

STATE OF HAWAII

DEPARTMENT OF HAWAIIAN HOME LANDS

September 20, 2016

TO: Chairman and Members, Hawaiian Homes Commission
FROM: Rodney K. M. Lau, Administrative Services Officer
SUBJECT: Approval of DHHL Biennium Budget Requests for Fiscal
Biennium 2017-2019 (Sufficient Sums Budget)

Rodney Lau

RECOMMENDED MOTION/ACTION

1. That the Commission approve the FB 2017-2019 Operating and Capital Improvement Program (CIP) budget request (Sufficient Sums Budget) presented below to the Governor for consideration in the Administration's Executive Budget requests to the 2017 Legislature.
2. That the Commission approve the FB 2017-2019 Operating and Capital Improvement Program (CIP) budget request (Sufficient Sums Budget) be presented to the 2017 Legislature.
3. That the Commission authorize the Chairman to adjust the Operating and CIP budget request to make technical adjustments due to minor errors before it is incorporated into the Administration's Executive Budget.

DISCUSSION

For your information is a chronology of 1) the Department of Hawaiian Home Lands (DHHL) supplemental budget request for FY 2017 and 2) DHHL's biennium budget request for FB 2018-19.

Article XII, Section 1 of the State Constitution states "The legislature shall make sufficient sums available for the following purposes: (1) development of home, agriculture, farm and ranch lots; (2) home, agriculture, aquaculture, farm and ranch loans; (3) rehabilitation projects to include, but not limited to, educational, economic, political, social and

cultural processes by which the general welfare and conditions of native Hawaiians are thereby improved; (4) the administration and operating budget of the department of Hawaiian home lands..."

On October 19, 2007, several beneficiaries filed a lawsuit against the State and the Hawaiian Homes Commission claiming that the State violated its constitutional duty to sufficiently fund the Department of Hawaiian Home Lands.

On March 9, 2012, the Supreme Court affirmed the Intermediate Court of Appeals judgment in part that the courts can determine what constitutes "sufficient sums" for the DHHL's administrative and operating expenses to carry out the purposes of the Hawaiian Homes Commissions Act, 1920, as amended.

The Supreme Court also determined that "sufficient sums" for (1) development of lots, (2) loans, and (3) rehabilitation projects are political in nature and could not be judicially determined.

On November 17, 2015, the First Circuit Court entered its Findings of Fact, Conclusions of Law and Order concerning Plaintiffs' claim that the State of Hawaii failed to make sufficient sums available to the DHHL as required by article XIII, section 1 of the Hawaii Constitution.

Judge Castagnetti declared in her order that:

"1. The State of Hawaii has failed to provide sufficient funds to the Department of Hawaiian Home Lands for its administrative and operating budget in violation of the State's constitutional duty to do so under article XIII, section 1 of the Hawaii Constitution.

...3. Although what is "sufficient" will change over the years, the sufficient sums that the legislature is constitutionally obligated to appropriate in general funds for DHHL's administrative and operating budget (not including significant repairs) is more than \$28 million for fiscal year 2015-16.

4. Prior to 2012, the DHHL Defendants breached their trust duties by failing to take all reasonable efforts - including filing suit - to obtain all the funding it needs for its administrative and operating budget.

5. The defendants shall prospectively fulfill their constitutional duties and trust responsibilities. They are enjoined from violating these obligations."

Final Judgment was entered on December 14, 2015.

On December 21, 2015, the State Defendants filed a Motion for Reconsideration of, or to Alter or Amend, the Judgment and Order.

On February 29, 2016, the court orally granted in part the Motion stating that:

"...paragraphs 3 and 5 of the Order previously entered on November 27, 2015 shall be AMENDED to read as follows:

3. Although what is sufficient will change over the years, the amount of general funds appropriated to DHHL for its administrative and operating budget for fiscal year 2015-16 (\$9,632,000) is not sufficient. The State is required to comply with the Hawaii Constitution and must fund DHHL's administrative and operating expenses by making sufficient general funds available to DHHL for its administrative and operating budget for fiscal year 2015-16.

5. The defendants must fulfill their constitutional duties and trust responsibilities.

The remaining paragraphs of the Order issued November 27, 2015 shall remain in full force and effect."

Based on the Court's ruling, the Hawaiian Homes Commission, the head of the Department of Hawaiian Home Lands, has a fiduciary responsibility to ask for amounts the Commission considers "sufficient sums" for the Department's administrative and operating expenses.

The Hawaiian Homes Commission request is formulated in two parts:

- a) Administrative and Operation costs relating to the Supreme Court ruling regarding purpose no. 4 of Article XII,

Section I. This part also includes existing infrastructure projects with a long-standing history of operational, maintenance, and repair issues that have become capital improvement issues.

- b) Costs aligned with purposes numbers 1, 2 and 3, of Article XII, Section I, of the Hawaii State Constitution relating to: ... (1) development of home, agriculture, farm and ranch lots"; (2) home, agriculture, aquaculture, farm and ranch loans; and (3) rehabilitation projects to include, but not limited to, educational, economic, political, social and cultural processes by which the general welfare and conditions of native Hawaiians are thereby improved..." which the Supreme Court ruled as political in nature and could not be judicially determined.

**1) DHHL Supplemental Budget Requests - Fiscal Year 2017
(Approved by HHC on July 19, 2016)**

Administrative and Operating Costs: Purpose 4 of Article XII, Section I

In light of the Nelson case decision, the Department has participated in a series of workshops with the Hawaiian Homes Commission and native Hawaiian beneficiaries to inform them of the Nelson case decision and what was determined as sufficient sums as compared to the funding provided by the State Legislature.

On June 21, 2016, the Hawaiian Homes Commission (HHC) approved an "Interim Operating Budget" for the Administrative and Operating Costs of the Department of Hawaiian Home Lands for Fiscal Year 2017. The final Operating budget was reviewed and approved by the HHC at their July 2016 regular meeting after receiving further budget information as a result of the workshops.

2) DHHL Biennium Budget Requests - Fiscal Years 2018 and 2019

Administrative and Operating Costs: Purpose 4 of Article XII, Section I

The proposed biennium budget request for administrative and operating costs total \$58,591,110 and \$53,944,519 for fiscal years 2018 and 2019, respectively.

In the Nelson case decision, Judge Castagnetti determined that more than \$28 million was the "sufficient sums" amount for fiscal year 2015-2016. "Personal Services" category costs is based on the 260 (FTE) positions as used to determine the

"sufficient sums" amount in the court decision. Fringe benefit costs are to be absorbed by a separate Department of Budget and Finance general fund appropriation. The funding of general fund fringe benefit costs separately in a Department of Budget and Finance appropriation is a policy consistent with all other State general funded programs.

The positions were kept intact as provided to the court to determine "sufficient sums" except for those affected by actual and projected position variances. The annual personnel costs request represents an aggregate of the annual base salaries.

In the proposed FB 2017-19 request, the DHHL's fiscal year 2017 budget for the "Other Current Expenses" category was used as a base line and adjusted to exclude costs related to development of homestead lots, loans, and rehabilitation projects. Consequently, the base budget was adjusted for debt service costs, loans, grants in aid and grants. The annual "Other Current Expenses" category totaled \$17,164,922. Attachment A-1 provides the "Other Current Expenses" category approved by the Commission relating to the Administrative and Operating Costs, with adjustments, to determine the "sufficient sums" amount.

Ongoing repairs and maintenance for existing infrastructure on Hawaiian home lands totaled \$3,613,000 annually for fiscal years 2018 and 2019 and is requested as a separate general fund "Repair and Maintenance" request in the "Other Current Expenses" category (See Attachment B-2)

DHHL's initial CIP general obligation bond request relating to existing infrastructure is made as a lump sum request under the title of "Hawaiian Home Lands Development, Statewide" totaling \$24,115,000 and \$18,500,000 for fiscal years 2018 and 2019, respectively (See Attachment B-1). The existing infrastructure projects have a long standing history of operational, maintenance and repair issues that have become capital improvement issues.

Attachments "A" provides a summary recap of the discussion.

Hawaiian Homes Commission Budget Request: Purpose no. 4 - State Constitution, Article XII, Section 1			
	FY 2018	FY 2019	
	(260.00)	(260.00)	
Administrative and Operating Budget Request	\$30,863,110	\$31,831,519	(A)
Operating Budget: Repairs and Maintenance of Existing Infrastructure	\$3,613,000	\$3,613,000	(A)
CIP Budget: Repairs and Maintenance of Existing Infrastructure	\$24,115,000	\$18,500,000	(C)
Total HHC Administrative and Operating Budget Request	\$58,591,110	\$53,944,519	
Means of Financing: (A)= General Fund; (C) = General Obligation Bond			

Hawaii State Constitution: Purposes 1, 2, 3 of Article XII, Section I; Lot Development, Loans and Rehabilitation Projects

The proposed biennium budget request for Purposes 1, 2, 3 of Article XII, Section I (Lot Development, Loans and Rehabilitation Projects) total \$186,055,100 and \$209,234,100 for FY 2018 and 2019, respectively. Details of the request are shown in Attachments "C" (Lot Development), "D" (Loans), and "E" (Rehabilitation Projects).

Hawaiian Homes Commission Budget Request: Purposes no. 1, 2, 3, State Constitution, Article XII, Section 1			
	FY 2018	FY 2019	
Purpose 1: Lot Development	\$63,425,000	\$88,975,000	(C)
Purpose 2: Loans	\$75,000,000	\$78,100,000	(C)
Purpose 3: Rehabilitation Projects	\$32,121,000	\$29,050,000	(C)
Rehabilitation Projects	\$15,509,100	\$13,109,100	(A)
Total	\$186,055,100	\$209,234,100	
Means of Financing: (A) = General Fund; (C)=General Obligation Bond			

In August 2016, DHHL participated in a Puwalu discussion in Hilo that brought native Hawaiian beneficiary leaders state-wide together regarding priorities in their communities and programmatic needs. These needs provided by the beneficiaries were identified and sorted according to the purposes provided by Article XII, Section 1 of the State Constitution and included in the FB 2017-19 request. These projects are identified in Attachment "E".

Separate from the "sufficient sums" request, that is also included in Attachment "E", are grants-in-aid (GIA) projects that were brought up in the Puwalu discussion. DHHL will provide information to the Administration and the Legislature on GIA projects that may be coming forward. The GIA requesters

will still need to go through the normal GIA process to secure funding.

CIP Budget: HHC Federal Fund Request

Separate from the "sufficient sums" request is a request for authorization to expend \$16.1 million in Federal funds for fiscal year 2018 as provided by the U.S. Department of Agriculture Water and Waste Disposal program.

Also separate from the "sufficient sums" request is a request to fund four (4) (FTE) positions and two (2) temporary positions funded by the Native American Housing Assistance and Self Determination Act (NAHASDA) program.

The Commission's approval of the above recommended motion is respectfully requested.

Department of Hawaiian Home Lands
 Purpose 4: Administrative and Operating Costs
 FB 2017 - 2019 Budget Request Summary

		FY 2018 Budget Request to HHC	MOF	FY 2019 Budget Request to HHC	MOF
State Constitution, Article XII, Section 1, Purpose 4: Administrative and Operating Costs					
	Personnel Costs	\$13,698,188	A	\$14,666,597	A
	Other Current Expenditures	\$17,164,922	A	\$17,164,922	A
	Subtotal Administrative and Operating Costs	\$30,863,110		\$31,831,519	
	Repair and Maintenance of Existing Infrastructure	\$3,613,000	A	\$3,613,000	A
	Repair and Maintenance of Existing Infrastructure	\$24,115,000	C	\$18,500,000	C
	Subtotal R&M of Existing Infrastructure	\$27,728,000		\$22,113,000	
	Total Administrative and Operating Costs	\$58,591,110		\$53,944,519	

Means of Financing:					
A = General Fund	\$34,476,110	A	\$35,444,519	A	
C = General Obligation Bonds	\$24,115,000	C	\$18,500,000	C	
Total	\$58,591,110		\$53,944,519		

Department of Hawaiian Home Lands

Purpose 4: "Other Current Expenses" Category

Executive Budget for FY 2017 as Approved by the HHC on July 19, 2016

Object Code		General Fund	Administration Account	Operating Fund		Other Current Expenses		
				Operating Portion	Development Portion	Total	Adjustments	Sufficient Sums Request
2900	Other Personal Services	759,500	0	0	0	759,500		759,500
3010	Operating Supplies - Gas & Oil Supplies	58,800	0	22,500	8,000	89,300		89,300
3020	Operating Supplies - Fuel & Oil Other	2,300	0	25,680	3,000	30,980		30,980
3030	Operating Supplies - Janitorial	22,180	0	6,148	0	28,328		28,328
3090	Operating Supplies - Others	13,900	0	22,584	850	37,334		37,334
3100	Maintenance Materials Supplies & Parts	11,800	0	101,000	0	112,800		112,800
3200	Office Supplies	137,680	0	800	0	138,480		138,480
3400	Other Supplies	49,116	0	1,500	0	50,616		50,616
3500	Dues and Subscriptions	19,212	0	300	0	19,512		19,512
3600	Freight and Delivery Charges	2,217	0	3,000	1,200	6,417		6,417
3700	Postage	177,820	0	3,050	0	180,870		180,870
3800	Telephone	125,210	0	400	0	125,610		125,610
3900	Printing and Binding	151,700	0	0	0	151,700		151,700
4000	Advertising	92,200	0	0	0	92,200		92,200
4100	Car Mileage	16,350	0	0	0	16,350		16,350
4200	Transportation, Intrastate	363,200	0	10,000	0	373,200		373,200
4300	Subsistence Allowance, Intra-State	242,470	0	5,000	0	247,470		247,470
4400	Transportation, Out of State	25,000	0	0	0	25,000		25,000
4500	Subsistence Allowance, Out of State	25,000	0	0	0	25,000		25,000
4600	Hire of Passenger Cars	78,900	0	4,000	0	82,900		82,900
5000	Electricity	372,000	590,000	479,000	20,000	1,461,000		1,461,000
5200	Water	103,700	147,000	49,800	200,000	500,500		500,500
5400	Other Utilities	0	500	0	0	500		500
5500	Rental of Land and Bldg.	32,800	0	0	0	32,800		32,800
5600	Rental of Equipment	73,700	0	1,500	500	75,700		75,700
5700	Other Rentals	1,772,500	0	3,000	0	1,775,500		1,775,500
5810	Repairs- Data Processing	14,000	0	0	0	14,000		14,000
5815	Maintenance - Data Processing	149,342	0	0	0	149,342		149,342
5820	Repairs- Equipment, Building, etc.	53,592	20,105	30,200	2,000	105,897		105,897
5825	Maintenance- Equipment, Building, etc.	171,178	165,000	188,972	6,335	531,485		531,485
5830	Repairs- Motor Vehicles	19,700	0	9,000	1,200	29,900		29,900
5835	Maintenance- Motor Vehicles	24,500	0	5,000	500	30,000		30,000
5840	Maintenance-Unencumbered Lands & Other	0	300,000	10,400	25,400	335,800		335,800
5891	Repairs-Other Miscellaneous	2,000	76,184	0	0	78,184		78,184
5895	Maintenance-Other Miscellaneous	19,000	0	6,000	0	25,000		25,000
5900	Insurance	75,000	0	0	0	75,000		75,000
6120	Interest Payment--RGOB, Revenue Bond	0	0	0	1,000	1,000	(1,000)	0
7110	Services Fee Basis	3,853,280	2,445,000	1,216,600	1,131,000	8,645,880		8,645,880
7230	Training Costs	18,996	150,200	6,000	200	175,396		175,396
7290	Other Current Expenditures	15,700	155,200	6,000	500	177,400		177,400
7700	Equipment	195,571	0	0	102,000	297,571		297,571
7700	Motor Vehicle	50,000	0	4,500	0	54,500		54,500
120/802	Debt Service: RGOB	0	0	0	30,000	30,000	(30,000)	0
	DHHL Self-imposed Restriction	0	1,046,676	1,556,809	0	2,603,485	(2,603,485)	0
Total - Current Expenditure & Equipment		9,391,114	5,095,865	3,778,743	1,533,685	19,799,407	(2,634,485)	17,164,922

Department of Hawaiian Home Lands
 Purpose 4: Administrative and Operating Costs
 Repair and Maintenance of
 Existing Infrastructure (Lump Sum Details)
 FB 2017 - 2019 Budget Request

ISLAND	AREA or SUBDIVISION	PROJECT COMPONENTS	PHASE (PLANNING, DESIGN, CONSTRUCTION, HOUSING)	FY 2018	FY 2019
Oahu	Papakolea	Papakolea Sewer System Improvements & Slope Remediation	Design and Construction	1,500,000	10,000,000
Oahu	Papakolea	Roadway and Retaining Walls Stairway Repair	Design and Construction	750,000	
Oahu	Islandwide	Traffic calming measures	Design and Construction	450,000	
Hawaii	Kawaihae	Kawaihae Water System	Design	750,000	
Maui	Waiehu Kou 3	Sewer Pump Station	Design and Construction	200,000	
Maui	Waiehu Kou Phase 2	Detention Basin and Park Repair	Design and Construction	250,000	
Maui	Waiehu Kou Phase 3 and 4	Detention Basin and Ditch Improvements	Design and Construction	550,000	
Oahu	Islandwide	Sewer assessment and Design	Planning and Design	500,000	1,000,000
Maui	Islandwide	Drainage Improvements	Design and Construction	1,000,000	
Maui	Kula Residence Lots	Roadway Safety and Drainage Improvements	Design and Construction	1,200,000	1,200,000
Oahu	Nanakuli Series 5-3	Soils and Rockfall Mitigation	Planning and Design	550,000	
Oahu	Waianae Valley	Rock Mitigation	Design and Construction	170,000	
Oahu	Waianae and Nanakuli	Sewer System Extension	Design and Construction	1,100,000	
Oahu	Waimanalo	Rock Fall Mitigation	Planning and Design	500,000	
Hawaii	Laiopua	Plant Mitigation and Preservation Restoration	Design and Construction		1,100,000
Lanai	Lanai	Drainage Improvements	Design and Construction	820,000	
Kauai	Anahola	Anahola Park Improvements	Design and Construction	100,000	
Kauai	Anahola	Drainage Masterplan and Design	Planning and Design	825,000	
Kauai	Anahola	Surface Water Development	Plan, Design Construct	1,000,000	2,000,000
Kauai	Waimea	Waimea Waterline Improvements	Planning and Design	300,000	
Kauai	Waimea	Pu'u 'Opae Agricultural and Water Plan	Planning	275,000	
Statewide	Statewide	Cesspool Upgrades to Septic or Sewer	Planning and Design	1,100,000	
Statewide	Statewide	Remedial Roadway Improvements for Dedication to Counties	Planning and Design	1,100,000	
Hawaii	Islandwide	UXO Mitigation and Remediation on Existing Lots	Plan, Design Construct		2,000,000
Oahu	East Kapolei II	Detention Basin Corrective Action to Sides and Silting	Construction	75,000	
Oahu	Nanakuli	Drainage Channel Repairs	Design and Construction	1,000,000	
Oahu	Waimanalo	Drainage Channel Repairs	Design and Construction	300,000	
Statewide	Statewide	Street Light Improvements	Design and Construction	450,000	
Maui	Keokea-Waiohuli	Archaeological Preservation Improvements	Design and Construction	1,000,000	
Molokai	Kapaaakea & Kalamaula	Kapaaakea & Kalamaula Drainage Improvements	Design and Construction	3,000,000	
Hawaii	Islandwide	Street Light LED Conversion	Design and Construction	400,000	
Oahu	Kapolei	Traffic Signalization - Kapolei Parkway at Puainako Street	Design and Construction	600,000	
Oahu	Kapolei	Traffic Signalization - Kualakai Parkway at Keahumoa Parkway	Design and Construction	600,000	
Oahu	Kapolei	Kaupea Safety Wall	Design and Construction	500,000	
Statewide	Statewide	Infrastructure Repair and Maintenance on HHL	Design and Construction	1,200,000	1,200,000
TOTAL				\$ 24,115,000	\$ 18,500,000

Means of Financing: General Obligation Bonds

Department of Hawaiian Home Lands
 Purpose 4: Administrative and Operating Costs
 Repair and Maintenance of Existing Infrastructure
 FB 2017 - 2019 Budget Request

ISLAND	AREA or SUBDIVISION	MAINTENANCE COMPONENTS- PURPOSE	FY 2018	FY 2019
Hawaii	Kawaihae	Water System Operation and Maintenance	120,000	120,000
Hawaii	Laiopua Villages	Brush Clearing and Fire Breaks	50,000	50,000
Hawaii	Puukapu	Water System Operation and Maintenance	255,000	255,000
Kauai	Anahola	Water System Operation, Maint, Emerg Call	75,000	75,000
Kauai	Piilani MKK and Anahola	Maintenance	75,000	75,000
Lanai	Lanai City	Maintenance	75,000	75,000
Maui	Kula	Maintenance	200,000	200,000
Maui	Leialii	Leialii Parkway Maintenance	85,000	85,000
Maui	Waiehu Kou	Detention Basins and Ditches	125,000	125,000
Maui	Waiehu Kou	Sewage Pump Station	80,000	80,000
Oahu	East Kapolei II	Detention Basins (2)	30,000	30,000
Oahu	Kapolei	Maluohai, Kaupea, Kanehili Maintenance	75,000	75,000
Oahu	Nanakuli	Princess Kahanu Road Repairs	30,000	30,000
Oahu	Oahu	Sewage Spill Response and Repair	150,000	150,000
Oahu	Oahu	Street Light Replacement	375,000	375,000
Oahu	Oahu	Scattered Location Repair and Maintenance	1,200,000	1,200,000
Oahu	Oahu	Albizia Control	290,000	290,000
Oahu	Waimanalo	Drainage Channel and Tree Trimming	38,000	38,000
Oahu	Waimanalo	Detention Basin	30,000	30,000
State	Statewide	Sign Replacement	255,000	255,000
		Total	\$3,613,000	\$3,613,000

Means of Financing: General Fund

Department of Hawaiian Home Lands
Purpose 1: Lot Development
FB 2017 - 2019 Budget Request

ISLAND	AREA or SUBDIVISION	PROJECT COMPONENTS	PHASE	FY 2018	FY 2019
Hawaii	Laiohua Village 4	Hema (103 Lots)	Design & Construction	14,300,000	
Oahu	East Kapolei II, Incr. IIC	Roadways & Utilities for 130 Res Lots	Construction		15,000,000
Oahu	Nanakuli	Voice of America, Ph I Infrastructure	Design & Construction	800,000	10,000,000
Oahu	Waimanalo	Agricultural Lots	Design & Construction	750,000	5,000,000
Molokai	Molokai	Hoolehua Water System Improvements	Design & Construction	900,000	21,500,000
Maui	Villages of Leialii	Leialii Parkway & Highway Improvements	Design & Construction	1,000,000	4,000,000
Maui	Honokowai	Honokowai Master Plan	Planning & Environmental	1,000,000	
Maui	Honokowai	Water System Improvements	Design & Construction	8,000,000	
Hawaii	Kona	North Kona Exploratory Well	Planning & Design	2,000,000	
Hawaii	Kau	Kau Water System	Design & Construction	1,000,000	
Hawaii	Kawaihae	Production, Storage & Transmission	Planning & Design	750,000	
Hawaii	Puukapu	Puukapu Pastoral Lots Electrical Facilities	Design & Construction	2,100,000	
Molokai	Hoolehua	Kanakaloola Cemetery Improvements	Construction	1,500,000	
Hawaii	Kaumana	Kaumana Subdivision Lot Rehabilitation	Design & Construction	500,000	
Hawaii	Lalamilo	Lalamilo Septic System Improvements	Design & Construction	500,000	
Hawaii	Hilo	Hilo Community College Model Home	Construction	225,000	225,000
Hawaii	Puukapu	Puukapu Roadway Improvements	Design & Construction	2,000,000	
Maui	Villages of Leialii Ph1B	Subdivision Design (175 Lots)	Design & Construction	2,000,000	4,000,000
Molokai	Hoolehua Agriculture Lots	Naiwa Subdivision Site Improvements	Design & Construction		1,000,000
Lanai	Lanai Residence Lots	Phase 2 Off-site Development	Design	2,000,000	
Maui	Keokea-Waiohuli Development	Phase 2 Site Improvements (76 Lots)	Design & Construction	1,000,000	15,000,000
Kauai	Piilani Mai Ke Kai III	Drainage & Subdivision Improvements (40 Lots)	Design & Construction		4,000,000
Maui	Keokea	Agricultural Off-site Water System	Design & Construction	2,000,000	
Maui	Keokea Farm Lots	Subdivision Improvements to Drainage System	Design & Construction	1,000,000	
Statewide	Statewide	Statewide Lot Rehabilitation	Design & Construction	2,000,000	
Hawaii	Laiohua	Utility and Infrastructure Changes	Housing (Infrastructure)	1,000,000	
Hawaii	Lalamilo Phase 2	Lalamilo Phase 2A	Design & Construction		2,000,000
Kauai	Anahola Farm Lots	New Reservoir & Backup Well	Design & Construction	6,000,000	
Kauai	Hanapepe	Hanapepe Residential Subdivision Phase 2	Planning & Design		1,000,000

Department of Hawaiian Home Lands
Purpose 1: Lot Development
FB 2017 - 2019 Budget Request

ISLAND	AREA or SUBDIVISION	PROJECT COMPONENTS	PHASE	FY 2018	FY 2019
Kauai	Moloaa	Moloaa Farm Lots	Planning & Design		1,000,000
Hawaii	Honokaia	Honokaia Water System	Construction	1,300,000	
Kauai	Wailua Residential Lots	Infrastructure	Planning, Design	2,000,000	
Molokai	Kalamaula & Kapaakea	Aquaculture Development Plan	Planning & Environmental	250,000	
Molokai	Kalamaula	Water & Drainage System Improvements	Design	1,000,000	
Molokai	Hoolehua	Pasture Lot Development (30 Lots)	Design & Construction		1,000,000
Molokai	Hoolehua Agriculture Lots	Scattered Lots Site Improvements	Design & Construction	1,000,000	
Molokai	Kalamaula	Kalamaula Farm Lots Site Improvements (40 Lots)	Design & Construction		1,000,000
Oahu	East Kapolei	Transit Oriented Development	Plans, Design, Construction	2,000,000	
Oahu	Lualualei Reservoir Site	Survey, Environmental Studies and Planning	Planning		250,000
Maui	Keokea-Waiohuli Development	Phase 3 Site Improvements (77 Lots)	Design		1,000,000
Hawaii	Ka'u	Ka'u Farm and Ranch Lots Subdivision Site Improvements	Design		2,000,000
Hawaii	Lalamilo	Lalamilo Phase 1 Kawaihae Rd Impt	Design & Construction	550,000	
Hawaii	Hawaii Island	UXO Mitigation and Construction Support	Plan, Design, Construct	1,000,000	
			Total	\$63,425,000	\$88,975,000
			<u>Biennium Total:</u>		\$152,400,000

Means of Financing: General Obligation Bonds

Department of Hawaiian Home Lands
 Purpose 2: Loans
 FB 2017 - 2019 Budget Request

Purpose	FY 2018	FY 2019
Mortgage Capitalization for Gap Group and Low to Moderate Income Families	28,000,000	37,500,000
Interim Financing (for Turnkey)	38,800,000	32,400,000
ADU Financing (\$100,000 x 50)	5,000,000	
Debt Service - Revenue Bonds	3,200,000	3,200,000
Total	\$75,000,000	\$73,100,000

Department of Hawaiian Home Lands
 Purpose 3: Rehabilitation Projects
 FB 2017-2019 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2018			FY 2019						
				OPERATING	DHHL	CIP	OPERATING	DHHL	CIP				
Hawaii	Kaumana & Piionua	Community Center	Planning										
Hawaii	Panaewa	Farming Work Group		1,000,000							50,000		
Hawaii	Panaewa	Kamoleao Infrastructure & Bldg	Planning and EA			425,000							4,500,000
Hawaii	Keaukaha Panaewa	Farmers Assoc Farmer's market	Expansion								250,000		
Hawaii	Panaewa	Road Infrastructure Improvements	Transp & Circulation			150,000							
Hawaii	Makuu	Community Center	Construction					3,000,000					
Hawaii	Makuu	Off-site water system										1,000,000	
Hawaii	Keaukaha	Community Pavilion						4,500,000					
Hawaii	Kamaoa Puueo	Water Master Plan (\$75,000)*	Planning										
Hawaii	Kamaoa Puueo	Cultural & Natural Resource Land Mgmt		130,000		3,000,000							
Hawaii	Waiohinu	Agriculture Homestead Leases									100,000		
Hawaii	Waimea	WHHCC Ag	Construction					1,200,000					
Hawaii	Waimea	WHHCC Cemetery	Design					225,000					
Hawaii	Waimea	WHHC Operations						200,000					
Hawaii	Waimea	Ag Peer to Peer Program (\$200,000)*											
Hawaii	Puukapu	Hybrid water system (pumps)	Upgrade and certify			100,000							
Hawaii	Puukapu	Security System for Internal Road Networks						8,000					
Hawaii	Puukapu	Firebreak											
Hawaii	Puukapu	Homestead Emergency Access Rd	Planning and EA			134,000					1,200,000		
Hawaii	Kailapa	Comm Resource Ctr/Emerg Shelter											2,000,000
Hawaii	Kailapa	Irrigation Well for Native Plants and Erosion Control											
Hawaii	Kawaihae	Potable Water Feasibility Study (\$125,000)*											1,000,000
Hawaii	Kailapa	Na Kilo Aina Program						20,000					

Department of Hawaiian Home Lands
 Purpose 3: Rehabilitation Projects
 FB 2017-2019 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2018			FY 2019				
				OPERATING	DHHL	CIP	OPERATING	DHHL	CIP		
										GIA	GIA
Hawaii	Kailapa	Community Assn Operations									
Hawaii	Kailapa	Emergency Access Road	Planning and EA			134,000					200,000
Hawaii	Kailapa	Firebreak around the community								1,200,000	
Hawaii	North Kona	Water Development (\$2,000,000)*	Planning and EA								
Hawaii	Laiopua	Laiopua 2020 Operation Funding									480,000
Hawaii	Laiopua	Laiopua 2020 Community Center									4,500,000
Hawaii	Laiopua	Renewable energy initiative								250,000	
Kauai	Anahola	Irrigation System (\$1,000,000)*	Planning & Design								
Kauai	Wailua	Access to surface/ground water				100,000					6,000,000
Kauai	Kekaha	Ag with homestead		10,000							
Kauai	West Kauai	Multi-Purpose, Evacuation & Ed Ctr				250,000					
Kauai		Study drug rehab facilities w/in Community									500,000
Kauai		Educational programs						100,000			
Kauai		Bring assn's together to collaborate (\$100,000)*									
Kauai	Hanapepe	Ag land				250,000					
Kauai	Puu O Pae	Road Improvements				200,000					
Lanai		Interim Use of Undeveloped Land									
Maui	Keokea	Farmers Marketplace	Planning and EA	25,000							550,000
Maui	Keokea	Agricultural Water-Source and Distribution (\$5,500,000)*									
Maui	Paukukalo	Armory Site Development	Planning and EA								350,000
Maui	Paukukalo	Pihana Heiau Restoration	Planning and EA								100,000
Maui	Waiehu Kou	Community Center & Bus Stop									500,000
Maui	Waiehu Kou	Landscaping Maintenance Contract		150,000							150,000

Department of Hawaiian Home Lands
 Purpose 3: Rehabilitation Projects
 FB 2017-2019 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2018			FY 2019		
				DHHL OPERATING	DHHL CIP	GIA	DHHL OPERATING	DHHL CIP	GIA
Maui	Waiehu Kou	Community Garden - Water Development			30,000			1,500,000	
Maui	Waiehu Kou	Drainage Basins - siltation clean up (\$3,500,000)*							
Maui	Kahikinui	Composting toilet	Planning /Design/ Materials		600,000				
Maui	Kahikinui	Community Center/Pavilion			1,000,000			1,000,000	
Maui	Kahikinui	Road Construction and Repair			2,000,000			2,000,000	
Maui	Kahikinui	Lot Development & Road Repair	Equipment		75,000				
Maui	Kahikinui	Road Repair	Equipment		165,000			10,000,000	
Maui	Kahikinui	Fencing and Rebar			150,000			150,000	
Maui	Kahikinui	Fog Catchment System	Planning /Design /Materials		750,000			TBD	
Maui	Kahikinui	Water Storage (water tanks)			150,000			TBD	
Maui	Leialii	Community Center/Kitchen	Planning & Design		100,000			100,000	
Maui	Honokowai	Ag Homestead	Planning & Design		400,000			1,000,000	
Maui	Pulehunui	Community-Based Economic Dev		100,000					
Molokai		Ed workshop on Alternative Energy		10,000					
Molokai	Malama Park	Land Use Designation & Master Plan			50,000				
Molokai	Kiowea Park	Complete Pavilion Project					1,300,000		
Molokai	Lanikeha Center	Alternative Energy Retrofit and Smart Grid			5,000,000				
Molokai	Hoolehua	Multi-Purpose Youth Center						250,000	
Molokai	Lanikeha Center	Playground						250,000	
Molokai		Voter Ed for Youth: "Rise to Vote"		10,000					

Department of Hawaiian Home Lands
 Purpose 3: Rehabilitation Projects
 FB 2017-2019 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2018			FY 2019			
				OPERATING	DHHL	GIA	OPERATING	DHHL	GIA	
Molokai	Kalamaula Mauka	Passive Park								
Molokai		Transition Cespools to Septic Systems			TBD					
Molokai		Conduct ed workshops on water		20,000						
Oahu	Papakolea	Address Abandoned Homes		115,000						
Oahu	Papakolea	Community Center & Park Improvements				2,500,000				
Oahu	Nanakuli	Tourism ed & boater safety		TBD						
Oahu	Princess Kahanu	Removal of bus route in neighborhood		TBD						
Oahu	Princess Kahanu	Expansion of community center								TBD
Oahu	Waianae Kai	Community Development								
Oahu	Waianae Valley	Courbarium with large area for cultural uses			250,000					TBD
Oahu	Leeward Coast	Utilize ocean resources		50,000						
Oahu	Kapolei	Kapolei Heritage Center Phase II				3,000,000				
Oahu	Kanehili	Park Development & Fencing of self help homes			2,500,000					
Oahu	Kanehili	Community Signage & Traffic Safety on Kinoiki St.			TBD					
Oahu	Kaupea	9 acre park parcel							TBD	
Oahu	Kaupea	Perimeter wall at Kamaaha/Kapolei Pkwy (\$500,000)*								
Oahu	Kaupea	Kupunaloio programs								
Oahu	Kapolei	Safety/Drug coalition with NSW		50,000						
Oahu	Kapolei	Maintenance/Repair for dedication of roads (\$125,000)*								
Oahu	Kapolei	Place of worship & place of rest/cemetery								250,000

Department of Hawaiian Home Lands
 Purpose 3: Rehabilitation Projects
 FB 2017-2019 Budget Request

ISLAND	AREA	PROJECT COMPONENTS	PHASE	FY 2018			FY 2019		
				DHL		GIA	DHL		GIA
				OPERATING	CIP		OPERATING	CIP	
Oahu	Waimanalo	Emergency Evacuation and Street Extension	500,000	13,500,000					
Oahu	Waimanalo	Vacant homes for homeless or kupuna	75,000						
Statewi		Housing Program Plan	500,000						
* Projects are funded in other budgets									
			Puwalu: Subtotal	\$2,765,000	\$32,121,000	\$23,105,000	\$365,000	\$29,050,000	\$5,600,000
		Homeowner Affordability Initiative	5,000,000				5,000,000		
		Lease Cancellation Prevention/Financial Literacy	5,000,000				5,000,000		
		Native Hawaiian Development Program Plan	2,744,100				2,744,100		
Total			\$15,509,100	\$32,121,000	\$23,105,000	\$13,109,100	\$29,050,000	\$5,600,000	
			(A)	(C)		(A)	(C)		
Means of Financing: (A) General Funds									
(C) General Obligation Bonds									