiian Homes Commission

APPROVED BY:

The Hawaiian Homes Commission  
At Its Regular Monthly Meeting On  
Tuesday, May 24, 2016

  
\_\_\_\_\_  
Jobie M. K. Masagatani, Chairman  
Hawaiian Homes Commission